

UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE		PROOF OF CLAIM	
Indicate Debtor against which you assert a claim by checking the appropriate box. (Check only one Debtor per claim form.) <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input checked="" type="checkbox"/> Conexant Systems, Inc. (Case No. 13-10367)  <input type="checkbox"/> Conexant CF, LLC (Case No. 13-10368)               </div> <div> <input type="checkbox"/> Brooktree Broadband Holdings, Inc. (Case No. 13-10369)  <input type="checkbox"/> Conexant, Inc. (Case No. 13-10370)  <input type="checkbox"/> Conexant Systems Worldwide, Inc. (Case No. 13-10371)               </div> </div>			
NOTE: Other than claims under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for Administrative Expenses arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503(a).			
Name of Creditor (the person or other entity to whom the debtor owes money or property): <b>Comerica Bank</b>			
Name and address where notices should be sent: <div style="margin-top: 5px;">             BUCHANAN INGERSOLL &amp; ROONEY PC              PETER J. DUHIG, ESQUIRE              1105 NORTH MARKET STREET, SUITE 1900              WILMINGTON, DE 19801           </div>		<div style="font-size: 1.2em; font-weight: bold;">RECEIVED</div> <div style="font-size: 1.5em; font-weight: bold;">MAY 15 2013</div> <div style="font-size: 1.2em; font-weight: bold;">BMC GROUP</div>	
Creditor Telephone Number (302) 552-4249      email: peter.duhig@bipc.com		If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again. <b>THIS SPACE IS FOR COURT USE ONLY</b>	
Name and address where payment should be sent (if different from above): Melanie Dovano First Vice President, Special Assets Group Comerica Bank 333 W. Santa Clara St., 12th Floor, San Jose, CA 95113		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.  <input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number (if known): _____ Filed on: _____	
Payment Telephone Number (408) 528-9103      email: mdovano@comerica.com			
<b>1. AMOUNT OF CLAIM AS OF DATE CASE FILED</b> \$ <u>4,173,584.08</u> If all or part of your claim is secured, complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input checked="" type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.			
<b>2. BASIS FOR CLAIM:</b> <u>See attached</u> (See instruction #2)			
<b>3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:</b> _____		<b>3a. Debtor may have scheduled account as:</b> _____ (See instruction #3a)	
		<b>3b. Uniform Claim Identifier (optional):</b> _____ (See instruction #3b)	
<b>4. SECURED CLAIM:</b> (See instruction #4) Check the appropriate box if your claim is secured by a lien on property or a right of set off, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: Describe: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>See attached</u> Value of Property: \$ <u>4,173,584.08</u> Annual Interest Rate: <u>1</u> % <input checked="" type="checkbox"/> Fixed    or <input type="checkbox"/> Variable (when case was filed) <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>             Amount of arrearage and other charges, as of time case filed, included in secured claim, if any:      \$ <u>See attached</u>              Basis for Perfection:      <u>See attached</u>              Amount of Secured Claim: \$ <u>4,173,584.08</u>              Amount Unsecured: \$ <u>Unliquidated</u> </div> </div>			
<b>5. Amount of Claim Entitled to Administrative Expense status under 11 U.S.C. § 503(b)(9) or Priority under 11 U.S.C. § 507(a).</b> If any part of the claim falls into one of the following categories, check the box specifying the administrative expense or priority and state the amount. <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">             Amount entitled to priority: \$ _____  <b>You MUST specify the priority of the claim:</b>  <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).  <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).  <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).           </div> <div style="width: 45%;">             Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9): \$ _____  <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).  <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).  <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (    ).  <input type="checkbox"/> Value of goods received by the debtor within 20 days before the date of the bankruptcy filing - 11 U.S.C. § 503(b)(9).           </div> </div> <p style="font-size: 0.8em; margin-top: 10px;">* Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</p>			
<b>6. CREDITS:</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)			

Conexant Systems  
  
 00089

**7. DOCUMENTS:** Attached are redacted copies of documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7, and definition of "redacted").

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

**DATE-STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is actually received on or before 4:00 pm, prevailing Eastern Time on May 17, 2013 for Non-Governmental Claimants OR on or before August 27, 2013 for Governmental Units.

BY MAIL TO:  
BMC Group, Inc.  
Attn: Conexant Systems, Inc. Claims Processing  
PO Box 3020  
Chanhassen, MN 55317-3020

BY MESSENGER OR OVERNIGHT DELIVERY TO:  
BMC Group, Inc.  
Attn: Conexant Systems, Inc. Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317

**8. SIGNATURE:** (See instruction #8)

Check the appropriate box.

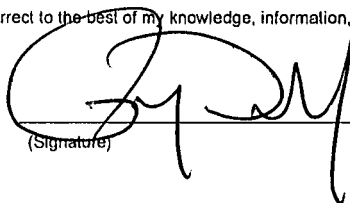
☐ I am the creditor.      ☒ I am the creditor's authorized agent.      ☐ I am the trustee, or the debtor, or their authorized agent.      ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)  
(See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Peter J. Duhig  
Title: Counsel  
Company: Buchanan Ingersoll & Rooney P.C.

Address and telephone number (if different from notice address above):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

  
(Signature)

5 14 13  
(Date)

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

## INSTRUCTIONS FOR PROOF OF CLAIM FORM

*The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.*

### ITEMS TO BE COMPLETED IN PROOF OF CLAIM FORM (IF NOT ALREADY PROPERLY FILLED IN)

#### **Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, District of Delaware), the bankruptcy debtor's full name, and the case number. If you received a notice of the case from the Claims Agent, BMC Group, some or all of this information may have been already completed.

#### **Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

#### **1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

#### **2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

#### **3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:**

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

#### **3a. Debtor May Have Scheduled Account As:**

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

#### **3b. Uniform Claim Identifier:**

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

#### **4. Secured Claim:**

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions) If the claim is secured, check the box for the nature and value of property that secures the claim,

attach copies of lien documentation and state, as of the date of the bankruptcy filing the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

#### **5. Amount of Claim Entitled to Administrative Expense Under 11 U.S.C. § 503(b)(9) or Priority Under 11 U.S.C. § 507(a):**

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See Definitions) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

#### **6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

#### **7. Documents:**

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

#### **8. Date and Signature:**

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

### DEFINITIONS

#### **DEBTOR**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

#### **CREDITOR**

A creditor is a person, corporation, or other entity to whom the debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101(10).

#### **CLAIM**

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101(5). A claim may be secured or unsecured.

#### **PROOF OF CLAIM**

A proof of claim is a form sued by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. This form must be filed with the court-appointed Claims Agent, BMC Group, at the address listed on the reverse side of the first page.

#### **SECURED CLAIM Under 11 U.S.C. §506(a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court

judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

#### **UNSECURED CLAIM**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

#### **CLAIM ENTITLED TO PRIORITY Under 11 U.S.C. §507(a)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

#### **REDACTED**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

#### **EVIDENCE OF PERFECTION**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

### INFORMATION

#### **OFFERS TO PURCHASE A CLAIM**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(c), any applicable provisions of the Bankruptcy Code (11 U.S.C. §101 *et seq.*), and any applicable orders of the bankruptcy court.

#### **Date-Stamped Copy**

Return claim form and attachments, if any. If you wish to receive an acknowledgement of your claim, please enclose a self-addressed stamped envelope and a second copy of the proof of claim form with any attachments to the Claims Agent, BMC Group, at the address on the second page of this form.

*Please read – Important Information: upon completion of this claim form, you are certifying that the statements herein are true.*

Be sure all items are answered on the claim form. If not applicable, insert "Not Applicable."

**ONCE YOUR CLAIM IS FILED YOU CAN OBTAIN OR VERIFY YOUR CLAIM NUMBER BY VISITING [www.bmcgroup.com/Conxant](http://www.bmcgroup.com/Conxant)**

## **ADDENDUM TO PROOF OF CLAIM OF COMERICA BANK**

Comerica Bank, a Texas banking association ("Comerica") files the attached proof of claim (the "Proof of Claim") and this Addendum to Proof of Claim of Comerica Bank (the "Addendum") against Conexant Systems, Inc. *et al.* and in support of thereof, respectfully represents as follows:

1. This Addendum is an addendum to, and shall be deemed to be a part of and incorporated by reference in, the Proof of Claim.

2. On February 28, 2013 (the "Petition Date"), the above-captioned debtors and debtors in possession (the "Debtors") filed their respective voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Court").

3. Prior to the Petition Date, Comerica and the Debtor entered into several Agreements (as defined below and attached as exhibits hereto) pursuant to which Comerica issued five (5) Letters of Credit on behalf of the Debtor to five (5) Beneficiaries (as defined below).

4. To secure its obligation to reimburse Comerica for draws under the Letters of Credit, the Debtor granted Comerica a first priority security interest in that certain Business Money Market Account No. 1851-480234 held at Comerica (the "Account"). Comerica maintains the Account. Comerica perfected its security interest by possession.

5. As of the Petition Date, the Account had a balance of \$4,173,584.08 (the "Cash Collateral"). As of the Petition Date, the aggregate undrawn face amount of the Letters of Credit equaled \$4,145,083.75.

6. Upon a proper draw request by any of the Beneficiaries, Comerica is obligated to pay to the Beneficiary the face amount as stated in the Letter of Credit. The Debtor



owes interest from the date of the draw to the date Comerica is reimbursed from the Cash Collateral at the Bank's prime rate (currently 3.25%) plus an additional three percent (3%). The balance on the Account earns interest at a rate of 0.10%.

7. In addition to the reimbursement obligations owed to Comerica in connection with funds drawn by the Beneficiaries, the Debtor is required to pay Comerica interest, fees, costs and expenses, including reasonable attorneys' fees incurred in connection with the facility. Legal fees continue to accrue.

8. On April 11, 2013, the Court entered the Consent Order Granting Motion of Comerica Bank for Relief From Stay [D.I. 166] (the "Stay Relief Order"). Pursuant to the Stay Relief Order, Comerica obtained relief from the automatic stay to (i) reimburse itself from funds in the Account with respect to any draws on letters of credit nos. 615453, 635577, 644789, 595628 and 650154; and (ii) pay or reimburse itself, from funds in the Account, any fees and expenses that Comerica is entitled to from the Debtors under the Agreements, including interest and legal fees and expenses.

9. On April 19, 2013, the Court entered the Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(c), 363(e), 364 and 507 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing the Debtors to Obtain Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code, (II) Authorizing Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code, (III) Granting Liens and Super-Priority Claims and (IV) Granting Adequate Protection to the Prepetition Secured Parties [D.I. 203] (the "Final DIP Order"). Pursuant to the Final DIP Order, the Comerica's first priority lien on the Cash Collateral in the Account is preserved.

10. Since the Petition Date, certain of the Beneficiaries have made draws under their respective Letters of Credit. As of the date of this Proof of Claim, the Beneficiaries

have made draws upon the Letters of Credit in the amount of \$1,121,135.49. Comerica anticipates that the Beneficiaries will make further draws.

11. After each draw by a Beneficiary, Comerica reimbursed itself the amount of the draw, plus interest, fees and expenses from the Account. As of the date of this Proof of Claim, the balance of the Account is \$3,039,381.49.

14. Comerica preserves the right to amend or supplement its Proof of Claim, and/or file additional proofs of claim for additional claims or interests at any time, either before or after any date established by the Court.

16. Comerica fully preserves all of its rights to setoff, recoupment, and all similar such rights, and nothing herein shall be construed as a waiver thereof.

17. Nothing contained in this Proof of Claim shall be construed as limiting the rights, remedies and interests of Comerica.

18. All notices and communications concerning this Proof of Claim should be sent to (a) Comerica Bank, 333 W. Santa Clara St., 12th Floor, San Jose, CA 95113, ATTN: Melanie Dovano, First Vice President, Special Assets Group and (b) Buchanan Ingersoll & Rooney PC, 1105 North Market Street, Suite 1900, Wilmington, DE 19801, ATTN: Peter J. Duhig, Esq.

19. The filing of this Proof of Claim is not: (i) a waiver or release of the rights of against any person, entity or property; (ii) a consent by Comerica to the jurisdiction of this Court with respect to the subject matter of this claim, any objection or other proceeding commenced in this case against or otherwise involving Comerica; (iii) a waiver of the right to move to withdraw the reference, or otherwise to challenge the jurisdiction of this Court, with respect to the subject matter of this claim, any objection or other proceeding commenced with respect thereto or any other proceeding commenced in this case against or otherwise Comerica,



or to assert that the reference has already been withdrawn with respect to the subject matter of this claim, any objection or other proceeding commenced with respect thereto or any other proceeding commenced in this case against or otherwise involving Comerica; (iv) an election of remedy; or (v) a waiver of any past, present or future defaults or events of default. Comerica specifically preserves all of its procedural and substantive defenses and rights with respect to any claim that may be asserted against it by the Debtors or by any trustee for the Debtors' estates.

20. Supporting Documents:

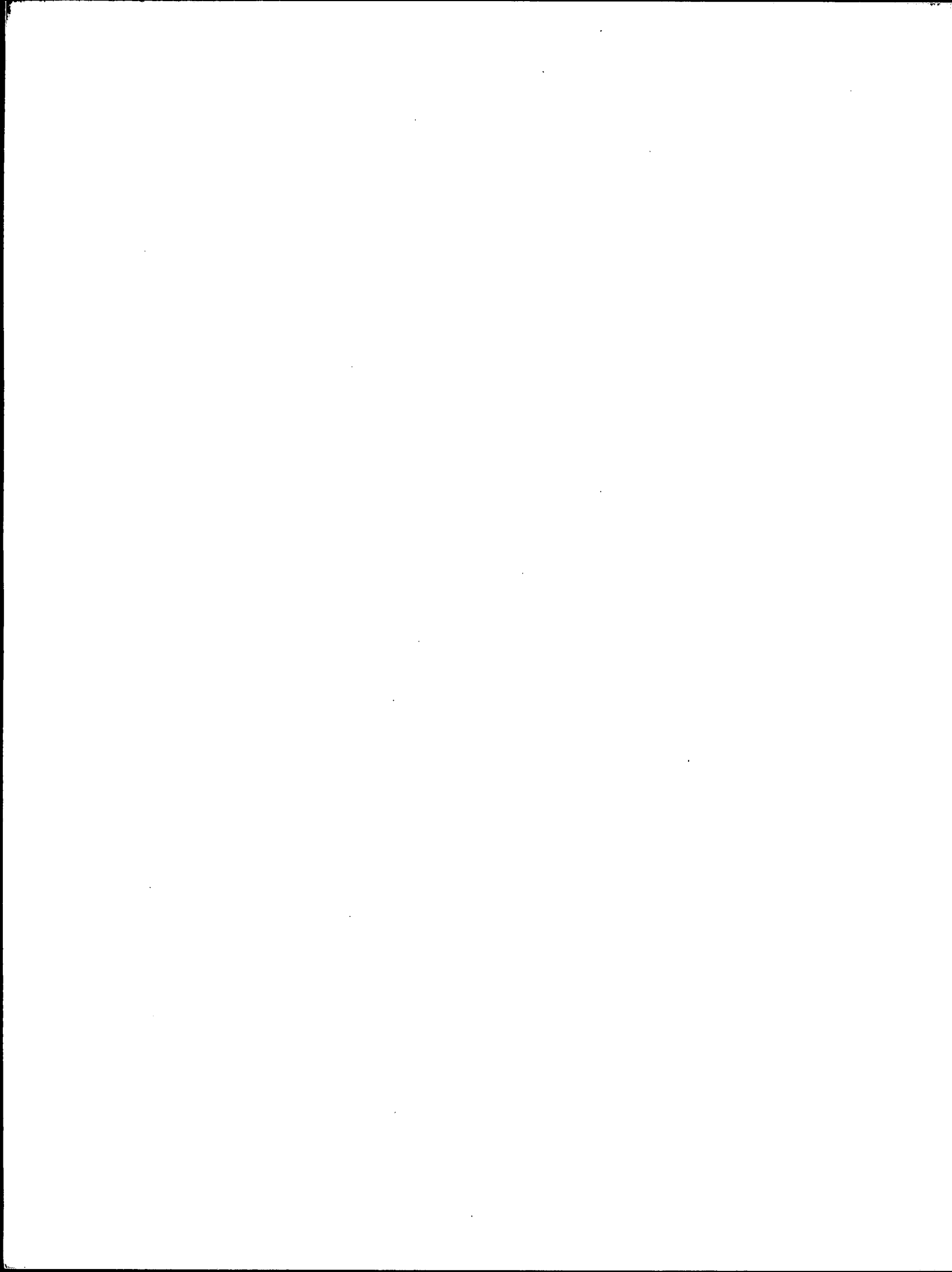
a. A true and correct copy of the Standby Letter of Credit Application and Agreement dated December 5, 2005, executed by debtor Conexant Systems, Inc. (the "Debtor") with respect to letter of credit No. 615453, in the amount of \$3,000,000.00 for the benefit of NAEH Scranton Road, LLC c/o GBAM, Inc. (the "Scranton Road Agreement") is attached hereto as **Exhibit A**.

b. A true and correct copy of the Security Agreement dated December 5, 2005 executed by the Debtor in favor of Comerica (the "Scranton Road Security Agreement") is attached hereto as **Exhibit B**.

c. True and correct copies of the Scranton Road Letter of Credit, No. 615453, in the amount of \$3,000,000.00 and amendment are attached hereto as **Exhibit C**.

d. A true and correct copy of the Standby Letter of Credit Application and Agreement dated April 30, 2008, executed by the Debtor with respect to letter of credit No. 635577, in the original amount of \$1,563,188.00, for the benefit of Self Insurance Plans State of California (the "Self Insurance Plan Agreement") is attached hereto as **Exhibit D**.

e. A true and correct copy of the Security Agreement dated May 1, 2008 executed by the Debtor in favor of Comerica (the "Self Insurance Plan Security Agreement") is attached hereto as **Exhibit E**.



f. True and correct copies of the Self Insurance Plan Letter of Credit, No. 635577, in the amount of \$953,450.00 and amendments are attached hereto as **Exhibit F**.

g. A true and correct copy of the Standby Letter of Credit Application and Agreement and Pledge Agreement dated January 14, 2010, executed by the Debtor with respect to letter of credit No. 644789 in the original amount of \$169,173.00 for the benefit of San Diego Gas & Electric Company (the "San Diego Gas & Electric Agreement") is attached hereto as **Exhibit G**.

h. True and correct copies of the San Diego Gas & Electric Letter of Credit, No. 644789, in the amount of \$110,000.00 and amendments are attached hereto as **Exhibit H**.

i. A true and correct copy of the Standby Letter of Credit Application and Agreement dated September 24, 2004, executed by the Debtor with respect to letter of credit No. 595628 in the original amount of \$53,970.00, for the benefit of Southern California Edison Company (the "SoCal Edison Agreement") is attached hereto as **Exhibit I**.

j. A true and correct copy of the SoCal Edison Security Agreement dated September 27, 2004 executed by the Debtor in favor of Comerica is attached hereto as **Exhibit J**.

k. True and correct copies of the SoCal Edison Letter of Credit, No. 595628, in the amount of \$35,715.00 and amendments are attached hereto as **Exhibit K**.

l. A true and correct copy of the Standby Letter of Credit Application and Agreement and Pledge Agreement dated January 27, 2011, executed by the Debtor regarding letter of credit No. 650154 in the amount of \$45,918.75 for the benefit of Stony Brook

Associates c/o Boston Properties LP<sup>1</sup> (the "Stony Brook Agreement<sup>2</sup>") is attached hereto as **Exhibit L**.

m. A true and correct copy of the Stony Brook Letter of Credit, No. 650154, in the amount of \$45,918.75 is attached hereto as **Exhibit M**.

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<sup>1</sup> NAEH Scranton Road, LLC c/o GBAM, Inc., Self Insurance Plans State of California, San Diego Gas & Electric Company, Southern California Edison Company and the Stony Brook Associates c/o Boston Properties LP are collectively referred to as the "Beneficiaries" and individually, as a "Beneficiary."

<sup>2</sup> The Scranton Road Agreement, the Scranton Road Security Agreement, the Self Insurance Plan Agreement, the Self Insurance Plan Security Agreement, the San Diego Gas & Electric Agreement, the SoCal Edison Agreement, the SoCal Edison Security Agreement and the Stony Brook Agreement are collectively referred to herein as the "Agreements".

# **EXHIBIT A**



**Comerica**

**Standby Letter of Credit Application and Agreement**

NO.--DO  
NOT FILL IN

DATE: December 5, 2005

615453

ORIGINAL

TO:

International Trade Services Department  
Comerica Bank

2321 Rosecrans Avenue 5th floor  
El Segundo, CA 90245  
Attn: Rudy Forbes

The undersigned hereby requests Comerica Bank, to issue an Irrevocable Standby Letter of Credit and either; Notify through Comerica Bank's correspondent by; a) ☒ Forward directly to Beneficiary by ☐ mail ☒ courier; b) ☐ Return to us for mailing to beneficiary by ☐ mail ☐ courier; c) ☐ Swift/telex; d) ☐ Send to Third Party:                      by ☐ mail ☐ courier; as follows: (INDICATE NAME)

In favor of  
(Beneficiary): NAEH SCRANTON ROAD, LLC  
c/o GBAM, INC.  
1818 Market Street, Suite 2620  
Philadelphia, PA 19103-3600

(COMPLETE STREET ADDRESS - NO P.O. BOX)

For account of  
(Applicant): CONEXANT SYSTEMS, INC.  
4000 MacArthur Blvd.  
Newport Beach, CA 92660

Amount: USD\$3,000,000.00 (Three Million and 00/100's USDOLLARS)

Expiration  
Date: July 20, 2017 (final)

Partial ☒ are ☐ are not  
Drawings permitted permitted

Available by drafts at sight drawn on Comerica Bank or their correspondent at their option when accompanied by the following documents (if any):

L/C NAEH SCRANTON ROAD \$3M

- 1 -

SEE ATTACHED EXHIBIT A

#### TERMS AND CONDITIONS

In these provisions:

- (1) The "Applicant" means the undersigned party or parties identified and signing as such.
- (2) "Application" means this application and agreement by the Applicant for an irrevocable standby letter of credit from the Bank, as such application may be amended or modified from time to time in accordance with the provisions hereof or with the written agreement or consent of the Applicant.
- (3) The "Bank" means Comerica Bank
- (4) The "Credit" means the irrevocable standby letter of credit issued by the Bank at its option pursuant to this Application, as such letter of credit may be modified or amended as provided herein.
- (5) An "instrument" means any draft, receipt or cable or written demand for payment relating to the Credit.
- (6) "Uniform Customs And Practice" means the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, and any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Bank.

In consideration of the issuance by the Bank of the Credit, the Applicant hereby agrees with the Bank as follows:

1. The Applicant will reimburse the Bank at its principal office, in cash, the amount required to pay each instrument, such reimbursement to be made on demand in the case of each sight draft or receipt, with interest from the date of payment of the instrument to the date of reimbursement. Upon the occurrence of any event of default described in paragraph 11 below, Applicant will pay the Bank a sum equal to the Bank's outstanding liability under the Credit.
2. The Applicant will pay the Bank, annually in advance, a non-refundable commission of .375 % per annum of the face amount of the letters of credit outstanding from time to time, together with such other reasonable fees and expenses of the Bank (including but not limited to overnight delivery fees) in connection with the Credit according to the Bank's standard practice, as in effect from time to time, and interest on the amount paid by the Bank and not reimbursed as provided in paragraph 1 hereof, including all charges and expenses paid or incurred by the Bank in connection therewith, at the rate of three (3%) percent above the Bank's prime rate; and effect shall be given to any change in the interest rate resulting from a change in the prime rate on the date of such change in the prime rate. The "prime rate" shall mean the rate of interest established by the Bank from time to time as its prime rate, which may not necessarily be the lowest interest rate charged by the Bank to its borrowers. The Bank is authorized to charge Applicant's deposit account for all required payments.
3. If any law or regulation or the interpretation or implementation thereof by any court or administrative or governmental authority charged with the administration thereof shall either: (a) impose, modify or deem applicable any reserve, special deposit, limitation or similar requirement against letters of credit issued by, or assets held by, or

deposits in or for the account of, the Bank, or (b) impose on the Bank any insurance premium or other condition regarding this Application or the Credit, and the result of any event referred to in clause (a) or (b) above shall be to increase the cost of issuing or maintaining the Credit over that which the Bank assumed in determining its fees, then, upon demand by the Bank, the Applicant shall immediately pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for such increased cost, together with interest on each such amount from the date demanded until payment in full thereof at the rate and on the terms set forth in paragraph 2 above. A certificate as to such increased cost incurred by the Bank as a result of any event mentioned in clause (a) or (b) above, submitted by the Bank to Applicant, shall be conclusive, absent manifest error, as to the amount thereof.

4. The Applicant agrees to indemnify and hold the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which the Bank may incur (or which may be claimed against the Bank by any person) by reason of, or in connection with, the execution and delivery or transfer of, or payment or failure to pay under, the Credit, or by reason of, or in connection with, any other matters arising under this Application, or any of the transactions contemplated hereby; provided, however, the Applicant shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful and wrongful misconduct or gross negligence of the Bank.
5. The Applicant assumes all risks of the acts or omissions of any beneficiary or transferee of the Credit with respect to its use of the Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Credit or for any acts or omissions of any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereof, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank made against presentation of documents which substantially comply with the terms of the Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. The Bank shall not be responsible for any act, error, neglect or default, omission, insolvency or failure in business of any of its correspondents. The occurrence of any one or more of the contingencies referred to in the preceding clauses of this paragraph shall not affect, impair or prevent the vesting of any of the Bank's rights or powers hereunder or the Applicant's obligation to make reimbursement. The Applicant will promptly examine (i) the copy of the Credit (and any amendments thereof) sent to it by the Bank and (ii) all documents and instruments delivered to it from time to time by the Bank, and, in the event of any claim of noncompliance with Applicant's instructions or other irregularity, will immediately notify the Bank thereof in writing, the Applicant being conclusively deemed to have waived any such claim against the Bank and its correspondents unless such notice is given as aforesaid.
6. The Applicant will pay on demand all reasonable costs and expenses (including without limitation, reasonable attorneys' fees and legal expenses) incurred by the Bank in connection with the enforcement of this Application and such other documents which may be delivered in connection with this Application or any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Credit.
7. Except insofar as instructions may be given by the Applicant in writing or by a Request (as defined in paragraph 9 below) expressly to the contrary with regard to, and prior to, the Bank's issuance of the Credit, the Bank may, but shall not be required to, honor, as complying with the terms of the Credit and the Application, any instruments or other documents otherwise in order signed or issued by any administrator, executor, trustee in bankruptcy, debtor in

possession, assignee for the benefit of creditors, liquidator, receiver or other legal representative of the party authorized under the Credit to draw or issue such instruments or other documents.

8. These Terms and Conditions and the Credit shall be subject to the Uniform Customs and Practice (a copy of which is available upon request) and, in the event any provision of the Uniform Customs and Practice is or is construed to vary from or be in conflict with any provision of the Michigan Uniform Commercial Code, as from time to time amended and enforced (the "Commercial Code"), the Uniform Customs and Practice shall prevail.
9. The Applicant authorizes the Bank to honor the Applicant's orders to issue, amend or pay the Credit for the Applicant's account and risk upon a request communicated to the Bank by telephone, telegram, telex, computer, facsimile transmission, or other electronic means (a "Request") subject to the following: (a) a Request shall be made only by those persons authorized by the Applicant in accordance with the Bank's established requirements and the Bank shall not be obligated to identify such persons so authorized beyond the use of the authorized name or code identification if any is established, (b) all Requests will be confirmed by the Bank in writing by sending to the Applicant a copy of the documents authorized or requested by the Applicant and the Applicant agrees promptly to examine such documents and to report any discrepancies promptly upon receipt of such confirmation, (c) if frequent Requests are to be made, the Bank may, but shall not be obligated to, assign a unique code number or word and require that such code be used by the Applicant (and if such a code number or word is established, all further Requests shall refer to such code), (d) the Bank shall not be liable for any loss that the Applicant may incur as a result of the Bank's compliance with a Request in accordance with this Application even if unauthorized, provided that the Bank acted in good faith, and the Applicant indemnifies the Bank and holds the Bank harmless for any such losses, (e) the Bank will not be liable for any delays in honoring any Request, nor for any delays caused by others to whom the Bank may transmit such Request either at the Applicant's direction or otherwise and the Bank will not be required to honor Requests on the day on which Requests are received unless the Bank has agreed to do so and the Applicant has caused such Request to be received before the time the Bank has specified to honor such Request, (f) the Bank shall not be obligated to honor any Requests provided that the Bank has notified the Applicant by telephonic or other prompt means, (g) all Requests shall be subject to the terms of this Application and any other written, electronic, or oral agreement entered into with the Bank by the Applicant in connection with any transaction relating to such Request. Bank may record any Request made by telephone and any other telephonic communications between the Applicant and the Bank regarding the Credit.
10. To induce Bank issue the Letter of Credit and to secure its obligations hereunder, Applicant has pledged its interest in its money market account no. # 1851-480234 held at Bank pursuant to a Security Agreement (Negotiable Collateral) dated as of even date herewith.

All other funds, property and account balances of the Applicant with or in the Bank's possession or any of the Bank's agents or correspondents at any time, whether before or after any default, shall secure the obligations of the Applicant hereunder and the Applicant hereby grants the Bank a security interest in the same for the purpose of securing such obligations.

In the event of default by Applicant hereunder, the Bank shall have all remedies available to the Bank under the Commercial Code.

11. Upon the death of any Applicant; or if any of the obligations and/or liabilities of the Applicant to the Bank shall not be paid or performed when due; or if there is a breach in any warranty or representation herein; or if the Applicant shall become insolvent (however such insolvency may be evidenced) or commit any act of bankruptcy or insolvency, or make a general assignment for the benefit of creditors; or if the Applicant shall suspend the transaction of its usual

business or be expelled or suspended from any exchange; or if an application is made by any judgment creditor of the Applicant for an order directing the Bank to pay money or deliver other property (and the Applicant is unable to have such order set aside within 45 days of notice thereof); or if a petition in bankruptcy shall be filed by or against the Applicant or a petition or any proceeding shall be filed or instituted by or against the Applicant for any relief under any bankruptcy or insolvency laws or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, composition or extension; or if any governmental authority, or any court at the instance of any governmental authority, shall take possession of any substantial part of the property of the Applicant, or shall assume control over the affairs or operations of the Applicant, or if a receiver shall be appointed of, or a writ of order of attachment or garnishment shall be issued or made against, any of the property or assets of the Applicant (and the Applicant is unable to have such order or attachment set aside within 45 days of the entry thereof); or if the Bank shall in good faith deem itself insecure at any time; thereupon, unless the Bank shall otherwise elect, any and all obligations and liabilities of the Applicant to the Bank hereunder, whether now existing or hereafter incurred, shall become and be due and payable forthwith without presentation, demand or notice, all of such are waived, and the Bank is hereby authorized to sell immediately, without demand for payment, advertisement or notice to the Applicant, all of which are hereby expressly waived, at private sale or at public auction, any property shipped or to be shipped under the credit in which the Applicant may have any interest, applying the proceeds, less the reasonable costs and expenses of such sale and any other reasonable expenses paid or incurred in respect of said property, in and towards any indebtedness of the Applicant to the Bank, paying the surplus to the Applicant or the Applicant's legal representative.

12. The Applicant submits, in any legal proceeding related to the Application or the Credit, to the nonexclusive jurisdiction over the person of the Applicant of any court of competent jurisdiction sitting in the State of Michigan and agrees to a suit being brought in any such court; waives any objection that it may now have or hereafter have to the venue of such proceeding in any such court or that such proceeding was brought in an inconvenient court; agrees that service of process and any such legal proceeding may be made, and shall be conclusively deemed sufficient and adequate, by mailing of copies thereof (by registered or certified mail, if practicable) postage prepaid, or by teletransmission to the Applicant at its address set forth therein or such other address of which the Bank shall be notified in writing, in which event, service shall be deemed complete upon the filing with the court of a copy of the process mailed or sent and an affidavit attesting the mailing or sending. The Applicant agrees that nothing herein shall affect the Bank's right to effect service of process in any other manner permitted by law.
13. The Bank shall not be deemed to have waived any of its rights hereunder, unless the Bank or its authorized agents shall have signed such waiver in writing. No such waiver unless expressly as stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver.
14. If the Applicant has submitted this Application to its bank ("Applicant's Bank") and requested that Applicant's Bank (as Applicant's agent) establish the Credit through the Bank as the affiliate or correspondent of Applicant's Bank, then the following provisions shall apply: (a) the term "Bank" shall mean the Applicant's Bank and the Bank, both collectively and individually so that either Applicant's Bank or Bank may exercise all the rights, privileges and powers conferred upon the Bank under this Application; (b) any collateral given as security for the Applicant's obligations under this Application and any deposit balances with Applicant's Bank shall stand as security for the Credit and for any of Applicant's Bank's obligations entered into on behalf of the Applicant for the issuance of the Credit.
15. If the Credit was directed through Applicant's Bank, then Applicant's Bank, by its execution of this Application: (a) requests and appoints the Bank as its agent to establish in the Bank's name or through a correspondent the Credit; (b)

authorizes the Bank and/or its correspondent(s) to pay drafts drawn against the Credit as specified in this Application and to exercise all rights, powers and privileges conferred by this Application without reference to Applicant's Bank; (c) agrees to make payments to the Bank in amount, time and manner as required of the Applicant under this Application whether or not Applicant's Bank has received payment from the Applicant; (d) assigns to the Bank as security all its rights, including rights of payment and to security, under this Application and agrees to deliver to the Bank, upon demand, such additional security as the Bank may request, and also agrees to give the Bank a lien on all its property, including deposit balances now or hereafter in the Bank's possession for the amount of any liability of Applicant's Bank to the Bank hereunder; and (e) agrees that if it fails to make any payment or provide any security as requested, all its obligations and liabilities to the Bank shall immediately, without notice, become due and payable at the Bank's option.

16. The obligations hereof shall bind the successors and assigns of the Applicant, and all rights, benefits and privileges conferred on the Bank shall be and are extended to and conferred upon and may be enforced by its successors and assigns. If the Applicant is a partnership, the obligations hereof shall continue in force and apply, notwithstanding any change in the membership of such partnership, whether arising from the death or retirement of one or more partners or the accession of one or more new partners. If this Application is signed by two or more Applicants, it shall be the joint and several agreement of each Applicant.
17. Except as otherwise provided herein, any notice from the Bank to the Applicant, if mailed, shall be deemed given when mailed, postage paid, addressed to the Applicant at its address set forth herein or such other address of which the Bank shall be notified in writing. Whenever possible each provision of this Application shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Application shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Application.
18. Subject to the provisions of paragraph 8 above, this Application and all rights, obligations and liabilities arising hereunder shall be both governed by, and construed in accordance with, the law of the State of Michigan.
19. This Agreement and any Requests constitute the entire agreement of the parties with respect to the subject matter hereof, and except as provided in paragraph 9, this Application may not be amended except in writing signed by both parties.

—  
In consideration of your issuing the Credit, as requested in this application, the Applicant agrees to all terms and conditions of the Agreement set forth above, including but not limited to the payment obligations therein set forth. The Applicant is referred to as the "Applicant" in such terms and conditions.

APPLICANT:

CONEXANT SYSTEMS, INC.

  
Authorized Signature, Title Kerry K. Petry  
Vice President and Treasurer

Marie Hickman 949-483-5050

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Contact Name

**\*\*\*PROFORMA WORDING\*\*\*FOR DISCUSSION ONLY\*\*\* PLEASE REVIEW CAREFULLY\*\*\***

*Issuing bank has prepared this specimen upon request and based upon information supplied to it. No representation or commitment is made by the issuing bank regarding the accuracy or suitability of this specimen for its intended purpose or the willingness of issuing bank to issue this letter of credit in this or any other form.*

**EXHIBIT "A"**

FAX NO: (310) 297-2890  
SWIFT: MURDUS66 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRAHS AVE., 5<sup>TH</sup> FL.  
EL SEGUNDO, CA 90245

DATE OF ISSUE: MMDDYYYY

BENEFICIARY:  
HAER SCRANTON ROAD, LLC  
C/O GSAM, INC.  
1918 MARKET STREET, SUITE 2620  
PHILADELPHIA, PA 19103-3600

**GENTLEMEN:**

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT L/C NO.] IN YOUR FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC., 4911-~~AMBER~~ ROAD, NEWPORT BEACH, CA 92660, FOR A SUM NOT EXCEEDING USD 3,000,000.00 (THREE MILLION AND 00/100'S U.S. DOLLARS) AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON COMERICA BANK, WHEN ACCOMPANIED BY:

4000 MacArthur Blvd.

*KCS*  
Initials

1. THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT AND AMENDMENT(S), IF ANY.

2. BENEFICIARY'S STATEMENT ON ITS LETTERHEAD DATED AND PURPORTEDLY SIGNED BY ONE PURPORTING TO BE AN OFFICER OF THE BENEFICIARY, INDICATING NAME AND TITLE OF THE SIGNER STATING ONE OF THE FOLLOWING:

A. THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW THE AMOUNT OF USD \_\_\_\_\_ (INSERT AMOUNT REQUESTED) ON THIS LETTER OF CREDIT UNDER SECTION 4.7 OF THAT CERTAIN LEASE DATED JUNE 20, 2002 (AS MAY BE AMENDED FROM TIME TO TIME) FOR PREMISES ("PREMISES") LOCATED AT 9808 AND 9868 SCRANTON ROAD, SAN DIEGO, CALIFORNIA.

OR

B. THE UNDERSIGNED HEREBY CERTIFIES THAT WE HAVE RECEIVED A WRITTEN NOTICE OF COMERICA BANK'S ELECTION NOT TO EXTEND THEIR STANDBY LETTER OF CREDIT NO. [INSERT L/C NO.] AND HAVE NOT RECEIVED A REPLACEMENT LETTER OF CREDIT OR ANY OTHER FINANCIAL ASSURANCE SATISFACTORY TO US WITHIN AT LEAST SIXTY (60) DAYS PRIOR TO THE PRESENT EXPIRATION DATE.

**SPECIAL CONDITIONS:**

ALL SIGNATURES MUST BE MANUALLY EXECUTED IN ORIGINALS.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO THE EXPIRATION DATE WE SEND YOU NOTICE BY OVERNIGHT COURIER THAT WE ELECT NOT TO EXTEND THIS CREDIT FOR ANY SUCH ADDITIONAL PERIOD. SAID NOTIFICATION WILL BE SENT TO THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE NOTIFIED BY YOU TO US IN WRITING BY RECEIPTED MAIL OR COURIER. ANY NOTICE TO US WILL BE DEEMED EFFECTIVE ONLY UPON ACTUAL RECEIPT BY US AT OUR DESIGNATED



OFFICE. NOTWITHSTANDING THIS CONDITION, THE FINAL EXPIRATION DATE OF THIS LETTER OF CREDIT IS JULY 20, 2017.

THIS LETTER OF CREDIT MAY BE TRANSFERRED SUCCESSIVELY IN ITS ENTIRETY (BUT NOT IN PART) ONLY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF A NOMINATED TRANSFEREE ~~THAT IS THE SUCCESSOR IN INTEREST TO THE BENEFICIARY OR IS THE NEW OWNER OF CERTAIN-SITED PROPERTY ("TRANSFEREE")~~, ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE IS IN COMPLIANCE WITH ALL APPLICABLE U.S. LAWS AND REGULATIONS. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S) IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR TRANSFER FORM (AVAILABLE UPON REQUEST) AND PAYMENT OF OUR CUSTOMARY TRANSFER FEES. IN CASE OF ANY TRANSFER UNDER THIS LETTER OF CREDIT, THE DRAFT AND ANY REQUIRED STATEMENT MUST BE EXECUTED BY THE TRANSFEREE AND WHERE THE BENEFICIARY'S NAME APPEARS WITHIN THIS STANDBY LETTER OF CREDIT, THE TRANSFEREE'S NAME IS AUTOMATICALLY SUBSTITUTED THEREFOR.

PARTIAL DRAWINGS MAY BE MADE UNDER THIS LETTER OF CREDIT, PROVIDED, HOWEVER, THAT EACH SUCH DEMAND THAT IS PAID BY US SHALL REDUCE THE AMOUNT AVAILABLE UNDER THIS LETTER OF CREDIT. MULTIPLE PRESENTATIONS ARE PERMITTED.

ALL DRAFTS AND DOCUMENTS REQUIRED UNDER THIS LETTER OF CREDIT MUST BE MARKED: "DRAWN UNDER COMERICA BANK LETTER OF CREDIT NO. [INSERT L/C NO.]."

ALL DOCUMENTS ARE TO BE DISPATCHED IN ONE LOT BY COURIER SERVICE TO COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5<sup>TH</sup> FL., EL SEGUNDO, CA 90245, ATTN: STANDBY LETTERS OF CREDIT, TEAM 44.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT BE IN ANY WAY MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER OF CREDIT RELATES, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

WE ENGAGE WITH YOU THAT EACH DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON DELIVERY OF THE DOCUMENTS AS SPECIFIED IF PRESENTED AT THIS OFFICE ON OR BEFORE JULY 20, 2007 OR ANY AUTOMATICALLY EXTENDED DATE.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE "INTERNATIONAL STANDBY PRACTICES" (ISP 98) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 590) (1998 VERSION AND ANY SUBSEQUENT REVISIONS).

WORDING APPROVED, COMEXANT SYSTEMS, INC.:

BY: KK Petry  
ITS: Kerry K. Petry  
Vice President and Treasurer  
DATE: 12/12/05

## **EXHIBIT B**



**Security Agreement  
(Conexant Systems, Inc.)  
(Negotiable Collateral)**

As of December 5, 2005 for value received, the undersigned ("Debtor") grants to Comerica Bank, a Michigan banking corporation ("Bank"), whose address is 611 Anton Blvd, Suite 400, Costa Mesa California 92626, a continuing security interest and lien (any pledge, assignment, security interest or other lien arising hereunder is sometimes referred to herein as a "security interest") in the Collateral (as defined below) to secure payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness ("Indebtedness") to the Bank of Debtor. Indebtedness includes without limit any and all obligations or liabilities of the Debtor to the Bank, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all obligations or liabilities for which the Debtor would otherwise be liable to the Bank were it not for the invalidity or unenforceability of them by reason of any bankruptcy, insolvency or other law, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; all costs incurred by Bank in establishing, determining, continuing, or defending the validity or priority of its security interest, or in pursuing its rights and remedies under this Agreement or under any other agreement between Bank and Debtor or in connection with any proceeding involving Bank as a result of any financial accommodation to Debtor; and all other costs of collecting Indebtedness, including without limit attorney fees. Debtor agrees to pay Bank all such costs incurred by the Bank, immediately upon demand, and until paid all costs shall bear interest at the highest per annum rate applicable to any of the Indebtedness, but not in excess of the maximum rate permitted by law. Any reference in this Agreement to attorney fees shall be deemed a reference to reasonable fees, costs, and expenses of both in-house and outside counsel and paralegals, whether or not a suit or action is instituted, and to court costs if a suit or action is instituted, and whether attorney fees or court costs are incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding or otherwise. Debtor further covenants, agrees and represents as follows:

1. Collateral shall mean all of the following property Debtor now or later owns or has an interest in, wherever located:

Money Market Account No. #1851-480234, held at Comerica Bank only, and all proceeds thereof.

2. Warranties, Covenants and Agreements. Debtor warrants, covenants and agrees as follows:

- 2.1 At the time any Collateral becomes, or is represented to be, subject to a security interest in favor of Bank, Debtor shall be deemed to have warranted that (a) Debtor is the lawful owner of the Collateral and has the right and authority to subject it to a security interest granted to Bank; (b) none of the Collateral is subject to any security interest other than that in favor of Bank; (c) there are no financing statements on file with respect to the Collateral, other than in favor of Bank; (d) no person, other than Bank, has possession or control (as defined in the Uniform Commercial Code) of any Collateral of such nature that perfection of a security interest may be accomplished by control; and (e) Debtor acquired its rights in the Collateral in the ordinary course of its business.
- 2.2 Debtor will keep the Collateral free at all times from all claims, liens, security interests and encumbrances other than those in favor of Bank. Debtor will not, without the prior written consent of Bank, sell, transfer or lease, or permit to be sold, transferred or leased, any or all of the Collateral.
- 2.3 Debtor will do all acts and will execute or cause to be executed all writings requested by Bank to establish, maintain and continue an exclusive perfected and first security interest of Bank in the

Collateral. Debtor agrees that Bank has no obligation to acquire or perfect any lien on or security interest in any asset(s), whether realty or personalty, to secure payment of the Indebtedness, and Debtor is not relying upon assets in which the Bank may have a lien or security interest for payment of the Indebtedness.

2.4 If at any time the outstanding principal balance of the Indebtedness exceeds 100% of the value of the Collateral, as such value is determined from time to time by Bank (herein called the "Margin Requirement"), Debtor shall immediately pay or cause to be paid to Bank an amount sufficient to reduce the Indebtedness such that the remaining principal outstanding thereunder is equal to or less than the Margin Requirement. Bank shall apply payments made under this paragraph in payment of the Indebtedness in such order and manner of application as Bank in its sole discretion elects. In the alternative, Debtor may provide or cause to be provided to Bank additional collateral in the form of cash or other property acceptable to Bank and with a value, as determined by Bank, that when added to the Collateral will constitute compliance with the Margin Requirement.

2.5 At any time and without notice, Bank may (a) cause any or all of the Collateral to be transferred to its name or to the name of its nominees; (b) receive or collect by legal proceedings or otherwise all dividends, interest, principal payments and other sums and all other distributions at any time payable or receivable on account of the Collateral, and hold the same as Collateral, or apply the same to the Indebtedness, the manner and distribution of the application to be in the sole discretion of Bank; (c) enter into any extension, subordination, reorganization, deposit, merger or consolidation agreement or any other agreement relating to or affecting the Collateral, and deposit or surrender control of the Collateral, and accept other property in exchange for the Collateral and hold or apply the property or money so received pursuant to this Agreement; and (d) take such actions in its own name or in Debtor's name as Bank, in its sole discretion, deems necessary or appropriate to establish exclusive control (as defined in the Uniform Commercial Code) over any Collateral of such nature that perfection of Bank's security interest may be accomplished by control.

3. Collection of Proceeds. Debtor irrevocably authorizes Bank or any Bank employee or agent to endorse the name of Debtor upon any checks or other items which are received in payment for any Collateral, and to do any and all things necessary in order to reduce these items to money. Debtor agrees to take all steps necessary to preserve rights against prior parties with respect to the Collateral. Nothing in this Section 3 shall be deemed a consent by Bank to any sale, lease or other disposition of any Collateral.

4. Defaults, Enforcement and Application of Proceeds.

4.1 Upon the occurrence of any of the following events (each an "Event of Default"), Debtor shall be in default under this Agreement:

- (a) Any failure to pay the Indebtedness or any other indebtedness when due, or such portion of it as may be due, by acceleration or otherwise; or
- (b) Any failure or neglect to comply with, or breach of or default under, any term of this Agreement, or any other agreement or commitment between Debtor and Bank; or
- (c) Any warranty, representation, financial statement, or other information made, given or furnished to Bank by or on behalf of Debtor shall be, or shall prove to have been, false or materially misleading when made, given, or furnished; or

- (d) Sale or other disposition by Debtor of any substantial portion of its assets or property or voluntary suspension of the transaction of business by Debtor, or death, dissolution, termination of existence, merger, consolidation, insolvency, business failure, or assignment for the benefit of creditors of or by Debtor; or commencement of any proceedings under any state or federal bankruptcy or insolvency laws or laws for the relief of debtors by or against Debtor; or the appointment of a receiver, trustee, court appointee, sequestrator or otherwise, for all or any part of the property of Debtor; or
- (e) Bank deems the margin of Collateral insufficient or itself insecure, in good faith believing that the prospect of payment of the Indebtedness or performance of this Agreement is impaired or shall fear deterioration, removal, or waste of Collateral; or
- (f) A default shall occur under any instrument, agreement or other document evidencing, securing or otherwise relating to any of the Indebtedness.

4.2 Upon the occurrence of any Event of Default, Bank may at its discretion and without prior notice to Debtor declare any or all of the Indebtedness to be immediately due and payable, and shall have and may exercise any one or more of the following rights and remedies:

- (a) Exercise all the rights and remedies upon default, in foreclosure and otherwise, available to secured parties under the provisions of the Uniform Commercial Code and other applicable law;
- (b) Institute legal proceedings to foreclose upon the lien and security interest granted by this Agreement, to recover judgment for all amounts then due and owing as Indebtedness, and to collect the same out of any Collateral or the proceeds of any sale of it; and/or
- (c) Institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any or all collateral
- (d) Liquidate and collect Collateral and apply it toward payment of Indebtedness

4.3 At the request of Bank, whether or not an Event of Default shall have occurred, Debtor shall immediately take such actions as Bank shall request to establish exclusive control (as defined in the Uniform Commercial Code) by Bank over any Collateral which is of such a nature that perfection of a security interest may be accomplished by control.

4.4 The proceeds of any sale or other disposition of Collateral authorized by this Agreement shall be applied by Bank first upon all expenses authorized by the Uniform Commercial Code and all reasonable attorney fees and legal expenses incurred by Bank; the balance of the proceeds of the sale or other disposition shall be applied in the payment of the Indebtedness, first to interest, then to principal, then to remaining Indebtedness and the surplus, if any, shall be paid over to Debtor or to such other person(s) as may be entitled to it under applicable law. Debtor shall remain liable for any deficiency, which it shall pay to Bank immediately upon demand. Debtor agrees that Bank shall be under no obligation to accept any noncash proceeds in connection with any sale or disposition of Collateral unless failure to do so would be commercially unreasonable. If Bank agrees in its sole discretion to accept noncash proceeds (unless the failure to do so would be commercially unreasonable), Bank may ascribe any commercially reasonable value to such proceeds. Without limiting the foregoing, Bank may apply any discount factor in determining the present value of proceeds to be received in the future or may elect to apply proceeds to be received in the future only as and when such proceeds are actually received in cash by Bank.

- 4.5 Nothing in this Agreement is intended, nor shall it be construed, to preclude Bank from pursuing any other remedy provided by law for the collection of the Indebtedness or for the recovery of any other sum to which Bank may be entitled for the breach of this Agreement by Debtor. Nothing in this Agreement shall reduce or release in any way any rights or security interests of Bank contained in any existing agreement between Debtor and Bank.
- 4.6 No waiver of default or consent to any act by Debtor shall be effective unless in writing and signed by an authorized officer of Bank. No waiver of any default or forbearance on the part of Bank in enforcing any of its rights under this Agreement shall operate as a waiver of any other default or of the same default on a future occasion or of any rights.
- 4.7 Debtor (a) irrevocably appoints Bank or any agent of Bank (which appointment is coupled with an interest) the true and lawful attorney of Debtor (with full power of substitution) in the name, place and stead of, and at the expense of, Debtor and (b) authorizes Bank or any agent of Bank, in its own name, at Debtor's expense, to do any of the following, as Bank, in its sole discretion, deems appropriate:
- (i) to demand, receive, sue for, and give receipts or acquittances for any moneys due or to become due on any Collateral (including without limit to draft against Collateral) and to endorse any item representing any payment on or proceeds of the Collateral;
  - (ii) to execute and file in the name of and on behalf of Debtor all financing statements or other filings deemed necessary or desirable by Bank, in respect to the Collateral, to evidence, perfect, or continue the security interests granted in this Agreement;
  - (iii) upon the occurrence of an Event of Default, to execute in the name of and on behalf of Debtor any and all stock or bond assignment forms or comparable instruments as Bank in its sole discretion deems necessary to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral;
  - (iv) upon the occurrence of an Event of Default, to take such other action in the name of and on behalf of Debtor as Bank deems necessary in its sole discretion to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral; and
  - (v) to do and perform any act on behalf of Debtor permitted or required under this Agreement.

5. Miscellaneous.

- 5.1 Until Bank is advised in writing by Debtor to the contrary, all notices, requests and demands required under this Agreement or by law shall be given to, or made upon, Debtor at its the first address indicated in Section 5.12 below.
- 5.2 Debtor will give Bank not less than 30 days prior written notice of all contemplated changes in Debtor's name, location, chief executive office, principal place of business, and/or location of any Collateral, but the giving of this notice shall not cure any Event of Default caused by this change.
- 5.3 Bank assumes no duty of performance or other responsibility under any contracts contained within the Collateral.
- 5.4 After any Event of Default, Bank has the right to sell, assign, transfer, negotiate or grant participations or any interest in, any or all of the Indebtedness and any related obligations,

including without limit this Agreement. In connection with the above, but without limiting its ability to make other disclosures to the full extent allowable, Bank may disclose all documents and information which Bank now or later has relating to Debtor, the Indebtedness or this Agreement, however obtained. Debtor further agrees that Bank may provide information relating to this Agreement or relating to Debtor to the Bank's parent, affiliates, subsidiaries, and service providers.

- 5.5 Debtor, to the extent not expressly prohibited by applicable law, waives any right to require the Bank to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Uniform Commercial Code; or (c) pursue any other remedy in the Bank's power. Debtor waives notice of acceptance of this Agreement and presentment, demand, protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which the undersigned might otherwise be entitled, and diligence in collecting any Indebtedness, and agree(s) that the Bank may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew or forbear to enforce payment of any or all Indebtedness, all without notice to Debtor and without affecting in any manner the unconditional obligation of Debtor under this Agreement. Debtor unconditionally and irrevocably waives each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Debtor under this Agreement, and acknowledges that such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Debtor now or later securing the Indebtedness, and acknowledges that as of the date of this Agreement no such defense or setoff exists.
- 5.6 In the event that applicable law shall obligate Bank to give prior notice to Debtor of any action to be taken under this Agreement, Debtor agrees that a written notice given to Debtor at least ten days before the date of the act shall be reasonable notice of the act and, specifically, reasonable notification of the time and place of any public sale or of the time after which any private sale, lease, or other disposition is to be made, unless a shorter notice period is reasonable under the circumstances. A notice shall be deemed to be given under this Agreement when delivered to Debtor or when placed in an envelope addressed to Debtor and deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States Postal Service or delivered to an overnight courier. The mailing shall be by overnight courier, certified, or first class mail.
- 5.7 Notwithstanding any prior revocation, termination, surrender, or discharge of this Agreement in whole or in part, the effectiveness of this Agreement shall automatically continue or be reinstated in the event that any payment received or credit given by Bank in respect of the Indebtedness is returned, disgorged, or rescinded under any applicable law, including, without limitation, bankruptcy or insolvency laws, in which case this Agreement, shall be enforceable against Debtor as if the returned, disgorged, or rescinded payment or credit had not been received or given by Bank, and whether or not Bank relied upon this payment or credit or changed its position as a consequence of it. In the event of continuation or reinstatement of this Agreement, Debtor agrees upon demand by Bank to execute and deliver to Bank those documents which Bank determines are appropriate to further evidence (in the public records or otherwise) this continuation or reinstatement, although the failure of Debtor to do so shall not affect in any way the reinstatement or continuation.

- 5.8 This Agreement and all the rights and remedies of Bank under this Agreement shall inure to the benefit of Bank's successors and assigns and to any other holder who derives from Bank title to or an interest in the Indebtedness or any portion of it, and shall bind Debtor and the heirs, legal representatives, successors, and assigns of Debtor. Nothing in this Section 5.8 is deemed a consent by Bank to any assignment by Debtor.
- 5.9 Except as otherwise provided in this Agreement, all terms in this Agreement have the meanings assigned to them in Article 9 (or, absent definition in Article 9, in any other Article) of the Uniform Commercial Code, as those meanings may be amended, revised or replaced from time to time. "Uniform Commercial Code" means Act No. 174 of the Michigan Public Acts of 1962, as amended, revised or replaced from time to time, including without limit as amended by Act No. 348 of the Michigan Public Acts of 2000. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the Uniform Commercial Code have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more broadly or inclusively than the Uniform Commercial Code in effect on the date of this Agreement, then such term, as used herein, shall be given such broadened meaning. If the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the Uniform Commercial Code in effect on the date of this Agreement, such amendment or holding shall be disregarded in defining terms used in this Agreement.
- 5.10 No single or partial exercise, or delay in the exercise, of any right or power under this Agreement, shall preclude other or further exercise of the rights and powers under this Agreement. The unenforceability of any provision of this Agreement shall not affect the enforceability of the remainder of this Agreement. This Agreement constitutes the entire agreement of Debtor and Bank with respect to the subject matter of this Agreement. No amendment or modification of this Agreement shall be effective unless the same shall be in writing and signed by Debtor and an authorized officer of Bank. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without regard to conflict of laws principles.
- 5.11 To the extent that any of the Indebtedness is payable upon demand, nothing contained in this Agreement shall modify the terms and conditions of that Indebtedness nor shall anything contained in this Agreement prevent Bank from making demand, without notice and with or without reason, for immediate payment of any or all of that Indebtedness at any time(s), whether or not an Event of Default has occurred.
- 5.12 Debtor represents and warrants that Debtor's exact name is the name set forth in this Agreement. Debtor further represents and warrants the following and agrees that Debtor is, and at all times shall be, located in the following place [mark applicable provision]:
- \_\_\_\_ Debtor is an individual, and Debtor is located (as determined pursuant to the Uniform Commercial Code) at Debtor's principal residence which is (street address, state and county or parish): \_\_\_\_\_.
- X Debtor is a registered organization which is organized under the laws of Delaware, and Debtor's address is 4000 MacArthur Boulevard M/S F04-400, Newport Beach, CA 92660-3095.
- \_\_\_\_ Debtor is a domestic organization which is not a registered organization under the laws of the United States or any state thereof (e.g. general partnership, joint venture, trust, estate or



association), and Debtor is located (as determined pursuant to the Uniform Commercial Code) at its sole place of business or, if it has more than one place of business, at its chief executive office, which is (street address, state and county or parish): \_\_\_\_\_.

\_\_\_\_ Debtor is a registered organization organized under the laws of the United States, and Debtor is located in the state that United States law designates as its location or, if United States law authorizes the Debtor to designate the state for its location, the state designated by Debtor, or if neither of the foregoing are applicable, at the District of Columbia. Debtor is located (as determined pursuant to the Uniform Commercial Code) at (street address, state and county or parish): \_\_\_\_\_.

\_\_\_\_ Debtor is a foreign individual or foreign organization or a branch or agency of a bank that is not organized under the laws of the United States or a state thereof. Debtor is located (as determined pursuant to the Uniform Commercial Code) at: \_\_\_\_\_.

5.13 A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement under the Uniform Commercial Code and may be filed by Bank in any filing office.

5.14 This Agreement shall be terminated only by the filing of a termination statement in accordance with the applicable provisions of the Uniform Commercial Code.


6. DEBTOR AND BANK ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE INDEBTEDNESS.

L/C NAEH SCRANTON ROAD \$3M

7. Special Provisions Applicable to this Agreement. (\*None, if left blank)

Debtor:

CONEXANT SYSTEMS, INC.

By:   
SIGNATURE OF: Kerry K. Petry

Its: Vice President and Treasurer  
TITLE:

MI-00162 (3-01)

# **EXHIBIT C**

Comerica

Letter of Credit Division

RDDM

FAX NO: 310-297-2886  
SWIFT: MNBUS66 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

FEBRUARY 21, 2006  
ISSUING BANK:

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

CREDIT NUMBER OF  
ISSUING BANK: 615453 -44

Released  
Initial \_\_\_\_\_  
Date \_\_\_\_\_

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:

NAEH SCRANTON ROAD, LLC  
C/O GEBM, INC  
1418 MARKET STREET, SUITE 2620  
PHILADELPHIA, PA 19103-3200

AMENDMENT NUMBER: 01

ORIGINAL

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

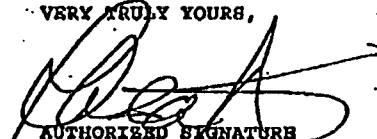
IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING ADDITION:  
BENEFICIARY'S ADDRESS IS NOW TO READ AS FOLLOWS:

C/O GEBM, INC.  
16479 DALLAS PARKWAY, SUITE 500  
ADDISON, TX 75001  
ATTN: LETTER OF CREDIT DEPT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE  
PHONDA DANTZLER  
AUTHORIZED SIGNATURE

Comerica

FAX NO: (310) 297-2890  
SWIFT: MNEDUS66 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5<sup>TH</sup> FL.  
EL SEGUNDO, CA 90245

Letter of Credit Division  
RDBM

Released  
Initial  
Date

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DATE OF ISSUE: DECEMBER 07, 2005

BENEFICIARY:  
NAEH SCRANTON ROAD, LLC  
C/O GRAM, INC.  
1818 MARKET STREET, SUITE 2620  
PHILADELPHIA, PA 19103-3600

GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 615453-44 IN YOUR FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC., 4000 MACARTHUR BOULEVARD, NEWPORT BEACH, CA 92660, FOR A SUM NOT EXCEEDING USD 3,000,000.00 (THREE MILLION AND 00/100'S U.S. DOLLARS) AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON COMERICA BANK, WHEN ACCOMPANIED BY:

1. THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT AND AMENDMENT(S), IF ANY.
2. BENEFICIARY'S STATEMENT ON ITS LETTERHEAD DATED AND PURPORTEDLY SIGNED BY ONE PURPORTING TO BE AN OFFICER OF THE BENEFICIARY, INDICATING NAME AND TITLE OF THE SIGNER STATING ONE OF THE FOLLOWING:

A. THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW THE AMOUNT OF USD (INSERT AMOUNT REQUESTED) ON THIS LETTER OF CREDIT UNDER SECTION 4.7 OF THAT CERTAIN LEASE DATED JUNE 20, 2002 THAT MAY BE AMENDED FROM TIME TO TIME FOR PREMISES ("PREMISES") LOCATED AT 9808 AND 9868 SCRANTON ROAD, SAN DIEGO, CALIFORNIA.

OR

B. THE UNDERSIGNED HEREBY CERTIFIES THAT WE HAVE RECEIVED A WRITTEN NOTICE OF COMERICA BANK'S ELECTION NOT TO EXTEND THEIR STANDBY LETTER OF CREDIT NO. 615453-44 AND HAVE NOT RECEIVED A REPLACEMENT LETTER OF CREDIT OR ANY OTHER FINANCIAL ASSURANCE SATISFACTORY TO US WITHIN AT LEAST SIXTY (60) DAYS PRIOR TO THE PRESENT EXPIRATION DATE.

SPECIAL CONDITIONS:

ALL SIGNATURES MUST BE MANUALLY EXECUTED IN ORIGINALS.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO THE EXPIRATION DATE WE SEND YOU NOTICE BY OVERNIGHT COURIER THAT WE ELECT NOT TO EXTEND THIS CREDIT FOR ANY SUCH ADDITIONAL PERIOD. SAID NOTIFICATION WILL BE SENT TO THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE NOTIFIED BY YOU TO US IN WRITING BY RECEIPTED MAIL OR COURIER. ANY NOTICE TO US WILL BE DEEMED EFFECTIVE ONLY UPON ACTUAL RECEIPT BY US AT OUR DESIGNATED OFFICE. NOTWITHSTANDING THIS CONDITION, THE FINAL EXPIRATION DATE OF THIS LETTER OF CREDIT IS JULY 20, 2017.

PAGE 2 OF 2 TO IRREVOCABLE STANDBY LETTER OF CREDIT NO. 615453-44

THIS LETTER OF CREDIT MAY BE TRANSFERRED SUCCESSIVELY IN ITS ENTIRETY (BUT NOT IN PART) ONLY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF A NOMINATED TRANSFEREE ("TRANSFEREE"), ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE IS IN COMPLIANCE WITH ALL APPLICABLE U.S. LAWS AND REGULATIONS. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S) IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR TRANSFER FORM (AVAILABLE UPON REQUEST) AND PAYMENT OF OUR CUSTOMARY TRANSFER FEES. IN CASE OF ANY TRANSFER UNDER THIS LETTER OF CREDIT, THE DRAFT AND ANY REQUIRED STATEMENT MUST BE EXECUTED BY THE TRANSFEREE AND WHERE THE BENEFICIARY'S NAME APPEARS WITHIN THIS STANDBY LETTER OF CREDIT, THE TRANSFEREE'S NAME IS AUTOMATICALLY SUBSTITUTED THEREFOR.

PARTIAL DRAWINGS MAY BE MADE UNDER THIS LETTER OF CREDIT, PROVIDED, HOWEVER, THAT EACH SUCH DEMAND THAT IS PAID BY US SHALL REDUCE THE AMOUNT AVAILABLE UNDER THIS LETTER OF CREDIT. MULTIPLE PRESENTATIONS ARE PERMITTED.

ALL DRAFTS AND DOCUMENTS REQUIRED UNDER THIS LETTER OF CREDIT MUST BE MARKED: "DRAWN UNDER COMERICA BANK LETTER OF CREDIT NO. 615453-44."

ALL DOCUMENTS ARE TO BE DISPATCHED IN ONE LOT BY COURIER SERVICE TO COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRAWS AVE., 5TH FL., EL SEQUENDO, CA 90245, ATTN: STANDBY LETTERS OF CREDIT, TEAM 44.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT BE IN ANY WAY MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER OF CREDIT RELATES AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

WE ENGAGE WITH YOU THAT EACH DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON DELIVERY OF THE DOCUMENTS AS SPECIFIED IF PRESENTED AT THIS OFFICE ON OR BEFORE JULY 20, 2006 OR ANY AUTOMATICALLY EXTENDED DATE.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE "INTERNATIONAL STANDBY PRACTICES" (ISF 99), INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 590) (1998 VERSION AND ANY SUBSEQUENT REVISIONS).

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE

RHONDA DANTZLER  
AUTHORIZED SIGNATURE

## **EXHIBIT D**

**Comerica**

## Standby Letter of Credit Application and Agreement

NO.--DO  
NOT FILL IN

DATE: April 30, 2008

ORIGINAL

International Trade Services Department  
Comerica BankTO: Comerica Bank  
2321 Rosecrans Avenue 5<sup>th</sup> Floor  
El Segundo, California 90245  
Attn: Rudy Forbes

The undersigned hereby requests Comerica Bank, to issue an Irrevocable Standby Letter of Credit and either; Notify through Comerica Bank's correspondent by; a) ☐ Forward directly to Beneficiary by ☐ mail ☒ courier; b) ☒ Return to us for mailing to beneficiary by ☐ mail ☒ courier; c) ☐ Swift/telex; d) ☐ Hold for pickup by: \_\_\_\_\_; e) ☐ Send to Third Party: \_\_\_\_\_ by ☐ mail ☐ courier; as follows:  
(INDICATE NAME) (INDICATE NAME)

In favor of Self Insurance Plans  
(Beneficiary): State of California  
2265 Watt Avenue, Suite 1  
Sacramento, CA 95825

(COMPLETE STREET ADDRESS - NO P.O. BOX)

For account of Conexant Systems, Inc.  
(Applicant): 4000 MacArthur Boulevard  
Newport Beach, CA 92660

Amount: An aggregate amount not to exceed one million five hundred sixty three thousand one hundred eighty eight and No/100

ms



Expiration  
Date:

Partial  
Drawings

☒ are  
permitted

☐ are not  
permitted

Available by drafts at sight drawn on Comerica Bank or their correspondent at their option when accompanied by the following documents (if any):

See Attached. (Exhibit A)

Effective May 1, 2008

#### TERMS AND CONDITIONS

In these provisions:

- (1) The "Applicant" means the undersigned party or parties identified and signing as such.
- (2) "Application" means this application and agreement by the Applicant for an irrevocable standby letter of credit from the Bank, as such application may be amended or modified from time to time in accordance with the provisions hereof or with the written agreement or consent of the Applicant.
- (3) The "Bank" means Comerica Bank
- (4) The "Credit" means the irrevocable standby letter of credit issued by the Bank at its option pursuant to this Application, as such letter of credit may be modified or amended as provided herein.
- (5) An "instrument" means any draft, receipt or cable or written demand for payment relating to the Credit.
- (6) ~~"Uniform Customs And Practice" means the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, and any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Bank.~~

This Standby Letter of Credit is subject to ISP98 International Chamber of Commerce Publication No. 600. ~~NY~~  
In consideration of the issuance by the Bank of the Credit, the Applicant hereby agrees with the Bank as follows:

1. The Applicant will reimburse the Bank at its principal office, in cash, the amount required to pay each instrument, such reimbursement to be made on demand in the case of each sight draft or receipt, with interest from the date of payment of the instrument to the date of reimbursement. Upon the occurrence of any event of default described in paragraph 11 below, Applicant will pay the Bank a sum equal to the Bank's outstanding liability under the Credit.
2. The Applicant will pay the Bank, quarterly in arrears, a non-refundable commission of 37.5, 375 % per annum of the face amount of the letters of credit outstanding from time to time, together with such other reasonable fees and expenses of the Bank (including but not limited to overnight delivery fees) in connection with the Credit according to the Bank's standard practice, as in effect from time to time, and interest on the amount paid by the Bank and not reimbursed as provided in paragraph 1 hereof, including all charges and expenses paid or incurred by the Bank in connection therewith, at the rate of three (3%) percent above the Bank's prime rate; and effect shall be given

4/20/08  
AS

to any change in the interest rate resulting from a change in the prime rate on the date of such change in the prime rate. The "prime rate" shall mean the rate of interest established by the Bank from time to time as its prime rate, which may not necessarily be the lowest interest rate charged by the Bank to its borrowers. The Bank is authorized to charge Applicant's deposit account for all required payments.

3. If any law or regulation or the interpretation or implementation thereof by any court or administrative or governmental authority charged with the administration thereof shall either: (a) impose, modify or deem applicable any reserve, special deposit, limitation or similar requirement against letters of credit issued by, or assets held by, or deposits in or for the account of, the Bank, or (b) impose on the Bank any insurance premium or other condition regarding this Application or the Credit, and the result of any event referred to in clause (a) or (b) above shall be to increase the cost of issuing or maintaining the Credit over that which the Bank assumed in determining its fees, then, upon demand by the Bank, the Applicant shall immediately pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for such increased cost, together with interest on each such amount from the date demanded until payment in full thereof at the rate and on the terms set forth in paragraph 2 above. A certificate as to such increased cost incurred by the Bank as a result of any event mentioned in clause (a) or (b) above, submitted by the Bank to Applicant, shall be conclusive, absent manifest error, as to the amount thereof.
4. The Applicant agrees to indemnify and hold the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which the Bank may incur (or which may be claimed against the Bank by any person) by reason of, or in connection with, the execution and delivery or transfer of, or payment or failure to pay under, the Credit, or by reason of, or in connection with, any other matters arising under this Application, or any of the transactions contemplated hereby; provided, however, the Applicant shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful and wrongful misconduct or gross negligence of the Bank.
5. The Applicant assumes all risks of the acts or omissions of any beneficiary or transferee of the Credit with respect to its use of the Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Credit or for any acts or omissions of any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereof, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank made against presentation of documents which substantially comply with the terms of the Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. The Bank shall not be responsible for any act, error, neglect or default, omission, insolvency or failure in business of any of its correspondents. The occurrence of any one or more of the contingencies referred to in the preceding clauses of this paragraph shall not affect, impair or prevent the vesting of any of the Bank's rights or powers hereunder or the Applicant's obligation to make reimbursement. The Applicant will promptly examine (i) the copy of the Credit (and any amendments thereof) sent to it by the Bank and (ii) all documents and instruments delivered to it from time to time by the Bank, and, in the event of any claim of noncompliance with Applicant's instructions or other irregularity, will immediately notify the Bank thereof in writing, the Applicant being conclusively deemed to have waived any such claim against the Bank and its correspondents unless such notice is given as aforesaid.
6. The Applicant will pay on demand all reasonable costs and expenses (including without limitation, reasonable attorneys' fees and legal expenses) incurred by the Bank in connection with the enforcement of this Application and

4/2/08  
28

such other documents which may be delivered in connection with this Application or any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Credit.

7. Except insofar as instructions may be given by the Applicant in writing or by a Request (as defined in paragraph 9 below) expressly to the contrary with regard to, and prior to, the Bank's issuance of the Credit, the Bank may, but shall not be required to, honor, as complying with the terms of the Credit and the Application, any instruments or other documents otherwise in order signed or issued by any administrator, executor, trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors, liquidator, receiver or other legal representative of the party authorized under the Credit to draw or issue such instruments or other documents.
8. These Terms and Conditions and the Credit shall be subject to the Uniform Customs and Practice (a copy of which is available upon request) and, in the event any provision of the Uniform Customs and Practice is or is construed to vary from or be in conflict with any provision of the Michigan Uniform Commercial Code, as from time to time amended and enforced (the "Commercial Code"), the Uniform Customs and Practice shall prevail.
9. The Applicant authorizes the Bank to honor the Applicant's orders to issue, amend or pay the Credit for the Applicant's account and risk upon a request communicated to the Bank by telephone, telegram, telex, computer, facsimile transmission, or other electronic means (a "Request") subject to the following: (a) a Request shall be made only by those persons authorized by the Applicant in accordance with the Bank's established requirements and the Bank shall not be obligated to identify such persons so authorized beyond the use of the authorized name or code identification if any is established, (b) all Requests will be confirmed by the Bank in writing by sending to the Applicant a copy of the documents authorized or requested by the Applicant and the Applicant agrees promptly to examine such documents and to report any discrepancies promptly upon receipt of such confirmation, (c) if frequent Requests are to be made, the Bank may, but shall not be obligated to, assign a unique code number or word and require that such code be used by the Applicant (and if such a code number or word is established, all further Requests shall refer to such code), (d) the Bank shall not be liable for any loss that the Applicant may incur as a result of the Bank's compliance with a Request in accordance with this Application even if unauthorized, provided that the Bank acted in good faith, and the Applicant indemnifies the Bank and holds the Bank harmless for any such losses, (e) the Bank will not be liable for any delays in honoring any Request, nor for any delays caused by others to whom the Bank may transmit such Request either at the Applicant's direction or otherwise and the Bank will not be required to honor Requests on the day on which Requests are received unless the Bank has agreed to do so and the Applicant has caused such Request to be received before the time the Bank has specified to honor such Request, (f) the Bank shall not be obligated to honor any Requests provided that the Bank has notified the Applicant by telephonic or other prompt means, (g) all Requests shall be subject to the terms of this Application and any other written, electronic, or oral agreement entered into with the Bank by the Applicant in connection with any transaction relating to such Request. Bank may record any Request made by telephone and any other telephonic communications between the Applicant and the Bank regarding the Credit.
10. To induce Bank issue the Letter of Credit and to secure its obligations hereunder, Applicant has pledged its interest in its money market account no. # 1851-480234 held at Bank pursuant to a Security Agreement (Negotiable Collateral) dated as of even date herewith.

All other funds, property and account balances of the Applicant with or in the Bank's possession or any of the Bank's agents or correspondents at any time, whether before or after any default, shall secure the obligations of the Applicant

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hereunder and the Applicant hereby grants the Bank a security interest in the same for the purpose of securing such obligations.

In the event of default by Applicant hereunder, the Bank shall have all remedies available to the Bank under the Commercial Code.

11. Upon the death of any Applicant; or if any of the obligations and/or liabilities of the Applicant to the Bank shall not be paid or performed when due; or if there is a breach in any warranty or representation herein; or if the Applicant shall become insolvent (however such insolvency may be evidenced) or commit any act of bankruptcy or insolvency, or make a general assignment for the benefit of creditors; or if the Applicant shall suspend the transaction of its usual business or be expelled or suspended from any exchange; or if an application is made by any judgment creditor of the Applicant for an order directing the Bank to pay money or deliver other property (and the Applicant is unable to have such order set aside within 45 days of notice thereof); or if a petition in bankruptcy shall be filed by or against the Applicant or a petition or any proceeding shall be filed or instituted by or against the Applicant for any relief under any bankruptcy or insolvency laws or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, composition or extension; or if any governmental authority, or any court at the instance of any governmental authority, shall take possession of any substantial part of the property of the Applicant, or shall assume control over the affairs or operations of the Applicant, or if a receiver shall be appointed of, or a writ of order of attachment or garnishment shall be issued or made against, any of the property or assets of the Applicant (and the Applicant is unable to have such order or attachment set aside within 45 days of the entry thereof); or if the Bank shall in good faith deem itself insecure at any time; thereupon, unless the Bank shall otherwise elect, any and all obligations and liabilities of the Applicant to the Bank hereunder, whether now existing or hereafter incurred, shall become and be due and payable forthwith without presentation, demand or notice, all of such are waived, and the Bank is hereby authorized to sell immediately, without demand for payment, advertisement or notice to the Applicant, all of which are hereby expressly waived, at private sale or at public auction, any property shipped or to be shipped under the credit in which the Applicant may have any interest, applying the proceeds, less the reasonable costs and expenses of such sale and any other reasonable expenses paid or incurred in respect of said property, in and towards any indebtedness of the Applicant to the Bank, paying the surplus to the Applicant or the Applicant's legal representative.
12. The Applicant submits, in any legal proceeding related to the Application or the Credit, to the nonexclusive jurisdiction over the person of the Applicant of any court of competent jurisdiction sitting in the State of Michigan and agrees to a suit being brought in any such court; waives any objection that it may now have or hereafter have to the venue of such proceeding in any such court or that such proceeding was brought in an inconvenient court; agrees that service of process and any such legal proceeding may be made, and shall be conclusively deemed sufficient and adequate, by mailing of copies thereof (by registered or certified mail, if practicable) postage prepaid, or by teletransmission to the Applicant at its address set forth therein or such other address of which the Bank shall be notified in writing, in which event, service shall be deemed complete upon the filing with the court of a copy of the process mailed or sent and an affidavit attesting the mailing or sending. The Applicant agrees that nothing herein shall affect the Bank's right to effect service of process in any other manner permitted by law.
13. The Bank shall not be deemed to have waived any of its rights hereunder, unless the Bank or its authorized agents shall have signed such waiver in writing. No such waiver unless expressly as stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver.

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14. If the Applicant has submitted this Application to its bank ("Applicant's Bank") and requested that Applicant's Bank (as Applicant's agent) establish the Credit through the Bank as the affiliate or correspondent of Applicant's Bank, then the following provisions shall apply: (a) the term "Bank" shall mean the Applicant's Bank and the Bank, both collectively and individually so that either Applicant's Bank or Bank may exercise all the rights, privileges and powers conferred upon the Bank under this Application; (b) any collateral given as security for the Applicant's obligations under this Application and any deposit balances with Applicant's Bank shall stand as security for the Credit and for any of Applicant's Bank's obligations entered into on behalf of the Applicant for the issuance of the Credit.
15. If the Credit was directed through Applicant's Bank, then Applicant's Bank, by its execution of this Application: (a) requests and appoints the Bank as its agent to establish in the Bank's name or through a correspondent the Credit; (b) authorizes the Bank and/or its correspondent(s) to pay drafts drawn against the Credit as specified in this Application and to exercise all rights, powers and privileges conferred by this Application without reference to Applicant's Bank; (c) agrees to make payments to the Bank in amount, time and manner as required of the Applicant under this Application whether or not Applicant's Bank has received payment from the Applicant; (d) assigns to the Bank as security all its rights, including rights of payment and to security, under this Application and agrees to deliver to the Bank, upon demand, such additional security as the Bank may request, and also agrees to give the Bank a lien on all its property, including deposit balances now or hereafter in the Bank's possession for the amount of any liability of Applicant's Bank to the Bank hereunder; and (e) agrees that if it fails to make any payment or provide any security as requested, all its obligations and liabilities to the Bank shall immediately, without notice, become due and payable at the Bank's option.
16. The obligations hereof shall bind the successors and assigns of the Applicant, and all rights, benefits and privileges conferred on the Bank shall be and are extended to and conferred upon and may be enforced by its successors and assigns. If the Applicant is a partnership, the obligations hereof shall continue in force and apply, notwithstanding any change in the membership of such partnership, whether arising from the death or retirement of one or more partners or the accession of one or more new partners. If this Application is signed by two or more Applicants, it shall be the joint and several agreement of each Applicant.
17. Except as otherwise provided herein, any notice from the Bank to the Applicant, if mailed, shall be deemed given when mailed, postage paid, addressed to the Applicant at its address set forth herein or such other address of which the Bank shall be notified in writing. Whenever possible each provision of this Application shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Application shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Application.
18. Subject to the provisions of paragraph 8 above, this Application and all rights, obligations and liabilities arising hereunder shall be both governed by, and construed in accordance with, the law of the State of Michigan.
19. This Agreement and any Requests constitute the entire agreement of the parties with respect to the subject matter hereof, and except as provided in paragraph 9, this Application may not be amended except in writing signed by both parties.

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In consideration of your issuing the Credit, as requested in this application, the Applicant agrees to all terms and conditions of the Agreement set forth above, including but not limited to the payment obligations therein set forth. The Applicant is referred to as the "Applicant" in such terms and conditions.

APPLICANT:

CONEXANT SYSTEMS, INC.

KK Pt 4/30/08  
Authorized Signature Title Kerry K. Petry, Vice President and Treasurer

Contact Name Ann Sadakane, Assistant Treasurer  
(949) 483-5271

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**\*\*PROFORMA WORDING\*\*FOR DISCUSSION ONLY\*\* PLEASE REVIEW CAREFULLY\*\***  
ISSUING BANK HAS PREPARED THIS SPECIMEN UPON REQUEST AND BASED UPON INFORMATION SUPPLIED TO IT. NO REPRESENTATION OR COMMITMENT IS MADE BY THE ISSUING BANK REGARDING THE ACCURACY OR SUITABILITY OF THIS SPECIMEN FOR ITS INTENDED PURPOSE OR THE WILLINGNESS OF ISSUING BANK TO ISSUE THIS LETTER OF CREDIT IN THIS OR ANY OTHER FORM.

EXHIBIT "A"

WORDING APPROVED: CONEXANT SYSTEMS, INC.,

BY: KKltg ITS: V. + Hansen DATED: 4/24/08

FAX NO: 310-297-2890  
SWIFT: MNBDUS63 LAX  
PHONE: 310-297-2840

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVENUE, 5TH FLOOR  
EL SEGUNDO, CA 90245

BENEFICIARY:

ISSUANCE DATE: [insert date]

SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVENUE, SUITE 1  
SACRAMENTO, CA 95825

LETTER OF CREDIT NO. [INSERT L/C NO.]

AMOUNT: USD 1,563,188.00

EXPIRATION DATE: [1 YEAR FROM ISSUE DATE]

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT L/C NO.] IN YOUR FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC. 4000 MACARTHUR BLVD., NEWPORT BEACH, CA 92660 FOR A SUM NOT EXCEEDING USD 1,563,188.00 (ONE MILLION FIVE HUNDRED SIXTY THREE THOUSAND ONE HUNDRED EIGHTY EIGHT AND 00/100 U.S. DOLLARS) AVAILABLE WITH COMERICA BANK AT SIGHT DURING NORMAL BUSINESS HOURS AT \_\_\_\_\_ (ADDRESS), WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. A SIGNED BENEFICIARY'S STATEMENT EXECUTED BY THE DIRECTOR OF THE CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS AND/OR THE MANAGER OF SELF INSURANCE PLANS THAT CONEXANT SYSTEMS, INC. HAS DONE ANY OF THE FOLLOWING:

- (A) FAILED TO PAY ITS WORKERS' COMPENSATION OBLIGATIONS;
- (B) FILED FOR BANKRUPTCY; AND/OR
- (C) FAILED TO RENEW OR SUBSTITUTE ACCEPTABLE SECURITY FOR WORKERS' COMPENSATION LIABILITIES BY TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT.

2. A DRAFT SIGNED BY THE DIRECTOR OF THE CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS AND/OR THE MANAGER OF SELF INSURANCE PLANS FOR THE AMOUNT OF THE DRAWING REQUESTED UNDER THIS LETTER OF CREDIT AND INCLUDING A REFERENCE TO THE LETTER OF CREDIT NUMBER AND ORIGINAL DATE OF ISSUE OF THIS LETTER OF CREDIT; AND

3. THE ORIGINAL LETTER OF CREDIT DOCUMENTS AND ALL AMENDMENTS THERETO AND ANY CONFIRMING BANK'S ORIGINAL LETTER OF CREDIT DOCUMENT AND ALL AMENDMENTS THERETO.

Note: A DRAFT ACCOMPANIED BY A STATEMENT INDICATING THAT CONEXANT SYSTEMS, INC. HAS FAILED TO RENEW OR SUBSTITUTE ACCEPTABLE SECURITY FOR WORKERS' COMPENSATION LIABILITIES BY TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT MAY NOT BE PRESENTED TO THE ISSUER OF THIS LETTER OF CREDIT EARLIER THAN TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THE LETTER OF CREDIT.

SPECIAL INSTRUCTIONS:

1. THE EXPIRATION DATE OF THIS LETTER OF CREDIT WILL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL PERIOD OF ONE (1) YEAR FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS NOT LESS THAN FORTY-FIVE (45) DAYS PRIOR TO SUCH DATE COMERICA BANK NOTIFIES BENEFICIARY

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IN WRITING, SENT BY REGISTERED MAIL AND/OR COURIER SERVICE TO THE ADDRESS ABOVE, COMERICA BANK THAT WE ELECT NOT TO SO RENEW THE CREDIT.

2. EXCEPT AS STATED HEREIN, THIS IRREVOCABLE LETTER OF CREDIT IS NOT SUBJECT TO ANY CONDITION OR QUALIFICATION AND IS OUR INDIVIDUAL OBLIGATION WHICH IS IN NO WAY CONTINGENT UPON REIMBURSEMENT.

3. PAYMENT OF COMPLYING DOCUMENTS PRESENTED UNDER THIS LETTER OF CREDIT ARE PAYABLE WITHIN THREE (3) BUSINESS DAYS AFTER PRESENTATION TO COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5<sup>TH</sup> FLOOR, EL SEGUNDO, CA 90245, ATTN: STANDBY L/C TEAM 40.

4. DRAWINGS HONORED BY THE ISSUING BANK UNDER THIS LETTER OF CREDIT SHALL NOT, IN THE AGGREGATE, EXCEED THE TOTAL AMOUNT OF CREDIT SET FORTH ABOVE AND EACH DRAWING HONORED BY THE ISSUING BANK SHALL REDUCE THE AMOUNT SET FORTH PRO TANTO. PARTIAL DRAWINGS ARE PERMITTED.

5. PAYMENT OF ANY AMOUNT UNDER THIS LETTER OF CREDIT BY THE ISSUING OR A CONFIRMING BANK SHALL BE MADE BY WIRE TRANSFER TO BANK OF AMERICA, ARDEN-NORSE BRANCH, SACRAMENTO, CALIFORNIA FOR DEPOSIT TO THE ACCOUNT OF THE STATE OF CALIFORNIA, DEPARTMENT OF INDUSTRIAL RELATIONS, ACCOUNT NO. 01482-80005.

6. IF LEGAL PROCEEDINGS ARE INITIATED BY ANY PARTY WITH RESPECT TO THE PAYMENT OF THIS STANDBY LETTER OF CREDIT, WE AGREE THAT SUCH PROCEEDINGS SHALL BE SUBJECT TO THE JURISDICTION OF CALIFORNIA COURTS, ADMINISTRATIVE AGENCIES AND CALIFORNIA LAW.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED IF DRAWN AND PRESENTED FOR PAYMENT AT THIS OFFICE ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 600).

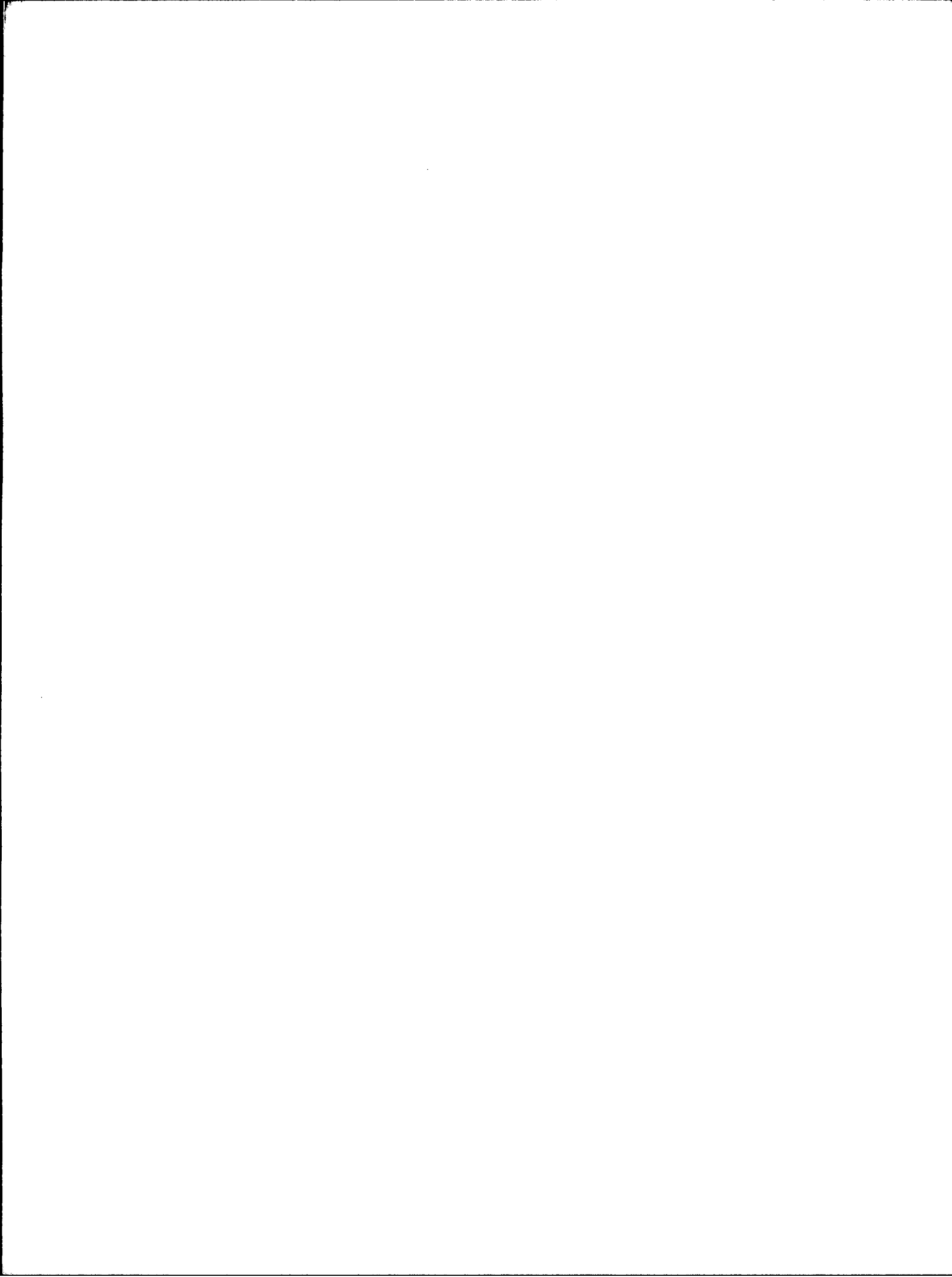
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# **EXHIBIT E**





Security Agreement  
(Conexant Systems, Inc.)  
(Negotiable Collateral)

As of May 1, 2008 for value received, the undersigned ("Debtor") grants to Comerica Bank - California, a Michigan banking corporation ("Bank"), whose address is 611 Anton Blvd., Suite 400, Costa Mesa, CA 95626, a continuing security interest and lien (any pledge, assignment, security interest or other lien arising hereunder is sometimes referred to herein as a "security interest") in the Collateral (as defined below) to secure payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness to the Bank of Debtor arising under or in connection with letters of credit issued by Bank at the request or for the account of Debtor and/or under letter of credit applications and agreements related thereto ("Indebtedness"). Indebtedness includes without limit any and all of the afore-described obligations or liabilities of the Debtor to the Bank, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all of the afore-described obligations or liabilities for which the Debtor would otherwise be liable to the Bank were it not for the invalidity or unenforceability of them by reason of any bankruptcy, insolvency or other law, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; all costs incurred by Bank in establishing, determining, continuing, or defending the validity or priority of its security interest, or in pursuing its rights and remedies under this Agreement or in connection with the Indebtedness or in connection with any proceeding involving Bank as a result of the Indebtedness; and all other costs of collecting Indebtedness, including without limit attorney fees. Debtor agrees to pay Bank all such costs incurred by the Bank, immediately upon demand, and until paid all costs shall bear interest at the highest per annum rate applicable to any of the Indebtedness, but not in excess of the maximum rate permitted by law. Any reference in this Agreement to attorney fees shall be deemed a reference to reasonable fees, costs, and expenses of both in-house and outside counsel and paralegals, whether or not a suit or action is instituted, and to court costs if a suit or action is instituted, and whether attorney fees or court costs are incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding or otherwise. Debtor further covenants, agrees and represents as follows:

1. Collateral shall mean all of Debtor's rights, title and interest in and to Money Market Account No. 1851-480234 with Bank, and all proceeds thereof.
2. Warranties, Covenants and Agreements. Debtor warrants, covenants and agrees as follows:
  - 2.1 At the time any Collateral becomes, or is represented to be, subject to a security interest in favor of Bank, Debtor shall be deemed to have warranted that (a) Debtor is the lawful owner of the Collateral and has the right and authority to subject it to a security interest granted to Bank; (b) none of the Collateral is subject to any security interest other than that in favor of Bank; (c) there are no financing statements on file with respect to the Collateral, other than in favor of Bank; (d) no person, other than Bank, has possession or control (as defined in the Uniform Commercial Code) of any Collateral of such nature that perfection of a security interest may be accomplished by control; and (e) Debtor acquired its rights in the Collateral in the ordinary course of its business.
  - 2.2 Debtor will keep the Collateral free at all times from all claims, liens, security interests and encumbrances other than those in favor of Bank. Debtor will not, without the prior written consent of Bank, sell, transfer or lease, or permit to be sold, transferred or leased, any or all of the Collateral.
  - 2.3 Debtor will do all acts and will execute or cause to be executed all writings requested by Bank to establish, maintain and continue an exclusive perfected and first security interest of Bank in the Collateral. Debtor agrees that Bank has no obligation to acquire or perfect any lien on or

security interest in any asset(s), whether realty or personally, to secure payment of the Indebtedness, and Debtor is not relying upon assets in which the Bank may have a lien or security interest for payment of the Indebtedness.

2.4 If at any time the outstanding principal balance of the Indebtedness exceeds 100% of the value of the Collateral, as such value is determined from time to time by Bank (herein called the "Margin Requirement"), Debtor shall immediately pay or cause to be paid to Bank an amount sufficient to reduce the Indebtedness such that the remaining principal outstanding thereunder is equal to or less than the Margin Requirement. Bank shall apply payments made under this paragraph in payment of the Indebtedness in such order and manner of application as Bank in its sole discretion elects. In the alternative, Debtor may provide or cause to be provided to Bank additional collateral in the form of cash or other property acceptable to Bank and with a value, as determined by Bank, that when added to the Collateral will constitute compliance with the Margin Requirement.

2.5 At any time and without notice, Bank may (a) cause any or all of the Collateral to be transferred to its name or to the name of its nominees; (b) receive or collect by legal proceedings or otherwise all dividends, interest, principal payments and other sums and all other distributions at any time payable or receivable on account of the Collateral, and hold the same as Collateral, or apply the same to the Indebtedness, the manner and distribution of the application to be in the sole discretion of Bank; (c) enter into any extension, subordination, reorganization, deposit, merger or consolidation agreement or any other agreement relating to or affecting the Collateral, and deposit or surrender control of the Collateral, and accept other property in exchange for the Collateral and hold or apply the property or money so received pursuant to this Agreement; and (d) take such actions in its own name or in Debtor's name as Bank, in its sole discretion, deems necessary or appropriate to establish exclusive control (as defined in the Uniform Commercial Code) over any Collateral of such nature that perfection of Bank's security interest may be accomplished by control.

3. Collection of Proceeds. Debtor irrevocably authorizes Bank or any Bank employee or agent to endorse the name of Debtor upon any checks or other items which are received in payment for any Collateral, and to do any and all things necessary in order to reduce these items to money. Debtor agrees to take all steps necessary to preserve rights against prior parties with respect to the Collateral. Nothing in this Section 3 shall be deemed a consent by Bank to any sale or other disposition of any Collateral.

4. Defaults, Enforcement and Application of Proceeds.

4.1 Upon the occurrence of any of the following events (each an "Event of Default"), Debtor shall be in default under this Agreement:

- (a) Any failure to pay the Indebtedness or any other Indebtedness when due, or such portion of it as may be due, by acceleration or otherwise; or
- (b) Any failure or neglect to comply with, or breach of or default under, any term of this Agreement, or any other agreement or commitment between Debtor and Bank; or
- (c) Any warranty, representation, financial statement, or other information made, given or furnished to Bank by or on behalf of Debtor shall be, or shall prove to have been, false or materially misleading when made, given, or furnished; or

- (d) Sale or other disposition by Debtor of any substantial portion of its assets or property or voluntary suspension of the transaction of business by Debtor, or death, dissolution, termination of existence, merger, consolidation, insolvency, business failure, or assignment for the benefit of creditors of or by Debtor; or commencement of any proceedings under any state or federal bankruptcy or insolvency laws or laws for the relief of debtors by or against Debtor; or the appointment of a receiver, trustee, court appointee, sequestrator or otherwise, for all or any part of the property of Debtor; or
- (e) Bank deems the margin of Collateral insufficient or itself insecure, in good faith believing that the prospect of payment of the Indebtedness or performance of this Agreement is impaired or shall fear deterioration, removal, or waste of Collateral; or
- (f) A default shall occur under any instrument, agreement or other document evidencing, securing or otherwise relating to any of the Indebtedness.

4.2 Upon the occurrence of any Event of Default, Bank may at its discretion and without prior notice to Debtor declare any or all of the Indebtedness to be immediately due and payable, and shall have and may exercise any one or more of the following rights and remedies:

- (a) Exercise all the rights and remedies upon default, in foreclosure and otherwise, available to secured parties under the provisions of the Uniform Commercial Code and other applicable law;
- (b) Institute legal proceedings to foreclose upon the lien and security interest granted by this Agreement, to recover judgment for all amounts then due and owing as Indebtedness, and to collect the same out of any Collateral or the proceeds of any sale of it; and/or
- (c) Institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any or all Collateral.
- (d) liquidate and collect Collateral and apply it toward payment of Indebtedness.

4.3 At the request of Bank, whether or not an Event of Default shall have occurred, Debtor shall immediately take such actions as Bank shall request to establish exclusive control (as defined in the Uniform Commercial Code) by Bank over any Collateral which is of such a nature that perfection of a security interest may be accomplished by control.

4.4 The proceeds of any sale or other disposition of Collateral authorized by this Agreement shall be applied by Bank first upon all expenses authorized by the Uniform Commercial Code and all reasonable attorney fees and legal expenses incurred by Bank; the balance of the proceeds of the sale or other disposition shall be applied in the payment of the Indebtedness, first to interest, then to principal, then to remaining Indebtedness and the surplus, if any, shall be paid over to Debtor or to such other person(s) as may be entitled to it under applicable law. Debtor shall remain liable for any deficiency, which it shall pay to Bank immediately upon demand. Debtor agrees that Bank shall be under no obligation to accept any noncash proceeds in connection with any sale or disposition of Collateral unless failure to do so would be commercially unreasonable. If Bank agrees in its sole discretion to accept noncash proceeds (unless the failure to do so would be commercially unreasonable), Bank may ascribe any commercially reasonable value to such proceeds. Without limiting the foregoing, Bank may apply any discount factor in determining the present value of proceeds to be received in the future or may elect to apply proceeds to be received in the future only as and when such proceeds are actually received in cash by Bank.

- 4.5 Nothing in this Agreement is intended, nor shall it be construed, to preclude Bank from pursuing any other remedy provided by law for the collection of the Indebtedness or for the recovery of any other sum to which Bank may be entitled for the breach of this Agreement by Debtor. Nothing in this Agreement shall reduce or release in any way any rights or security interests of Bank contained in any existing agreement between Debtor and Bank.
- 4.6 No waiver of default or consent to any act by Debtor shall be effective unless in writing and signed by an authorized officer of Bank. No waiver of any default or forbearance on the part of Bank in enforcing any of its rights under this Agreement shall operate as a waiver of any other default or of the same default on a future occasion or of any rights.
- 4.7 Debtor (a) irrevocably appoints Bank or any agent of Bank (which appointment is coupled with an interest) the true and lawful attorney of Debtor (with full power of substitution) in the name, place and stead of, and at the expense of, Debtor and (b) authorizes Bank or any agent of Bank, in its own name, at Debtor's expense, to do any of the following, as Bank, in its sole discretion, deems appropriate:
- (i) to demand, receive, sue for, and give receipts or acquittances for any moneys due or to become due on any Collateral (including without limit to draft against Collateral) and to endorse any item representing any payment on or proceeds of the Collateral;
  - (ii) to execute and file in the name of and on behalf of Debtor all financing statements or other filings deemed necessary or desirable by Bank, in respect to the Collateral, to evidence, perfect, or continue the security interests granted in this Agreement;
  - (iii) upon the occurrence of an Event of Default, to execute in the name of and on behalf of Debtor any and all stock or bond assignment forms or comparable instruments as Bank in its sole discretion deems necessary to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral;
  - (iv) upon the occurrence of an Event of Default, to take such other action in the name of and on behalf of Debtor as Bank deems necessary in its sole discretion to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral; and
  - (v) to do and perform any act on behalf of Debtor permitted or required under this Agreement.

5. Miscellaneous.

- 5.1 Until Bank is advised in writing by Debtor to the contrary, all notices, requests and demands required under this Agreement or by law shall be given to, or made upon, Debtor at its the first address indicated in Section 5.12 below.
- 5.2 Debtor will give Bank not less than 30 days prior written notice of all contemplated changes in Debtor's name, location, chief executive office, principal place of business, and/or location of any Collateral, but the giving of this notice shall not cure any Event of Default caused by this change.
- 5.3 Bank assumes no duty of performance or other responsibility under any contracts contained within the Collateral.
- 5.4 After any Event of Default, Bank has the right to sell, assign, transfer, negotiate or grant participations or any interest in, any or all of the Indebtedness and any related obligations,

including without limit this Agreement. In connection with the above, but without limiting its ability to make other disclosures to the full extent allowable, Bank may disclose all documents and information which Bank now or later has relating to Debtor, the Indebtedness or this Agreement, however obtained. Debtor further agrees that Bank may provide information relating to this Agreement or relating to Debtor to the Bank's parent, affiliates, subsidiaries, and service providers.

- 5.5 Debtor, to the extent not expressly prohibited by applicable law, waives any right to require the Bank to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Uniform Commercial Code; or (c) pursue any other remedy in the Bank's power. Debtor waives notice of acceptance of this Agreement and presentment, demand, protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which the undersigned might otherwise be entitled, and diligence in collecting any Indebtedness, and agree(s) that the Bank may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew or forbear to enforce payment of any or all Indebtedness, all without notice to Debtor and without affecting in any manner the unconditional obligation of Debtor under this Agreement. Debtor unconditionally and irrevocably waives each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Debtor under this Agreement, and acknowledges that such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Debtor now or later securing the Indebtedness, and acknowledges that as of the date of this Agreement no such defense or setoff exists.
- 5.6 In the event that applicable law shall obligate Bank to give prior notice to Debtor of any action to be taken under this Agreement, Debtor agrees that a written notice given to Debtor at least ten days before the date of the act shall be reasonable notice of the act and, specifically, reasonable notification of the time and place of any public sale or of the time after which any private sale, lease, or other disposition is to be made, unless a shorter notice period is reasonable under the circumstances. A notice shall be deemed to be given under this Agreement when delivered to Debtor or when placed in an envelope addressed to Debtor and deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States Postal Service or delivered to an overnight courier. The mailing shall be by overnight courier, certified, or first class mail.
- 5.7 Notwithstanding any prior revocation, termination, surrender, or discharge of this Agreement in whole or in part, the effectiveness of this Agreement shall automatically continue or be reinstated in the event that any payment received or credit given by Bank in respect of the Indebtedness is returned, disgorged, or rescinded under any applicable law, including, without limitation, bankruptcy or insolvency laws, in which case this Agreement, shall be enforceable against Debtor as if the returned, disgorged, or rescinded payment or credit had not been received or given by Bank, and whether or not Bank relied upon this payment or credit or changed its position as a consequence of it. In the event of continuation or reinstatement of this Agreement, Debtor agrees upon demand by Bank to execute and deliver to Bank those documents which Bank determines are appropriate to further evidence (in the public records or otherwise) this continuation or reinstatement, although the failure of Debtor to do so shall not affect in any way the reinstatement or continuation.



- 5.8 This Agreement and all the rights and remedies of Bank under this Agreement shall inure to the benefit of Bank's successors and assigns and to any other holder who derives from Bank title to or an interest in the Indebtedness or any portion of it, and shall bind Debtor and the heirs, legal representatives, successors, and assigns of Debtor. Nothing in this Section 5.8 is deemed a consent by Bank to any assignment by Debtor.
- 5.9 Except as otherwise provided in this Agreement, all terms in this Agreement have the meanings assigned to them in Article 9 (or, absent definition in Article 9, in any other Article) of the Uniform Commercial Code, as those meanings may be amended, revised or replaced from time to time. "Uniform Commercial Code" means Act No. 174 of the Michigan Public Acts of 1962, as amended, revised or replaced from time to time, including without limit as amended by Act No. 348 of the Michigan Public Acts of 2000. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the Uniform Commercial Code have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more broadly or inclusively than the Uniform Commercial Code in effect on the date of this Agreement, then such term, as used herein, shall be given such broadened meaning. If the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the Uniform Commercial Code in effect on the date of this Agreement, such amendment or holding shall be disregarded in defining terms used in this Agreement.
- 5.10 No single or partial exercise, or delay in the exercise, of any right or power under this Agreement, shall preclude other or further exercise of the rights and powers under this Agreement. The unenforceability of any provision of this Agreement shall not affect the enforceability of the remainder of this Agreement. This Agreement constitutes the entire agreement of Debtor and Bank with respect to the subject matter of this Agreement. No amendment or modification of this Agreement shall be effective unless the same shall be in writing and signed by Debtor and an authorized officer of Bank. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without regard to conflict of laws principles.
- 5.11 To the extent that any of the Indebtedness is payable upon demand, nothing contained in this Agreement shall modify the terms and conditions of that Indebtedness nor shall anything contained in this Agreement prevent Bank from making demand, without notice and with or without reason, for immediate payment of any or all of that Indebtedness at any time(s), whether or not an Event of Default has occurred.
- 5.12 Debtor represents and warrants that Debtor's exact name is the name set forth in this Agreement. Debtor further represents and warrants the following and agrees that Debtor is, and at all times shall be, located in the following place [mark applicable provision]:
- ☐ Debtor is an individual, and Debtor is located (as determined pursuant to the Uniform Commercial Code) at Debtor's principal residence which is (street address, state and county or parish): \_\_\_\_\_
  - ☒ Debtor is a registered organization which is organized under the laws of Delaware, and Debtor's address is 4000 MacArthur Boulevard, Newport Beach, CA 92660
  - ☐ Debtor is a domestic organization which is not a registered organization under the laws of the United States or any state thereof (e.g. general partnership, joint venture, trust, estate or

association), and Debtor is located (as determined pursuant to Uniform Commercial Code) at its sole place of business or, if it has more than one place of business, at its chief executive office, which is (street address, state and county or parish): \_\_\_\_\_.

\_\_\_\_ Debtor is a registered organization organized under the laws of the United States, and Debtor is located in the state that United States law designates as its location or, if United States law authorizes the Debtor to designate the state for its location, the state designated by Debtor, or if neither of the foregoing are applicable, at the District of Columbia. Debtor is located (as determined pursuant to the Uniform Commercial Code) at (street address, state and county or parish): \_\_\_\_\_.

\_\_\_\_ Debtor is a foreign individual or foreign organization or a branch or agency of a bank that is not organized under the laws of the United States or a state thereof. Debtor is located (as determined pursuant to the Uniform Commercial Code) at: \_\_\_\_\_.

5.13 A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement under the Uniform Commercial Code and may be filed by Bank in any filing office.

5.14 This Agreement shall be terminated only by the filing of a termination statement in accordance with the applicable provisions of the Uniform Commercial Code.

6. DEBTOR AND BANK ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE INDEBTEDNESS.

7. Special Provisions Applicable to this Agreement. (\*None, if left blank)

Debtor:

CONEXANT SYSTEMS, INC.

By:

SIGNATURE OF:

Kerry K. Petry

Its:

Vice President and Treasurer

TITLE:

MI-00162 (5-01)

# **EXHIBIT F**

COPY

Comerica

AKM

FAX NO: 310-297-2886  
SWIFT: MNBUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

CREDIT NUMBER OF  
ISSUING BANK: 635577 -44

APRIL 11, 2012

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVE., STE 1  
SACRAMENTO, CA 95825

AMENDMENT NUMBER: 05

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING ADDITION:  
THIS CREDIT AMOUNT IS DECREASED BY USD211,275.00

NEW AVAILABLE AMOUNT AFTER THIS AMENDMENT IS USD 953,450.00

TO THE BENEFICIARY: PLEASE COMMUNICATE YOUR ACCEPTANCE OR  
REJECTION OF THIS AMENDMENT BY COMPLETING THE FOLLOWING AND MAIL  
A COPY OF THIS AMENDMENT TO US AT COMERICA BANK, INTERNATIONAL  
TRADE SERVICES, 2321 ROSECRANS AVE., 5TH FL., EL SEGUNDO CA 90245.

THIS AMENDMENT IS: < ☒ ACCEPTED < ☐ REJECTED

AUTHORIZED SIGNATURE OF BENEFICIARY / DATE

*[Signature]* 4/12/12  
Manager, Self Insurance Plans

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

*[Signature]*  
(AUTHORIZED SIGNATURE)

MARK A. THORNE  
AUTHORIZED SIGNATURE

Comerica Bank

23.62

MAT

FAX NO: 310-297-2886  
SWIFT: MNBDUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

APRIL 11, 2011

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

CREDIT NUMBER OF  
ISSUING BANK: 635577 -44

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVE., STE 1  
SACRAMENTO, CA 95825

AMENDMENT NUMBER: 04

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING CHANGE:  
THIS CREDIT AMOUNT IS DECREASED BY USD462,133.00

NEW AVAILABLE AMOUNT AFTER THIS AMENDMENT IS USD1,164,725.00

TO THE BENEFICIARY: PLEASE COMMUNICATE YOUR ACCEPTANCE OR  
REJECTION OF THIS AMENDMENT BY COMPLETING THE FOLLOWING AND MAIL  
A COPY OF THIS AMENDMENT TO US AT COMERICA BANK, INTERNATIONAL  
TRADE SERVICES, 2321 ROSECRANS AVE., 5TH FL., EL SEGUNDO CA 90245.

THIS AMENDMENT IS: < >ACCEPTED < ~~REJECTED~~ >

*[Signature]*  
AUTHORIZED SIGNATURE OF BENEFICIARY / DATE

*Manager - Self-Insurance Plans*

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

*[Signature]*  
AUTHORIZED SIGNATURE  
V.P. International Trade Services

Comerica Bank

AKM

2262

FAX NO: 310-297-2886  
SWIFT: MNBDUS6S LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

APRIL 13, 2010

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

CREDIT NUMBER OF  
ISSUING BANK: 635577 -44

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVE., STE 1  
SACRAMENTO, CA 95825

AMENDMENT NUMBER: 03

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE AMOUNT OF THIS CREDIT HAS INCREASED BY 225,722.00 USD.

THE AMOUNT OF THIS CREDIT ISSUED NOW TOTALS USD 1,626,858.00

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

AUTHORIZED SIGNATURE

<b>Consent</b>
By: <u>[Signature]</u>
Title: <u>Manager</u>
<b>Self Insurance Plans</b>
Date: <u>4/14/10</u>

Rudy Forbes  
V.R International Trade Services

Comerica Bank

TELEX NO. 130221  
FAX NO. 810-207-2888  
SWIFT: MNDUS3300A

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE. 5TH FLOOR  
EL SEGUNDO, CA 90245

International Department

AMENDMENT TO LETTER OF CREDIT  
APRIL 22, 2001

CREDIT NUMBER OF  
ISSUING BANK IS 635577

ISSUING BANK

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE. 5TH FLOOR  
EL SEGUNDO, CA 90245

APPLICANT

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY  
SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVE. STE  
SACRAMENTO, CA 95825

AMENDMENT NUMBER 02

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN,

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING ADDITION:  
THIS CREDIT AMOUNT IS DECREASED BY USD 304,192.00.

NEW AVAILABLE AMOUNT AFTER THIS AMENDMENT IS USD 401,136.00.

TO THE BENEFICIARY: PLEASE COMMUNICATE YOUR ACCEPTANCE OR  
REJECTION OF THIS AMENDMENT BY COMPLETING THE FOLLOWING AND MAIL  
A COPY OF THIS AMENDMENT TO: COMERICA BANK, INTERNATIONAL  
TRADE SERVICES, 2321 ROSECRANS AVE. 5TH FL., EL SEGUNDO, CA 90245.

THIS AMENDMENT IS

ACCEPTED

REJECTED

AUTHORIZED SIGNATURE OF BENEFICIARY (DATE)



Page 2

AND OTHER TERMS AND CONDITIONS OF SALE

VERY TRULY YOURS

AUTHORIZED SIGNATURE

# Monday Forth

V.P. International Trade Services

Comerica Bank

226.2

MAT

International Department

TELEX NO. 377213  
FAX NO. 310-227-1886  
SWIFT: COMBUS66

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
221 ROSECRANS AVE. 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

CREDIT NUMBER OF  
ISSUING BANK 635577-44

MAY 11, 2008

ISSUING BANK

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
221 ROSECRANS AVE. 5TH FLOOR  
EL SEGUNDO, CA 90245

APPLICANT

COMEXANT SYSTEMS, INC.  
2000 MCCARTHY BOULEVARD  
NEWPORT BEACH, CA 92650

REVEALATORY  
SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
221 ROSECRANS AVE. 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT NUMBER 01

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED HERETO

ON VIA CORREBORAL WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE AMOUNT OF THIS CREDIT HAS INCREASED BY 142,940.00 USD

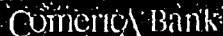
THE AMOUNT OF THIS CREDIT ISSUED NOW TOTALS USD 1,706,128.00

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

VERY TRULY YOURS

Consent
By: <i>[Signature]</i>
Title: <i>Manager</i>
Self Insurance Plans
Date: <i>5/27/08</i>

AUTHORIZED SIGNATURE



International Department  
ADD

FAX NO: 310-297-2890  
SWIFT: MNBDUS69 LAX  
PHONE: 310-297-2840

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVENUE, 5TH FLOOR  
EL SEGUNDO, CA 90245

**BENEFICIARY:**

SELF INSURANCE PLANS  
STATE OF CALIFORNIA  
2265 WATT AVENUE, SUITE 1  
SACRAMENTO, CA 95825

ISSUANCE DATE: MAY 1, 2008

LETTER OF CREDIT NO. 635577-44

AMOUNT: USD 1,563,188.00

EXPIRATION DATE: MAY 1, 2009

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 635577-44 IN YOUR FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC. 4000 MACARTHUR BLVD., NEWPORT BEACH, CA 92660 FOR A SUM NOT EXCEEDING USD 1,563,188.00 (ONE MILLION FIVE HUNDRED SIXTY THREE THOUSAND ONE HUNDRED EIGHTY EIGHT AND 00/100 U.S. DOLLARS) AVAILABLE WITH COMERICA BANK AT SIGHT DURING NORMAL BUSINESS HOURS AT COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5TH FLOOR, EL SEGUNDO, CA 90245, WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. A SIGNED BENEFICIARY'S STATEMENT EXECUTED BY THE DIRECTOR OF THE CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS AND/OR THE MANAGER OF SELF INSURANCE PLANS THAT CONEXANT SYSTEMS, INC. HAS DONE ANY OF THE FOLLOWING:

- (A) FAILED TO PAY ITS WORKERS' COMPENSATION OBLIGATIONS;
- (B) FILED FOR BANKRUPTCY; AND/OR
- (C) FAILED TO RENEW OR SUBSTITUTE ACCEPTABLE SECURITY FOR WORKERS' COMPENSATION LIABILITIES BY TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT.

2. A DRAFT SIGNED BY THE DIRECTOR OF THE CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS AND/OR THE MANAGER OF SELF INSURANCE PLANS FOR THE AMOUNT OF THE DRAWING REQUESTED UNDER THIS LETTER OF CREDIT AND INCLUDING A REFERENCE TO THE LETTER OF CREDIT NUMBER AND ORIGINAL DATE OF ISSUE OF THIS LETTER OF CREDIT; AND

3. THE ORIGINAL LETTER OF CREDIT DOCUMENTS AND ALL AMENDMENTS THERETO AND ANY CONFIRMING BANK'S ORIGINAL LETTER OF CREDIT DOCUMENT AND ALL AMENDMENTS THERETO.

Note: A DRAFT ACCOMPANIED BY A STATEMENT INDICATING THAT CONEXANT SYSTEMS, INC. HAS FAILED TO RENEW OR SUBSTITUTE ACCEPTABLE SECURITY FOR WORKERS' COMPENSATION LIABILITIES BY TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT MAY NOT BE PRESENTED TO THE ISSUER OF THIS LETTER OF CREDIT EARLIER THAN TEN (10) DAYS BEFORE THE EXPIRATION DATE OF THE LETTER OF CREDIT.

**SPECIAL INSTRUCTIONS:**

1. THE EXPIRATION DATE OF THIS LETTER OF CREDIT WILL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL PERIOD OF ONE (1) YEAR FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS NOT LESS THAN FORTY-FIVE (45) DAYS PRIOR TO SUCH DATE COMERICA BANK NOTIFIES BENEFICIARY IN WRITING, SENT BY REGISTERED MAIL AND/OR COURIER SERVICE TO THE ADDRESS ABOVE, COMERICA BANK THAT WE ELECT NOT TO SO RENEW THE CREDIT.

2. EXCEPT AS STATED HEREIN, THIS IRREVOCABLE LETTER OF CREDIT IS NOT SUBJECT TO ANY CONDITION OR QUALIFICATION AND IS OUR INDIVIDUAL OBLIGATION WHICH IS IN NO WAY CONTINGENT UPON REIMBURSEMENT.



International Department

PAGE 2 OF 2 TO IRREVOCABLE STANDBY LETTER OF CREDIT NO. 635577-44

3. PAYMENT OF COMPLYING DOCUMENTS PRESENTED UNDER THIS LETTER OF CREDIT ARE PAYABLE WITHIN THREE (3) BUSINESS DAYS AFTER PRESENTATION TO COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5<sup>TH</sup> FLOOR, EL SEGUNDO, CA 90245, ATTN: STANDBY L/C TEAM 44.

4. DRAWINGS HONORED BY THE ISSUING BANK UNDER THIS LETTER OF CREDIT SHALL NOT, IN THE AGGREGATE, EXCEED THE TOTAL AMOUNT OF CREDIT SET FORTH ABOVE AND EACH DRAWING HONORED BY THE ISSUING BANK SHALL REDUCE THE AMOUNT SET FORTH PRO TANTO. PARTIAL DRAWINGS ARE PERMITTED.

5. PAYMENT OF ANY AMOUNT UNDER THIS LETTER OF CREDIT BY THE ISSUING OR A CONFIRMING BANK SHALL BE MADE BY WIRE TRANSFER TO BANK OF AMERICA, ARDEN-MORSE BRANCH, SACRAMENTO, CALIFORNIA FOR DEPOSIT TO THE ACCOUNT OF THE STATE OF CALIFORNIA, DEPARTMENT OF INDUSTRIAL RELATIONS, ACCOUNT NO. 01482-80005.

6. IF LEGAL PROCEEDINGS ARE INITIATED BY ANY PARTY WITH RESPECT TO THE PAYMENT OF THIS STANDBY LETTER OF CREDIT, WE AGREE THAT SUCH PROCEEDINGS SHALL BE SUBJECT TO THE JURISDICTION OF CALIFORNIA COURTS, ADMINISTRATIVE AGENCIES AND CALIFORNIA LAW.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED IF DRAWN AND PRESENTED FOR PAYMENT AT THIS OFFICE ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 600).

This Document consists of 2 pages.

VERY TRULY YOURS,

AUTHORIZED SIGNATURE

RHONDA DANTZLER  
AUTHORIZED SIGNATURE

# **EXHIBIT G**

Comerica Bank

Standby Letter of Credit Application and Agreement  
and Rledge Agreement

The undersigned hereby requests Comerica Bank ("Bank") to issue an irrevocable standby letter of credit ("Credit") and notify the beneficiary directly or through an advising bank by:

- a. ☒ Forwarding the Credit directly to the beneficiary via courier; or  
 b. ☐ Forwarding the Credit to an advising bank via ☐ courier ☐ S.W.I.F.T./telex; or  
 c. ☐ Forwarding the Credit to a third party (insert name and address) \_\_\_\_\_ by courier; as follows (if the preceding information is not completed, Bank will send the Credit directly to the beneficiary or an advising bank it selects).

Section A.		DOCUMENT TRACKING	
Advising Bank (if applicable):	(Complete Name)	Branch No. or S.W.I.F.T. Address	
	(Complete Street Address - P.O. Box Prohibited)	NO. 1778030	
For Account of (Account Party):	Conexant Systems, Inc. (Complete Name)	Ann Sadakane (Attn:)	
	4000 MacArthur Blvd., Newport Beach, CA 92660 (Complete Street Address - P.O. Box Prohibited)		
In Favor of (Beneficiary):	San Diego Gas & Electric Company (Complete Name)	Ron Hloks (Attn:)	
	555 W. Fifth Street Mail Code QT10B3, Los Angeles, CA 90013 telephone 213 244-3304 (Complete Street Address - P.O. Box Prohibited)		

Section B.	
Amount and Currency:	One Hundred Thousand Sixty Nine Thousand One Hundred Seventy Three dollars no cents (Amount in Figures and Words)
	USD169,173.00 (Currency)
Expiration Date:	February 4, 2011 (Spell out date - month, day, year)

Section C.	
Auto Extension Provisions (Select only one option. If no option is selected, the default selection is "Not Automatically Extendable"):	
<input type="checkbox"/> NOT AUTOMATICALLY EXTENDABLE	
<input checked="" type="checkbox"/> AUTO EXTENDABLE:	
Number of Days Notice to Beneficiary Prior to Expiration Date (e.g., 15, 30, 45) (If not specified, default is 30 days): 90 ✓	
How often (e.g., yearly, semi-yearly): yearly	
Final Expiration Date: _____	
Drawing and Presentation Options (Select only one option):	
<input checked="" type="checkbox"/> Partial Drawings/Multiple Presentations Permitted (multiple presentations for less than full amount)	
<input type="checkbox"/> Partial Drawings/Multiple Presentations Prohibited (only one presentation and for full amount)	
<input type="checkbox"/> Partial Drawing Permitted/Multiple Presentation Prohibited (only one presentation may be made but it may be for less than the full amount available)	
Documents Required for Drawing under the Credit (Select only one option):	
<input type="checkbox"/> NO DOCUMENTS REQUIRED FOR DRAWING. It is understood by the Applicant that the beneficiary will not be required to provide any documents or a reason for the drawing.	
<input checked="" type="checkbox"/> DOCUMENTS REQUIRED FOR DRAWING (Select only one option):	
<input checked="" type="checkbox"/> Issue the Credit substantially in the form attached hereto as Exhibit A. (Applicant must sign the attached Exhibit to acknowledge and approve the proposed form of the Credit; provided, however, issuance of the Credit and the final form and terms of the Credit shall be at Bank's sole discretion).	
<input type="checkbox"/> A statement signed by the beneficiary with the following wording: "_____"	
If additional documents are required, please specify in Section D below.	
REGARDLESS OF WHETHER OR NOT DOCUMENTS ARE REQUIRED, THE BANK, AT ITS SOLE OPTION, MAY REQUIRE THE ORIGINAL OF THE CREDIT, AND ALL AMENDMENTS THERETO, AND A DRAFT OR OTHER DEMAND FOR PAYMENT BE DELIVERED OR PRESENTED TO THE BANK AT THE TIME OF A DRAWING UNDER THE CREDIT.	

Section D.	
------------	--

Received Time Jan. 14. 2010 9:52AM No. 5756  
(Rev. 12/07)

MDR NO. 1778031

Page 1 of 4



☒ Other Conditions, Instructions and Requests:

Active date is to February 4, 2010.

deleted

ctions

✓

per Applicant

Date:

1/15/10  
10:00 AM

Received Time Jan. 14, 2010 9:52AM No. 5756

Cameroon Bank Standby Letter of Credit Application and Agreement and Pledge Agreement (Rev. 12/07)

Page 2 of 8

TERMS AND CONDITIONS. In consideration Issuance of the Credit by Bank, Applicant hereby agrees Bank as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the following respective meanings:
  - (a) "Account Party" means the party or parties identified as the "Account Party" in the Application, whose name(s) will be identified in the Credit. The Account Party may be, but is not required to be, the same as the Applicant.
  - (b) "Applicant" means the undersigned party or parties identified and signing this Application and Agreement as such, and who will be responsible as herein provided.
  - (c) "Application" and "Agreement" each means this Standby Letter of Credit Application and Agreement for an irrevocable standby letter of credit to be issued by Bank, as the same may be amended or modified from time to time in accordance with the provisions hereof.
  - (d) "Bank" means Comerich Bank.
  - (e) "Collateral" is defined in paragraph 13 of this Agreement.
  - (f) "Commercial Code" is defined in paragraph 9 of this Agreement.
  - (g) "Correspondent Bank" is defined in paragraph 19 of this Agreement.
  - (h) "Credit" means the irrevocable standby letter of credit issued by Bank, at its option, pursuant to this Application and Agreement, as such letter of credit may be modified or amended from time to time.
  - (i) "Designated Office" means Bank's office designated in the Bank's Designated Office section at the end of this Agreement, or such other office of Bank as Bank may designate from time to time by written notice to Applicant.
  - (j) "Dollars" and the sign "\$" shall mean lawful money of the United States of America.
  - (k) "Event of Default" is defined in paragraph 14 of this Agreement.
  - (l) "Governing Law" means the laws of the State of California, Michigan or Texas, respectively, as indicated in the Bank's Designated Office section at the end of this Agreement, subject to the terms of this Agreement, or as otherwise determined pursuant to and in accordance with the terms of this Agreement.
  - (m) "Governing Rules" means the rules governing letter of credit practice as specified in the Credit, which shall be either the International Standby Practices 1998, International Chamber of Commerce ("ICC") Publication No. 390, and any revisions thereof approved by the ICC and adhered to by Bank; or the Uniform Customs and Practice for Documentary Credits, 1993 Revision-ICC Publication No. 500 or 2007 Revision-ICC Publication No. 600, and, in either case, any revisions thereof approved by the ICC and adhered to by Bank.
  - (n) "Instrument" means any time or sight draft or other electronic or written demand for payment drawn under or in connection with any Credit.
  - (o) "Obligations" means all liabilities and obligations of Applicant to Bank, whether direct or indirect, absolute or contingent, joint or several, due or to become due, now existing or hereafter arising, and howsoever evidenced, including, without limit, all liabilities and obligations of Applicant at any time arising or existing under or pursuant to this Agreement or otherwise in respect of the Credit.
  - (p) "Prime Rate" means the rate of interest established by Bank from time to time as its prime rate, which may not necessarily be the lowest interest rate charged by Bank to its borrowers at any time.
  - (q) "Request" is defined in paragraph 11 of this Agreement.
  - (r) "Taxes" means all taxes, levies, duties, charges and fees (including interest and penalties) of any nature charged or imposed by any government or other taxing authority in connection with the Credit, any Instrument or any transaction contemplated thereby.
2. **Issuance of Credit.** Applicant hereby authorizes Bank to comply with Applicant's request to issue the Credit, and any amendments thereto, in each case, for Applicant's account and risk, subject to and in accordance with the terms of this Agreement; provided, however, and notwithstanding anything in this Agreement or elsewhere to the contrary: (a) the issuance of the Credit, or any amendment to the Credit, will be at Bank's sole and absolute discretion; and (b) the terms and conditions of the Credit and any such amendment must be acceptable to Bank, in its sole and absolute discretion. In the event that Bank, in its discretion, elects to issue the Credit with terms or conditions that differ materially or substantially from those set forth in this Application, Bank will provide notice of such decision to Applicant, by telephone or otherwise, and Bank will either, at its discretion, (i) provide a specimen copy of the Credit as so modified to Applicant for its review, in which case, Applicant will promptly review the specimen copy and notify Bank of any errors, omissions, discrepancies or irregularities and as to whether Applicant approves or disapproves the issuance of the Credit in such modified form; or (ii) review the proposed modifications with Applicant by telephone or other means, and if deemed necessary by Bank, obtain Applicant's consent to such modifications. Bank may, in its sole discretion, decline to issue the modified Credit until it receives written authorization from Applicant for the issuance of the Credit as so modified. To the extent applicable, Applicant will promptly examine the copy of the Credit (and any amendments thereto) sent to it by Bank, and all documents and Instruments delivered to it from time to time by Bank, and, in the event of any claim of noncompliance with Applicant's instructions or other irregularity, will immediately notify Bank thereof in writing, Applicant being conclusively deemed to have waived any such claim against Bank and its correspondents unless such notice is given within seven (7) banking days of Bank sending such copy of the Credit and/or the applicable documents to Applicant.
3. **Reimbursement Obligations.** (a) Applicant will reimburse Bank, at its Designated Office, in immediately available funds, the amount required to pay each Instrument drawn or presented, or purporting to be drawn or presented, under the Credit (including all Taxes, charges, costs and expenses paid or incurred by Bank in connection therewith), together with interest thereon from the date of payment by Bank of the Instrument to the date of reimbursement at a per annum rate equal to three percent (3%) above the Prime Rate, such reimbursement to be made on demand. Interest shall be calculated on the basis of a 360 day year and shall be assessed for the actual number of days elapsed; and effect shall be given to any change in the interest rate resulting from a change in the Prime Rate on the date of such change in the Prime Rate.
  - (b) Bank may accept or pay any Instrument presented to it or a nominated bank under the Credit in accordance with the terms of the Credit, regardless of when drawn and whether or not negotiated, if the Instrument and any other documents required under the terms of the Credit are presented or received on or before the expiration date of the Credit and otherwise appear on their face to substantially comply with the terms of the Credit, without any further investigation or inquiry on the part of Bank and regardless of any notice or information to the contrary, and Applicant shall be obligated to reimburse Bank for such Instrument and such other amounts as are required under and in accordance with the terms of this Agreement.
  - (c) Regardless of the currency of the Instrument or the Credit, each reimbursement shall be in Dollars. If Bank receives currency other than Dollars and/or receives reimbursement at a place other than the Designated Office, Bank may, in its sole discretion and in accordance with Bank's own banking procedures, convert the currency received by it into Dollars at the most favorable spot exchange rate determined by Bank to be available to it at the relevant time and transfer the proceeds to the Designated Office. If, after any such conversion and transfer, the amount of Dollars received by Bank at the Designated Office is less than the actual amount due hereunder, then Applicant shall remain liable for such deficiency, together with interest on such amount from the date demanded until payment in full thereof at the rate and on the terms set forth above. If, for any reason or cause, on the date of reimbursement or settlement there is an rate of exchange generally current for effecting such currency conversions and transfers, the Applicant will reimburse the Bank on demand in an amount in Dollars equivalent to the Bank's actual cost of settlement of its obligation under the Instrument or otherwise in respect of the Credit as of the time Bank shall make such settlement, with interest from the date of settlement to the date of reimbursement at the rate and on the terms set forth above. Applicant will comply with all governmental exchange regulations now or hereafter applicable to the Credit or Instruments or payments related thereto and will pay the Bank, on demand, in Dollars, such amount as the Bank may be required to expend on account of such regulations, including, without limitation, all applicable Taxes.
  - (d) All payments to be made by Applicant under this Agreement shall be without deduction, setoff or counterclaim.
  - (e) Bank is authorized to charge any and all of Applicant's deposit accounts and other accounts with Bank for all reimbursements and other payments required under or pursuant to the terms of this Agreement.



4. **Delivery of Documents.** Notwithstanding anything in this Agreement or elsewhere to the contrary, in no event will Bank be obligated to deliver to Applicant any instrument or other documents presented or delivered to Bank at any time under or in connection with the Credit prior to (a) payment of the instrument, and (b) Applicant's payment in full of all reimbursement obligations and other amounts owing by Applicant to Bank hereunder or otherwise in respect of the Credit. If Bank delivers copies of any instrument or documents to Applicant, Bank will be under no obligation to await instructions or authorizations from Applicant in determining whether to make any payment on or in respect of such instrument or the Credit.
5. **Unconditional Obligations.** The obligation of Applicant to reimburse Bank for all amounts paid or required to be paid under any instrument or otherwise in respect of the Credit will be absolute, unconditional and irrevocable and not subject to any qualification, condition or exception, including, without limitation, (a) any lack of validity or enforceability of the Credit or any related documentation or transaction; (b) any amendment, modification, waiver, consent, or any substitution, exchange or release of or failure to perfect any interest in any collateral or security with respect to any property or documents related in any way to the Credit; (c) the existence of any claim, setoff, defense or other right which Applicant or any Account Party may have at any time against any beneficiary or transferee of the Credit (or any person(s) for whom any such beneficiary or transferee may be acting), Bank, or any other person, whether in connection with any documentation relating to the Credit, any transactions contemplated by this Agreement, or any unrelated transactions; (d) any instrument or other document presented under the Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement in any of them being untrue or inaccurate in any respect; (e) payment by Bank to any beneficiary or transferee under the Credit against presentation of any instrument or other document which does not strictly comply with the terms of the Credit, including failure of any instrument or other document to bear any reference or adequate reference to the Credit; (f) any failure, omission, or delay on the part of Bank, or any party to any of the transactions or documents relating to the Credit or any transactions contemplated by this Agreement, to enforce or assert any right or remedy conferred on Bank or any such party, or any other acts or omissions on the part of Bank or any such other party; or (g) any other event or circumstance that would, in the absence of this paragraph, result in the release or discharge, by operation of law or otherwise, of Applicant from the observance or performance of any of its liabilities or obligations under this Agreement.
6. **Interest, Fees, Costs and Expenses.** (a) Applicant will pay Bank such fees and commission with respect to the Credit and any related instruments as has been agreed to by Applicant and Bank. Applicant will further pay Bank the reasonable fees and expenses of Bank in connection with the Credit and any such instruments according to Bank's standard practice as in effect from time to time. Amounts due hereunder include, without limitation, any Taxes, fees, costs or expenses incurred by Bank in connection with any amounts paid by Bank under the Credit that are not reimbursed by Applicant in accordance with the terms of this Agreement. There shall be no refund or decrease, and Applicant shall not be entitled to any return, of any fee, commission or other amount paid or owed to Bank in the event that the Credit is drawn upon, used, reduced, amended, terminated, canceled or otherwise modified prior to its expiration date.
- (b) If any law or regulation or the interpretation or implementation thereof by any court or administrative or governmental authority charged with the administration thereof shall either: (i) impose, modify or deem applicable any reserve, special deposit, limitation or similar requirement against letters of credit issued by, or assets held by, or deposits in or for the account of, Bank, or (ii) impose on Bank any insurance premium or other condition regarding this Application and Agreement or the Credit, and the result of any event referred to in clause (i) or (ii) above shall be to increase the cost of issuing or maintaining the Credit over that which Bank assumed in determining its fees and commissions, then, upon demand by Bank, Applicant shall immediately pay to Bank, as specified by Bank from time to time, additional amounts which shall be sufficient to compensate Bank for such increased cost, together with interest on each such amount from the date demanded until payment in full thereof at the rate and on the terms set forth above. A certificate as to such increased cost incurred by Bank as a result of any event mentioned in clause (i) or (ii) above, submitted by Bank to Applicant shall be conclusive, absent manifest error, as to the amount thereof.
- (c) Applicant will pay on demand all costs and expenses (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Bank in connection with the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement and Applicant's liabilities and obligations hereunder, or in connection with any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain Bank from paying any instrument or any amount under the Credit.
7. **Indemnification.** (a) Applicant agrees to indemnify and hold Bank and its correspondents harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which Bank or any of its correspondents may incur (or which may be claimed against Bank or any of its correspondents by any person) by reason of, or in connection with, the execution and delivery of transfer of, or payment or failure to pay under, the Credit, or by reason of, or in connection with, any other matters arising under this Agreement, or any of the transactions contemplated hereby; provided, however, Applicant shall not be required to indemnify Bank or its correspondents for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by Bank's or such correspondent's willful misconduct or gross negligence.
- (b) Applicant agrees that if Applicant at any time has any rights or remedies available to it against the beneficiary(ies) or other person(s) in connection with the Credit with respect to which Bank is alleged to be liable, it will be a condition of the assertion of any such liability by Applicant against Bank that Applicant shall contemporaneously and diligently assert and pursue all rights and remedies as to the alleged liability that Applicant may have against such beneficiary(ies) or other person(s).
8. **Applicant's Assumption of Risks.** Applicant assumes all risks of the acts or omissions of any beneficiary or transferee of the Credit with respect to its use of the Credit. Neither Bank nor any of its officers, directors, employees or agents shall be liable or responsible for: (a) the use which may be made of the Credit or for any acts or omissions of any beneficiary, transferee or other party in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by Bank made against presentation of documents which substantially comply with the terms of the Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Credit. In furtherance and not in limitation of the foregoing, Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. Applicant shall indemnify and hold Bank and its correspondents harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which any of them may incur (or which may be claimed against any of them) by reason of, or in connection with, the occurrence or existence of any one or more of the contingencies referred to in the preceding clauses of this paragraph, except to the extent, but only to the extent, caused by Bank's or such correspondent's willful misconduct or gross negligence. Further, the occurrence or existence of any one or more of such contingencies shall not affect, impair or prevent the vesting of any of Bank's rights or powers hereunder or any of Applicant's obligation to make reimbursement and other payments in accordance with the terms hereof.
9. **Governing Law and Rules.** (a) This Application and Agreement and all rights, obligations and liabilities arising hereunder, shall be governed by, subject to and construed in accordance with the applicable Governing Law, including, without limitation, the Uniform Commercial Code as adopted by the state promulgating the Governing Law, as from time to time amended and enforced (the "Commercial Code"), without regard to any conflict of law principles. This Agreement shall be further subject to the Governing Rules (a copy of which is available upon request) and, in the event any provision of the Governing Rules is or is construed to vary from or be in conflict with any provision of the Commercial Code or other Governing Law, the Governing Rules shall prevail. Applicant acknowledges and agrees that the Credit may be governed by, subject to and construed in accordance with governing laws that may differ from the Governing Laws provided in this Application and Agreement. In which case, this Agreement shall remain governed by and subject to the Governing Law and the Governing Rules provided herein and the Credit shall be governed by and subject to the applicable law and Governing Rules (if applicable) provided for in the Credit.
- (b) Applicant acknowledges and agrees that Bank may, in its sole discretion, upon written notice to Applicant prior to issuance of the Credit, designate a Designated Office of Bank, and consequently, a Governing Law, which differs from that designated by Applicant in the Bank's Designated Office section at the end of this Agreement. In which case, the Designated Office and Governing Law with respect to this Application and Agreement shall be that so designated in writing by Bank. In

the event that Applicant does not designate a Designated Office, as provided below, the Designated Office governing Law shall be determined by Bank, in its sole discretion, and Applicant acknowledges and agrees to be bound by such determination.

10. **Compliance with Laws and Regulations.** Applicant shall comply with all applicable laws and regulations (foreign or domestic) relating to the Credit, any instruments or other documents relating thereto, and any of the transactions contemplated thereby. Bank shall have no obligation to process any transactions or honor any instruments or documents that, in Bank's determination, do not comply with applicable laws and regulations.
11. **Requests to Amend Credit, Waiver of Discrepancies.** (a) Applicant authorizes Bank to comply with Applicant's request to amend the Credit for Applicant's account and ask or to waive any discrepancies in an instrument or other documents presented or required under the terms of the Credit, upon a request communicated to Bank by telephone, telegram, telex, computer, facsimile transmission, S.W.I.F.T. or other electronic means acceptable to Bank (each a "Request"), subject to the following: (i) Requests will be made on behalf of Applicant only by those persons authorized by Applicant and communicated in writing to Bank, and Bank may continue to rely on such authorizations until such time that it receives written notice to the contrary from Applicant. In no event shall Bank be obligated to verify the identity of any persons so authorized or any persons purporting to communicate a Request, beyond the use of the authorized name, code identification or other means of verification, if any, established by Bank; (ii) If frequent Requests are to be made, Bank may, but shall not be obligated to, assign a unique code number or word and require that such code be used by Applicant (and if such a code number or word is established, all further Requests shall refer to such code); (iii) Bank shall not be liable for any losses, costs, expenses, liabilities or damages that Applicant may incur as a result of Bank's compliance with, or otherwise acting in reliance on, a Request in accordance with this Agreement, and Applicant will indemnify and hold Bank harmless from and against all such losses, costs, expenses, liabilities and damages, except to the extent, but only to the extent, that they arise as a result of Bank's gross negligence or willful misconduct; (iv) Bank will not be liable for any delays in complying with any Request, nor for any delays caused by others to whom Bank may transmit such Request either at Applicant's direction or otherwise, and Bank will not be required to comply with Requests on the day on which Requests are received unless Bank has agreed to do so and Applicant has caused such Request to be received before the time Bank has specified in comply with such Request; (v) all Requests shall be subject to the terms of this Agreement and any other written or electronic agreement entered into between Bank and Applicant in connection with the Credit or any transaction relating to such Request; and (vi) any notice or communication of a change of address sent by a beneficiary to Bank shall not require a Request or the consent of Applicant, and (A) Applicant hereby authorizes Bank to send to the beneficiary (as) an amendment or a revised form of the Credit with the beneficiary's new address, and (B) if the beneficiary does not communicate the beneficiary's new address before presentation or uses its current or previous address in the documents presented, Applicant hereby agrees that such variation in address shall not be deemed a discrepancy and such variation in address shall not be the sole basis of Bank refusing to honor or comply with an otherwise complying presentation. Bank may record any Request made by telephone and any other telephonic communications between Applicant and Bank regarding the Credit. Notwithstanding anything to the contrary contained in this Agreement, Bank shall not be obligated to, and shall have no liability for failing to, comply with any Requests.

(b) Bank may, in its sole discretion and without any obligation to do so, approach Applicant for a waiver of any discrepancies in any instrument or other documents presented or required under the terms of the Credit and request that Applicant authorize payment of such instrument despite any such deficiencies. Any such action will be solely for Applicant's risk, benefit and convenience. Bank's request for a waiver in one instance will not require Applicant Bank to approach Applicant for waivers of discrepancies in any other instances, and whether or not a course of dealing has been established. Notwithstanding anything set forth herein or elsewhere to the contrary, Applicant's waiver of any discrepancies will not in any instance obligate Bank to waive any such discrepancies, pay any instrument(s) presented as to the Credit, or approach Applicant at any time for a waiver of future discrepancies.

12. **Extensions of Credit.** Bank shall have the sole and absolute right to extend or not extend the Credit. If the Credit provides for automatic extension, Applicant's request to not extend the Credit must be received by Bank, in writing, at its Designated Office at least sixty (60) days prior to the last day specified in the Credit by which Bank must give notice of its intent not to extend the expiration date of the Credit. If Applicant fails to provide Bank with actual written notice of Applicant's request for Bank not to extend the Credit at least sixty (60) days prior to the last day specified in the Credit by which Bank must give notice of its intent not to extend the Credit, then Applicant shall be deemed to have irrevocably authorized the extension of the Credit, and Applicant shall continue to be liable under the terms of this Agreement. Notwithstanding Applicant's request to extend the Credit or failure to timely give Bank actual notice of Applicant's desire to not extend the Credit, any decision whether to extend the Credit shall be in Bank's sole and absolute discretion. Applicant acknowledges that in the event the beneficiary of the Credit, or any employee, successor, assignee, representative, trustee or agent of the beneficiary, is notified that Bank has elected not to extend the Credit, the terms of the Credit may allow it to be drawn upon, and Applicant shall be bound by the reimbursement and other obligations under this Agreement, and Applicant shall irrevocably waive all claims, causes of action, and defenses that Applicant may have against Bank for electing not to extend the Credit.

13. **Collateral.** (a) As security for the payment and performance of all of the Obligations, Applicant hereby assigns, pledges and grants to Bank a continuing first priority security interest in and lien upon, and the right of possession and disposal to, all of the following property and assets of Applicant, wherever located (collectively the "Collateral"): (i) account number 1851480234 maintained by Applicant with Bank; (ii) all replacements, substitutions, renewals thereof; (iii) all interest accruing thereon; and (iv) all products and proceeds (cash or non-cash proceeds) of the foregoing. So long as the Collateral is subject to this Agreement, Applicant shall have no right to withdraw any of the foregoing Collateral without the prior written consent of Bank. To the extent applicable, the foregoing is in addition to any other liens, security interests, mortgages and/or other rights and interests that may at any time be granted to or in favor of Bank to secure all or any part of the Obligations.

(b) In addition to the foregoing, all money, checks, instruments, deposit accounts, funds, goods, documents (including, without limit, negotiable documents), investment property and all other property of every kind or nature (except real property which is not a fixture) of Applicant which are now or later in possession or control of Bank, or as to which Bank now or later controls possession by documents or otherwise, or are in transit to or set apart for Bank or any of its agents or correspondents for any purpose, shall secure the Obligations, and Applicant hereby grants Bank a security interest in the same for the purpose of securing such Obligations.

(c) Prior to the maturity (if any) of any Collateral held by Bank pursuant hereto, Applicant and Bank shall agree upon a security or instrument similar in form, quality, and substance to the original Collateral in which the proceeds of the Collateral can be reinvested on maturity. Upon maturity of the Collateral in accordance with its terms, or in the event the Collateral otherwise becomes payable during the term of this Agreement, such maturing Collateral may be presented for payment, exchange, or otherwise marketed by Bank on behalf of Applicant and the proceeds therefrom used to purchase the security or instrument agreed to by Applicant and Bank in accordance with the immediately preceding sentence. If no agreement has been made, such proceeds shall be placed into an interest bearing account offered by the Bank until such time as an agreement as to the security replacing the original Collateral can be reached. Bank may retain any such successor collateral and the proceeds therefrom as Collateral in accordance with the terms of this Agreement.

(d) Applicant authorizes Bank to file such financing statements and take such other actions as Bank determines from time to time may be necessary or appropriate to create, perfect, preserve or protect the security interests and other interests of Bank created hereby, all at the expense of Applicant. Applicant shall execute and/or deliver unto Bank such documents, instruments and agreements as may be requested by Bank to create, perfect, preserve or protect the security interests and other interests of Bank created hereby.

(e) The pledge and grant of a security interest in the Collateral hereunder remains in effect for the term of this Agreement, notwithstanding any release by Bank of any other collateral in connection with the Obligations or any other agreement in effect between the Bank and the Applicant, now or hereafter arising.

(f) Applicant represents and warrants to and covenants with Bank that: (i) the Collateral is owned by Applicant free and clear of any security interests, liens, encumbrances, options or other restrictions created by Applicant, other than to or in favor of Bank; (ii) Applicant has full power and authority to create a first lien on

the Collateral in favor of Bank and no dishal. contractual obligation exists that would prohibit Applicant in pledging the Collateral pursuant to this Agreement, and Applicant will not assign, sell or permit to exist any other claim to, lien or encumbrance upon, or security interest in any of the Collateral, other than in or in favor of Bank; (iii) the Collateral is not the subject of any present or threatened suit, action, arbitration, administrative or other proceeding, and Applicant knows of no reasonable grounds for the institution of any such proceedings; and (iv) Applicant shall not transfer, encumber, dispose of, withdraw, or otherwise direct the payment of any proceeds, interest, or amounts payable with respect to the Collateral for as long as it is subject to this Agreement.

14. **Event of Default.** The occurrence or existence of any of the following conditions or events shall constitute an "Event of Default" under this Agreement: (a) if Applicant or any guarantor under a guaranty of all or any part of the indebtedness of Applicant to Bank (a "guarantor") fail(s) to pay any indebtedness or obligations owing to Bank, when due, whether by maturity, acceleration, upon demand or otherwise, and whether under this Agreement or otherwise; (b) if Applicant or any guarantor fail(s) to perform or comply with any of the terms or provisions of this Agreement or any other agreement between Applicant or any guarantor and Bank; (c) if any warranty or representation made by Applicant or any guarantor to Bank shall be untrue or incomplete in any material respect; (d) if there is any termination, notice of termination, or breach of any guaranty, pledge, collateral assignment or subordination agreement relating to all or any part of the indebtedness or obligations of Applicant to Bank; (e) if there is any failure by Applicant or any guarantor to pay, when due, any of its indebtedness (other than to the Bank) or in the observance or performance of any term, covenant or condition in any document evidencing, securing or relating to such indebtedness; (f) if Applicant or any guarantor become(s) insolvent or the subject of a voluntary or involuntary proceeding in bankruptcy, or a reorganization, arrangement or creditor composition proceeding, or make(s) a general assignment for the benefit of creditors, (if a business entity) cease(s) doing business as a going concern, (if a natural person) die(s) or become(s) incompetent, (if a partnership) dissolve(s) or any general partner of it dies, becomes incompetent or becomes the subject of a bankruptcy proceeding, or (if a corporation or a limited liability company) is the subject of a dissolution, merger or consolidation; (g) if any governmental authority, or any court at the instance of any governmental authority, shall take possession of any substantial part of the property of Applicant or any guarantor or shall assume control over the affairs or operations of Applicant or any guarantor; (h) if there is filed or issued a levy or writ of attachment or garnishment or other like judicial process upon Applicant or any guarantor or any of their respective property or assets, including, without limit, any accounts of Applicant or any guarantor with the Bank, or (i) if Bank shall in good faith deem itself insecure at any time, deeming the prospect of payment or performance of any of the liabilities or obligations of Applicant to Bank to be impaired.
15. **Remedies.** (a) Upon the occurrence of any Event of Default, Bank may, at its option and without prior notice to Applicant, declare any or all of the Obligations of Applicant to Bank (whether under this Agreement or otherwise) to be immediately due and payable (notwithstanding any provisions contained in the evidence of it to the contrary), sell or liquidate all or any portion of any collateral (including, without limit, the Collateral) securing any such Obligations of Applicant to Bank, and exercise any and all rights and remedies available to Bank, whether under this Agreement or any other agreement, at law, in equity, or otherwise, including, without limitation, all rights and remedies available to Bank under the Commercial Code. Without limiting the generality of the foregoing, upon the occurrence of any Event of Default, Bank may exercise in respect of the Collateral any and all rights of a secured party under the Commercial Code and any other applicable law, and may, without notice except as otherwise required, sell such Collateral, or any part thereof, in one or more parcels at public or private sale, at any of Bank's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Bank may deem commercially reasonable. After the disposal of any of the Collateral, Bank may deduct all reasonable legal and other expenses and attorneys' fees for protecting its interests and enforcing its remedies under this Application and Agreement and shall apply the residue of the proceeds to, or hold as a reserve against, the Obligations in such manner as Bank in its sole discretion shall determine, and shall pay the balance, if any, to Applicant or otherwise, in accordance with applicable law. Applicant will pay to Bank, on demand, all costs and expenses (including, without limitation, attorneys' fees and legal expenses) related or incidental to the repossession, custody, preservation, protection, sale or preparation for sale, collection from or other realization upon any such Collateral, or related or incidental to the establishment, preservation or enforcement of Bank's rights and remedies in respect of such Collateral.  
(b) In addition to any other rights and remedies available to Bank, upon the occurrence of any Event of Default hereunder, Applicant shall, upon the written request of Bank, deliver to Bank cash collateral in an amount equal to the aggregate undrawn or available amount of the Credit at such time, which sum shall be held by Bank as cash collateral to secure the payment and performance of all obligations of Applicant to Bank under or pursuant to this Agreement or otherwise in respect of the Credit, and Applicant hereby pledges and grants unto Bank a continuing first priority security interest in any and all such sums so delivered to Bank.  
(c) Upon the occurrence and at any time during the continuance of any Event of Default hereunder, Bank may at any time and from time to time, without notice to Applicant (any requirement for such notice being expressly waived by Applicant), set off and apply against any and all of the Obligations of Applicant to Bank any and all deposits (general or special, time or demand, provisional or final) at any time held and any other indebtedness at any time owing by Bank to or for the credit or the account of Applicant and any property of Applicant from time to time in possession of Bank, irrespective of whether or not Bank shall have made any demand hereunder and although such obligations may be contingent and unmatured. The rights of Bank under this paragraph are in addition to other rights and remedies (including, without limitation, other rights of setoff) which Bank may otherwise have.
16. **Consent to Jurisdiction.** Applicant irrevocably submits to the nonexclusive jurisdiction of any United States Federal Court or state court of competent jurisdiction sitting in the state in which the Governing Law is promulgated in any action or proceeding arising out of or relating to this Agreement or the Credit, and Applicant agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. Applicant irrevocably waives any objection to the laying of venue of any such action or proceeding in any of the above described courts. Applicant agrees that service of process in any such legal proceeding may be made, and shall be conclusively deemed sufficient and adequate, by mailing copies thereof (by registered or certified mail, if practicable), postage prepaid, or by teletransmission to Applicant at its address set forth herein or such other address of which Bank shall be notified in writing, in which event, service shall be deemed complete upon the filing with the court of a copy of the process mailed or sent and an affidavit attesting the mailing or sending. Applicant agrees that nothing herein shall affect Bank's right to effect service of process in any other manner permitted by law.
17. **No Waiver of Bank's Rights.** Bank shall not be deemed to have waived any of its rights hereunder, unless Bank or its authorized agents shall have signed such waiver in writing and delivered such waiver to Applicant at Applicant's address as set forth herein. No such waiver, unless expressly as stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver. **BANK SHALL NOT BE BOUND BY ANY ALTERATION, MODIFICATION, ADDITION TO OR DELETION OF ANY OF THE PROVISIONS OF THIS AGREEMENT UNLESS EXPRESSLY AGREED TO IN WRITING BY BANK AND DELIVERED TO APPLICANT AT APPLICANT'S ADDRESS AS SET FORTH HEREIN.**
18. **Applicant's Waivers.** Applicant waives presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of demand or intent to demand, notice of acceleration or intent to accelerate, and all other notices and agrees that no extension or indulgence to Applicant (or any of them) or release, substitution or nonenforcement of any security, or release or substitution of any Applicant, any guarantor or any other party, whether with or without notice, shall affect the obligations of any of the undersigned. Applicant waives all defenses or right to discharge available under Section 3-605 of the Commercial Code and waives all other suretyship defenses or right to discharge.
19. **Correspondent Bank.** (a) If Applicant has submitted this Application to a bank other than Comerica Bank (such other bank is herein called a "Correspondent Bank") requesting that the Correspondent Bank, on behalf of Applicant, deliver this Application and Agreement to Bank requesting that the Bank issue the Credit, then the following provisions shall apply: (i) the term "Bank" shall mean such Correspondent Bank and Bank, both collectively and individually so that either the Correspondent Bank or Bank may exercise all the rights, privileges and powers conferred upon Bank under this Agreement; and (ii) any collateral given as security for Applicant's obligations under this Application and Agreement, and any deposit balances of Applicant with the Correspondent Bank, shall stand as security and collateral for the Credit and for any of the Correspondent Bank's obligations under or pursuant to this Application and Agreement or otherwise in respect of the Credit.

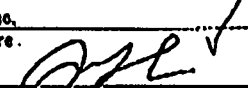
(b) If the issuance of the Credit is requested through a Correspondent Bank in accordance with the terms of the Credit, then the Correspondent Bank, by its execution of this Application and Agreement: (i) requests and authorizes Bank to issue the Credit in Bank's name or through a correspondent; (ii) authorizes Bank and/or its correspondent(s) to pay instruments drawn against the Credit as specified in this Application and Agreement and to exercise all rights, powers and privileges conferred by this Application and Agreement, without reference to the Correspondent Bank; (iii) agrees to reimburse Bank and make payments to Bank in amount, time and manner as required of Applicant under this Agreement, whether or not the Correspondent Bank has received payment from Applicant; (iv) assigns to Bank as security all its rights, including rights of payment and to security, under this Agreement and agrees to deliver to Bank, upon demand, such additional security as Bank may request, and also agrees to give Bank a lien on all its property, including deposit balances now or hereafter in Bank's possession for the amount of any liability of the Correspondent Bank to Bank hereunder; and (v) agrees that if Correspondent Bank fails to make any payment or provide any security as requested, all of Correspondent Bank's obligations and liabilities to Bank shall immediately, without notice, become due and payable at Bank's sole option. Correspondent Bank acknowledges and agrees that Bank shall have the right to demand or seek reimbursement and other payments required under this Agreement directly from the Correspondent Bank, with out any obligation or requirement that Bank demand or seek reimbursement or payment from Applicant or any other person(s) or otherwise exercise any of Bank's rights or remedies against Applicant or such other person(s).

20. **Successors and Assigns.** This Agreement and the obligations hereunder shall bind the successors and assigns of Applicant, and all rights, benefits and privileges conferred on Bank shall be extended to, conferred upon, and may be enforced by Bank's successors and assigns; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Applicant without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion.
21. **Notice.** Except as otherwise provided herein, any notice from Bank to Applicant, shall be deemed effective upon: (a) if hand delivered, upon actual receipt thereof by Applicant, (b) if mailed or by overnight courier service, when mailed or delivered to such courier service, postage paid, addressed to Applicant at its address set forth herein or such other address of which Bank shall be notified in writing at Bank's Designated Office, or (c) if by computer, facsimile or other electronic means acceptable to Bank, the sending or transmission thereof and Bank's receipt of confirmation that the notice was transmitted. Any notice to Bank must be in writing, must be sent to Bank's Designated Office, and shall only be deemed given when actually received by Bank.
22. **Severability.** Whenever possible each provision of this Application and Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Application and Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Application and Agreement.
23. **Participations, Assignments, Disclosures.** Applicant agrees that Bank has the right to sell, assign, or grant participations or any interest in, the Credit or any or all of the liabilities, obligations or indebtedness of Applicant to Bank, and that, in connection therewith, but without limiting its ability to make other disclosures to the full extent allowable, Bank may disclose all documents and information which Bank now or later has relating to Applicant, the Credit or such liabilities, obligations or indebtedness. Applicant agrees that Bank may provide information relating to this Agreement or relating to Applicant to the Bank's parent, affiliates, subsidiaries and service providers.
24. **Headings.** Headings in this Agreement are included for convenience of reference only and shall not constitute part of this Agreement and shall in no way modify or affect any of the terms or provisions of this Agreement.
25. **Joint and Several Obligations.** If this Application and Agreement is executed by more than one Applicant, each Applicant agrees to be bound by the terms and conditions of this Agreement (as Applicant) and each Applicant agrees that each shall be jointly and severally liable for all indebtedness and obligations arising under or pursuant to this Agreement.
26. **COMPLETE AGREEMENT; NO ORAL AGREEMENTS.** THIS AGREEMENT AND ANY REQUESTS ACCEPTED BY BANK CONSTITUTE THE ENTIRE AGREEMENT AND UNDERSTANDING OF THE PARTIES REGARDING ITS SUBJECT MATTER, SUPERSEDES ALL PRIOR AGREEMENTS REGARDING ITS SUBJECT MATTER, AND, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, CAN ONLY BE MODIFIED IN WRITING SIGNED BY THE AUTHORIZED REPRESENTATIVE OF APPLICANT AND BANK. THIS AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES, AND THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. APPLICANT ACKNOWLEDGES AND AGREES THAT THERE ARE NO CONTRARY AGREEMENTS, ORAL OR WRITTEN, ESTABLISHING A TERM OF THIS AGREEMENT.
27. **WAIVER OF JURY TRIAL.** APPLICANT AND BANK (BY ITS ACCEPTANCE OF THIS AGREEMENT) ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED UNDER CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT.
28. **Credit Facility Adjustment.** If Bank issues the Credit, it is being issued pursuant to a credit facility(ies) extended by Bank to Applicant, and any amount available to Applicant under such credit facility shall be reduced by an amount equal to the amount of the Credit.
29. **Electronic Notices, Confidential Information.** Applicant acknowledges and agrees that if Applicant forwards notices or otherwise communicates with Bank via email, the Internet or other electronic means, such notices or communications may not be secure, and Applicant assumes all risks associated with the use of such means of communication, including, without limitation, unauthorized access to such information by third parties; and Applicant indemnifies and holds Bank harmless from and against all liabilities, damages, losses, costs and expenses of any nature whatsoever arising or incurred as a result of Applicant's use of any such means of communication. Applicant is advised that it should not use browser e-mail to send notices or communications to Bank which contain unencrypted confidential information, such as passwords, account numbers, Social Security numbers or tax identification numbers.
30. **Survival.** All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding. The obligations of Applicant to indemnify Bank with respect to the expenses, damages, losses, costs and liabilities described in Section 7 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.
31. **Term.** This Agreement shall remain in effect as long as any Obligation, whether or not contingent or unliquidated, now or hereafter arising, remains in existence.

In consideration of Bank issuing the Credit and for other consideration, the receipt and adequacy of which is hereby acknowledged, Applicant(s) agree(s) to be bound by this Agreement, including but not limited to the payment obligations therein set forth.

This Application and Agreement has been entered by 1 day of 14, 2010

## APPLICANT(S):

Applicant Name Comexant Systems, Inc.		
Authorized Signature 		
Authorized Signature, Title Joan Hu, Senior Vice President CFO & Treasurer		
Contact Name Ann Sadakane		
Telephone Number 949-483-5271		
Street Address 4000 MacArthur Blvd.		
City Newport Beach	State CA	Zip 92660

Applicant Name		
Authorized Signature		
Authorized Signature, Title		
Contact Name		
Telephone Number		
Street Address		
City	State	Zip

CORRESPONDENT BANK: (This section must be completed by the Correspondent Bank if Application is being submitted through another Bank.)

Correspondent Bank Name			
Authorized Signature		Authorized Signature, Title	
Street Address		City	State Zip

We certify that all Section 326 of the USA Patriot Act Customer Identification Program (CIP) requirements have been completed on the Credit Applicant.

## BANK'S DESIGNATED OFFICE:

Designate only one. The Bank's Designated Office should be the respective office of Bank to which this Application and Agreement is directed. Please contact your Bank representative if there are any questions regarding the appropriate Designated Office. If the Applicant does not select a Designated Office, as provided below, the Designated Office, and the applicable Governing Law, shall be determined by Bank in its sole discretion.

- |   |   |
|---|---|
| <input type="checkbox"/> California - Northern (California law governs)<br>Comerica Bank, International Trade Services<br>2 Rmhamadero Center, 3 <sup>rd</sup> Floor<br>San Francisco, CA 94111         | <input type="checkbox"/> Michigan - Detroit (Michigan law governs)<br>Comerica Bank, International Trade Services<br>411 West Lafayette, MC 3341<br>Detroit, MI 48226         |
| <input checked="" type="checkbox"/> California - Southern (California law governs)<br>Comerica Bank, International Trade Services<br>2321 Rosecrans Ave., 5 <sup>th</sup> Floor<br>El Segundo, CA 90245 | <input type="checkbox"/> Michigan - Grand Rapids (Michigan law governs)<br>Comerica Bank, International Trade Services<br>99 Monroe N.W., Suite 500<br>Grand Rapids, MI 49503 |
| <input type="checkbox"/> Florida (Michigan law governs)<br>Comerica Bank, International Trade Services<br>100 N.E. Third Avenue, Suite 600<br>Ft. Lauderdale, FL 33301                                  | <input type="checkbox"/> Texas - North (Texas law governs)<br>Comerica Bank, International Trade Services<br>6260 East Mockingbird, 2 <sup>nd</sup> Floor<br>Dallas, TX 75214 |
| <input type="checkbox"/> Illinois (Michigan law governs)<br>Comerica Bank, International Trade Services<br>203 N. LaSalle, Suite 2240<br>Chicago, IL 60601  | <input type="checkbox"/> Texas - South (Texas law governs)<br>Comerica Bank, International Trade Services<br>910 Louisiana, 4 <sup>th</sup> Floor<br>Houston, TX 77002        |

**\*\*\*PROFORMA WORDING\*\*\*FOR DISCUSSION ONLY\*\*\* PLEASE REVIEW CAREFULLY\*\*\***

Issuing bank has prepared this specimen upon request and based upon information supplied to it. No representation or commitment is made by the issuing bank regarding the accuracy or suitability of this specimen for its intended purpose or the willingness of issuing bank to issue this letter of credit in this or any other form.

**EXHIBIT "A"****WORDING APPROVED, CONEXANT SYSTEMS, INC., BY:****DATE:** 1/14/2010

FAX NO: 310-297-2890  
SWIFT: MNBDS6S JAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

**BENEFICIARY:**

San Diego Gas & Electric Company  
555 W. Fifth Street  
Mail Code: GT10E3  
Los Angeles, CA 90013

**Gentlemen:**

We hereby open our irrevocable standby Letter of Credit Number [Insert Number] in favor of San Diego Gas & Electric Company ('Secured Party'), by order and for account of Conexant Systems, Inc., a California Corporation ('Account Party'), available at sight upon demand at our counters, at Comerica Bank, International Trade Services, 2321 Rosecrans Avenue, 5<sup>th</sup> Floor, El Segundo, Ca: 90245 for an amount of US\$169,173.00 (One Hundred Sixty Nine Thousand One Hundred Seventy Three and 00/100 Dollars) against presentation of one of the following documents:

- 1- Statement signed by a person purported to be an authorized representative of Secured Party stating that: "Conexant Systems, Inc. ('Account Party') is in default under its obligations with respect to natural gas and/or electric service provided by Secured Party or under any transaction contemplated thereby (whether by failure to perform or pay any obligation thereunder or by occurrence of a 'default', 'event of default' or similar term as defined in such agreement, any other agreement between Secured Party and Account Party, or otherwise). The amount due to Secured Party is US \$ \_\_\_\_\_."

or

- 2- Statement signed by a person purported to be an authorized representative of Secured Party stating that: "as of the close of business on \_\_\_\_\_ [insert date, which is less than 60 days prior to the expiration date of the Letter of Credit] you have provided written notice to us indicating your election not to permit extension of this Letter of Credit beyond its current expiry date. The amount due to Secured Party, whether or not a default has occurred, is U.S. \$ \_\_\_\_\_."

**Special Conditions:**

- All costs and banking charges pertaining to this Letter of Credit are for the account of Account Party.
- Partial and multiple drawings are permitted.
- Fax of Document 1 or 2 above acceptable.

JH  
1/14/2010

This Letter of Credit expires on \_\_\_\_\_ at our counters.

We hereby engage with Secured Party that upon presentation of a document as specified under and in compliance with the terms of this Letter of Credit, this Letter of Credit will be duly honored in the amount stated in Document 1 or 2 above. If a document is so presented in compliance with the terms of this Letter of Credit by 10:00 A.M. on any California banking day, we will honor the same in full in immediately available funds on the next banking day and, if so presented after 10:00 A.M. on a California banking day, we will honor the same in full in immediately available funds by noon on the second succeeding banking day.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without an amendment for a one year period beginning on the present expiry date hereof and upon each anniversary of such date, unless at least ninety (90) days prior to any such expiry date we have sent you written notice by regular and registered mail or courier service that we elect not to permit this Letter of Credit to be so extended beyond, and will expire on its then current expiry date. No presentation made under this Letter of Credit after such expiry date will be honored.

We agree that if this Letter of Credit would otherwise expire during, or within 30 days after, an interruption of our business caused by an act of god, riot, civil commotion, insurrection, act of terrorism, war or any other cause beyond our control or by any strike or lockout, then this Letter of Credit shall expire on the 30th day following the day on which we resume our business after the cause of such interruption has been removed or eliminated and any drawing on this Letter of Credit which could properly have been made but for such interruption shall be permitted during such extended period.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce, Publication No. 600 ("UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. Matters not covered by the UCP shall be governed and construed in accordance with the laws of the State of California.

Comerica Bank

\_\_\_\_\_  
Authorized Signature(s)

: Received Time Jan. 14. 2010 9:52AM No. 5756



## **EXHIBIT H**



MAT

FAX NO: 310-297-2886  
SWIFT: MNBUS6S LAX

**COPY**

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT  
NOVEMBER 16, 2011

CREDIT NUMBER OF  
ISSUING BANK: 644789 -44

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SAN DIEGO GAS AND ELECTRIC COMPANY  
555 W. FIFTH STREET  
MAIL CODE GT10R3  
LOS ANGELES, CA 90013

AMENDMENT NUMBER: 01

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING ADDITION:  
THE AMOUNT OF THIS CREDIT HAS DECREASED BY 59,173.00 USD.  
THE AMOUNT OF THIS CREDIT ISSUED NOW TOTALS USD 110,000.00

TO THE BENEFICIARY: PLEASE COMMUNICATE YOUR ACCEPTANCE OR REJECTION OF THIS  
AMENDMENT BY COMPLETING THE FOLLOWING AND MAIL A COPY OF THIS AMENDMENT TO US  
AT COMERICA BANK, INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5TH FL.,  
EL SEGUNDO CA 90245.

THIS AMENDMENT IS: ☒ >ACCEPTED ☐ >REJECTED

  
AUTHORIZED SIGNATURE OF BENEFICIARY

11/29/11  
DATE

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE

Rudy Forbes  
V.P. International Trade Services

12/8/11 200 p  
bnt accepted amended  
Released  
Date 12/10

U W P Y

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

ISSUANCE DATE: January 15, 2010

We hereby open our irrevocable standby Letter of Credit Number 644789-44 in favor of San Diego Gas & Electric Company ("Secured Party"), by order and for account of Conexant Systems, Inc., a California Corporation ("Account Party"), available at sight upon demand at our counters, at Comerica Bank, International Trade Services, 2321 Rosecrans Avenue, 5<sup>th</sup> Floor, El Segundo, Ca. 90245 for an amount of US\$169,173.00 (One Hundred Sixty-Nine Thousand One Hundred Seventy-Three and 00/100 Dollars) against presentation of one of the following documents:

- or

- 2- Statement signed by a person purported to be an authorized representative of Secured Party stating that: "as of the close of business on \_\_\_\_ [insert date, which is less than 60 days prior to the expiration date of the Letter of Credit] you have provided written notice to us indicating your election not to permit extension of this Letter of Credit beyond its current expiry date. The amount due to Secured Party, whether or not a default has occurred, is U.S. \$ \_\_\_\_\_."

**Special Conditions:**

- All costs and banking charges pertaining to this Letter of Credit are for the account of Account Party.
- Partial and multiple drawings are permitted.
- Fax of Document 1 or 2 above acceptable.

This Letter of Credit expires on February 04, 2011 at our counters.

We hereby engage with Secured Party that upon presentation of a document as specified under and in compliance with the terms of this Letter of Credit, this Letter of Credit will be duly honored in the amount stated in Document 1 or 2 above. If a document is so presented in compliance with the terms of this Letter of Credit by 10:00 A.M. on any California banking day, we will honor the same in full in immediately available funds on the next banking day and, if so presented after 10:00 A.M. on a California banking day, we will honor the same in full in immediately available funds by noon on the second succeeding banking day.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without an amendment for a one year period beginning on the present expiry date hereof and upon each anniversary of such date, unless at least ninety (90) days prior to any such expiry date we have sent you written notice by regular and registered mail or courier service that we elect not to permit this Letter of Credit to be so extended beyond, and will expire on its then current expiry date. No presentation made under this Letter of Credit after such expiry date will be honored.


We agree that if this Letter of Credit would otherwise expire during, or within 30 days after, an interruption of our business caused by an act of god, riot, civil commotion, insurrection, act of terrorism, war or any other cause beyond our control or by any strike or lockout, then this Letter of Credit shall expire on the 30th day following the day on which we resume our business after the cause of such interruption has been removed or eliminated and any drawing on this Letter of Credit which could properly have been made but for such interruption shall be permitted during such extended period.

COPY

Comerica

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce, Publication No. 600 ("UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. Matters not covered by the UCP shall be governed and construed in accordance with the laws of the State of California.

Comerica Bank

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Authorized Signature(s)

Rudy Forbes  
V.P. International Trade Services

# **EXHIBIT I**

09/24/2004 15:21  
09/24/2004 15:04

714-433-3236  
949483349

COMERICA BANK

PAGE 03/10  
PAGE 02/09

09/23/2004 12:22

714-433-3236

COMERICA BANK

PAGE 02/16

MI  
ORG

Comerica

# Standby Letter of Credit Application and Agreement

NO.-DO  
NOT FILL IN

DATE: September 24, 2004

International Trade Services Department  
Comerica Bank

TO: Comerica Bank  
2321 Rosecrans Avenue 5<sup>th</sup> Floor  
El Segundo, California 90243  
Attn: Rudy Forbes

MICHIGAN

LC595628

The undersigned hereby requests Comerica Bank, to issue an Irrevocable Standby Letter of Credit and either; Notify through Comerica Bank's correspondent by; a) ☐ Forward directly to Beneficiary by ☐ mail ☐ courier; b) ☒ Return to us for mailing to beneficiary by ☐ mail ☒ courier; c) ☐ Swift/telex; d) ☐ Hold for pickup by; \_\_\_\_\_; e) ☐ Send to Third Party: \_\_\_\_\_ by ☐ mail ☐ courier, as follows:  
(INDICATE NAME) (INDICATE NAME)

In favor of  
(Beneficiary):

Southern California Edison Company  
2131 Walnut Grove Avenue  
Rosemead, CA 91770  
ATTN: Tommy Navarro

For account of  
(Applicant):

(COMPLETE STREET ADDRESS - NO P.O. BOX)  
Conexant Systems, Inc.  
4000 MacArthur Boulevard (F04-400)  
Newport Beach, CA 92660

140575

2004 SEP 24 PM 3:49

Amount: An aggregate amount not to exceed Fifty Three Thousand Nine Hundred Seventy Dollars

\$53,970.00

DOC TRACK NO.

11484830

O.F.A.C CHECKLIST

E.A.R. CHECKLISTS

DELTA:2183830.1022751-03700

SEP 24 2004 15:03

949483349

PAGE 02

09/24/2004 15:21 714-433-3236  
09/24/2004 15:04 94948394

COMERICA BANK

PAGE 04/10  
PAGE 03/09

09/23/2004 12:22 714-433-3236

COMERICA BANK

PAGE 03/16

Expiration September 27, 2004  
Date:

Partial ☒ are ☐ are not  
Drawings permitted permitted

Available by drafts at sight drawn on Comerica Bank or their correspondent at their option when accompanied by the following documents (if any):

See Attached.

#### TERMS AND CONDITIONS

In these provisions:

- (1) The "Applicant" means the undersigned party or parties identified and signing as such.
  - (2) "Application" means this application and agreement by the Applicant for an irrevocable standby letter of credit from the Bank, as such application may be amended or modified from time to time in accordance with the provisions hereof or with the written agreement or consent of the Applicant.
  - (3) The "Bank" means Comerica Bank
  - (4) The "Credit" means the irrevocable standby letter of credit issued by the Bank at its option pursuant to this Application, as such letter of credit may be modified or amended as provided herein.
  - (5) An "Instrument" means any draft, receipt or cable or written demand for payment relating to the Credit.
  - (6) ~~"Uniform Customs And Practice" means the Uniform Customs and Practice for Documentary Credits (1993 Revision); International Chamber of Commerce Publication No. 500, and any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Bank.~~ *KRP*  
This Standby Letter of Credit is subject to ISP98 International Chamber of Commerce Publication No. 590
- In consideration of the issuance by the Bank of the Credit, the Applicant hereby agrees with the Bank as follows:

1. The Applicant will reimburse the Bank at its principal office, in cash, the amount required to pay each instrument, such reimbursement to be made on demand in the case of each sight draft or receipt, with interest from the date of payment of the instrument to the date of reimbursement. Upon the occurrence of any event of default described in paragraph 11 below, Applicant will pay the Bank a sum equal to the Bank's outstanding liability under the Credit.
2. The Applicant will pay the Bank, quarterly in arrears, a non-refundable commission of 37.5 + 375 % per annum of the face amount of the letters of credit outstanding from time to time, together with such other reasonable fees and expenses of the Bank (including but not limited to overnight delivery fees) in connection with the Credit according to the Bank's standard practice, as in effect from time to time, and interest on the amount paid by the Bank and not reimbursed as provided in paragraph 1 hereof, including all charges and expenses paid or incurred by the Bank in connection therewith, at the rate of three (3%) percent above the Bank's prime rate; and effect shall be given

- 2 -

DR1JB:2283850.14022751-03706

SEP 24 2004 15:04

9494839490

PAGE.03



to any change in the interest rate resulting from a change in the prime rate on the date of such change in the prime rate. The "prime rate" shall mean the rate of interest established by the Bank from time to time as its prime rate, which may not necessarily be the lowest interest rate charged by the Bank to its borrowers. The Bank is authorized to charge Applicant's deposit account for all required payments.

3. If any law or regulation or the interpretation or implementation thereof by any court or administrative or governmental authority charged with the administration thereof shall either: (a) impose, modify or deem applicable any reserve, special deposit, limitation or similar requirement against letters of credit issued by, or assets held by, or deposits in or for the account of, the Bank, or (b) impose on the Bank any insurance premium or other condition regarding this Application or the Credit, and the result of any event referred to in clause (a) or (b) above shall be to increase the cost of issuing or maintaining the Credit over that which the Bank assumed in determining its fees, then, upon demand by the Bank, the Applicant shall immediately pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for such increased cost, together with interest on each such amount from the date demanded until payment in full thereof at the rate and on the terms set forth in paragraph 2 above. A certificate as to such increased cost incurred by the Bank as a result of any event mentioned in clause (a) or (b) above, submitted by the Bank to Applicant, shall be conclusive, absent manifest error, as to the amount thereof.
4. The Applicant agrees to indemnify and hold the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which the Bank may incur (or which may be claimed against the Bank by any person) by reason of, or in connection with, the execution and delivery or transfer of, or payment or failure to pay under, the Credit, or by reason of, or in connection with, any other matters arising under this Application, or any of the transactions contemplated hereby; provided, however, the Applicant shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful and wrongful misconduct or gross negligence of the Bank.
5. The Applicant assumes all risks of the acts or omissions of any beneficiary or transferee of the Credit with respect to its use of the Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Credit or for any acts or omissions of any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereof, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank made against presentation of documents which substantially comply with the terms of the Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. The Bank shall not be responsible for any act, error, neglect or default, omission, insolvency or failure in business of any of its correspondents. The occurrence of any one or more of the contingencies referred to in the preceding clauses of this paragraph shall not affect, impair or prevent the vesting of any of the Bank's rights or powers hereunder or the Applicant's obligation to make reimbursement. The Applicant will promptly examine (i) the copy of the Credit (and any amendments thereof) sent to it by the Bank and (ii) all documents and instruments delivered to it from time to time by the Bank, and, in the event of any claim of noncompliance with Applicant's instructions or other irregularity, will immediately notify the Bank thereof in writing, the Applicant being conclusively deemed to have waived any such claim against the Bank and its correspondents unless such notice is given as aforesaid.
6. The Applicant will pay on demand all reasonable costs and expenses (including without limitation, reasonable attorneys' fees and legal expenses) incurred by the Bank in connection with the enforcement of this Application and

such other documents which may be delivered in connection with this Application or any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Credit.

7. Except insofar as instructions may be given by the Applicant in writing or by a Request (as defined in paragraph 9 below) expressly to the contrary with regard to, and prior to, the Bank's issuance of the Credit, the Bank may, but shall not be required to, honor, as complying with the terms of the Credit and the Application, any instruments or other documents otherwise in order signed or issued by any administrator, executor, trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors, liquidator, receiver or other legal representative of the party authorized under the Credit to draw or issue such instruments or other documents.
8. These Terms and Conditions and the Credit shall be subject to the Uniform Customs and Practice (a copy of which is available upon request) and, in the event any provision of the Uniform Customs and Practice is or is construed to vary from or be in conflict with any provision of the Michigan Uniform Commercial Code, as from time to time amended and enforced (the "Commercial Code"), the Uniform Customs and Practice shall prevail.
9. The Applicant authorizes the Bank to honor the Applicant's orders to issue, amend or pay the Credit for the Applicant's account and risk upon a request communicated to the Bank by telephone, telegram, telex, computer, facsimile transmission, or other electronic means (a "Request") subject to the following: (a) a Request shall be made only by those persons authorized by the Applicant in accordance with the Bank's established requirements and the Bank shall not be obligated to identify such persons so authorized beyond the use of the authorized name or code identification if any is established, (b) all Requests will be confirmed by the Bank in writing by sending to the Applicant a copy of the documents authorized or requested by the Applicant and the Applicant agrees promptly to examine such documents and to report any discrepancies promptly upon receipt of such confirmation, (c) if frequent Requests are to be made, the Bank may, but shall not be obligated to, assign a unique code number or word and require that such code be used by the Applicant (and if such a code number or word is established, all further Requests shall refer to such code), (d) the Bank shall not be liable for any loss that the Applicant may incur as a result of the Bank's compliance with a Request in accordance with this Application even if unauthorized, provided that the Bank acted in good faith, and the Applicant indemnifies the Bank and holds the Bank harmless for any such losses, (e) the Bank will not be liable for any delays in honoring any Request, nor for any delays caused by others to whom the Bank may transmit such Request either at the Applicant's direction or otherwise and the Bank will not be required to honor Requests on the day on which Requests are received unless the Bank has agreed to do so and the Applicant has caused such Request to be received before the time the Bank has specified to honor such Request, (f) the Bank shall not be obligated to honor any Requests provided that the Bank has notified the Applicant by telephonic or other prompt means, (g) all Requests shall be subject to the terms of this Application and any other written, electronic, or oral agreement entered into with the Bank by the Applicant in connection with any transaction relating to such Request. Bank may record any Request made by telephone and any other telephonic communications between the Applicant and the Bank regarding the Credit.
10. To induce Bank issue the Letter of Credit and to secure its obligations hereunder, Applicant has pledged its interest in its money market account no. # 1851-480234 held at Bank pursuant to a Security Agreement (Negotiable Collateral) dated as of even date herewith.

All other funds, property and account balances of the Applicant with or in the Bank's possession or any of the Bank's agents or correspondents at any time, whether before or after any default, shall secure the obligations of the Applicant



hereunder and the Applicant hereby grants the Bank a security interest in the same for the purpose of securing such obligations.

In the event of default by Applicant hereunder, the Bank shall have all remedies available to the Bank under the Commercial Code.

11. Upon the death of any Applicant; or if any of the obligations and/or liabilities of the Applicant to the Bank shall not be paid or performed when due; or if there is a breach in any warranty or representation herein; or if the Applicant shall become insolvent (however such insolvency may be evidenced) or commit any act of bankruptcy or insolvency, or make a general assignment for the benefit of creditors; or if the Applicant shall suspend the transaction of its usual business or be expelled or suspended from any exchange; or if an application is made by any judgment creditor of the Applicant for an order directing the Bank to pay money or deliver other property (and the Applicant is unable to have such order set aside within 45 days of notice thereof); or if a petition in bankruptcy shall be filed by or against the Applicant or a petition or any proceeding shall be filed or instituted by or against the Applicant for any relief under any bankruptcy or insolvency laws or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, composition or extension; or if any governmental authority, or any court at the instance of any governmental authority, shall take possession of any substantial part of the property of the Applicant, or shall assume control over the affairs or operations of the Applicant, or if a receiver shall be appointed of, or a writ of order of attachment or garnishment shall be issued or made against, any of the property or assets of the Applicant (and the Applicant is unable to have such order or attachment set aside within 45 days of the entry thereof); or if the Bank shall in good faith deem itself insecure at any time; thereupon, unless the Bank shall otherwise elect, any and all obligations and liabilities of the Applicant to the Bank hereunder, whether now existing or hereafter incurred, shall become and be due and payable forthwith without presentation, demand or notice, all of such are waived, and the Bank is hereby authorized to sell immediately, without demand for payment, advertisement or notice to the Applicant, all of which are hereby expressly waived, at private sale or at public auction, any property shipped or to be shipped under the credit in which the Applicant may have any interest, applying the proceeds, less the reasonable costs and expenses of such sale and any other reasonable expenses paid or incurred in respect of said property, in and towards any indebtedness of the Applicant to the Bank, paying the surplus to the Applicant or the Applicant's legal representative.
12. The Applicant submits, in any legal proceeding related to the Application or the Credit, to the nonexclusive jurisdiction over the person of the Applicant of any court of competent jurisdiction sitting in the State of Michigan and agrees to a suit being brought in any such court; waives any objection that it may now have or hereafter have to the venue of such proceeding in any such court or that such proceeding was brought in an inconvenient court; agrees that service of process and any such legal proceeding may be made, and shall be conclusively deemed sufficient and adequate, by mailing of copies thereof (by registered or certified mail, if practicable) postage prepaid, or by teletransmission to the Applicant at its address set forth therein or such other address of which the Bank shall be notified in writing, in which event, service shall be deemed complete upon the filing with the court of a copy of the process mailed or sent and an affidavit attesting the mailing or sending. The Applicant agrees that nothing herein shall affect the Bank's right to effect service of process in any other manner permitted by law.
13. The Bank shall not be deemed to have waived any of its rights hereunder, unless the Bank or its authorized agents shall have signed such waiver in writing. No such waiver unless expressly as stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver.

14. If the Applicant has submitted this Application to its bank ("Applicant's Bank") and requested that Applicant's Bank (as Applicant's agent) establish the Credit through the Bank as the affiliate or correspondent of Applicant's Bank, then the following provisions shall apply: (a) the term "Bank" shall mean the Applicant's Bank and the Bank, both collectively and individually so that either Applicant's Bank or Bank may exercise all the rights, privileges and powers conferred upon the Bank under this Application; (b) any collateral given as security for the Applicant's obligations under this Application and any deposit balances with Applicant's Bank shall stand as security for the Credit and for any of Applicant's Bank's obligations entered into on behalf of the Applicant for the issuance of the Credit.
15. If the Credit was directed through Applicant's Bank, then Applicant's Bank, by its execution of this Application: (a) requests and appoints the Bank as its agent to establish in the Bank's name or through a correspondent the Credit; (b) authorizes the Bank and/or its correspondent(s) to pay drafts drawn against the Credit as specified in this Application and to exercise all rights, powers and privileges conferred by this Application without reference to Applicant's Bank; (c) agrees to make payments to the Bank in amount, time and manner as required of the Applicant under this Application whether or not Applicant's Bank has received payment from the Applicant; (d) assigns to the Bank as security all its rights, including rights of payment and to security, under this Application and agrees to deliver to the Bank, upon demand, such additional security as the Bank may request, and also agrees to give the Bank a lien on all its property, including deposit balances now or hereafter in the Bank's possession for the amount of any liability of Applicant's Bank to the Bank hereunder; and (e) agrees that if it fails to make any payment or provide any security as requested, all its obligations and liabilities to the Bank shall immediately, without notice, become due and payable at the Bank's option.
16. The obligations hereof shall bind the successors and assigns of the Applicant, and all rights, benefits and privileges conferred on the Bank shall be and are extended to and conferred upon and may be enforced by its successors and assigns. If the Applicant is a partnership, the obligations hereof shall continue in force and apply, notwithstanding any change in the membership of such partnership, whether arising from the death or retirement of one or more partners or the accession of one or more new partners. If this Application is signed by two or more Applicants, it shall be the joint and several agreement of each Applicant.
17. Except as otherwise provided herein, any notice from the Bank to the Applicant, if mailed, shall be deemed given when mailed, postage paid, addressed to the Applicant at its address set forth herein or such other address of which the Bank shall be notified in writing. Whenever possible each provision of this Application shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Application shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Application.
18. Subject to the provisions of paragraph 8 above, this Application and all rights, obligations and liabilities arising hereunder shall be both governed by, and construed in accordance with, the law of the State of Michigan.
19. This Agreement and any Requests constitute the entire agreement of the parties with respect to the subject matter hereof, and except as provided in paragraph 9, this Application may not be amended except in writing signed by both parties.

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09/24/2004 15:04 949483949  
09/23/2004 12:22 714-433-3236

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COMERICA BANK

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PAGE 08/09  
PAGE 08/16

In consideration of your issuing the Credit, as requested in this application, the Applicant agrees to all terms and conditions of the Agreement set forth above, including but not limited to the payment obligations therein set forth. The Applicant is referred to as the "Applicant" in such terms and conditions.

APPLICANT:

CONEXANT SYSTEMS, INC. *OK*

*KK*  
Kerry K. Petry, Vice President and Treasurer  
Authorized Signature, Title

*WJ*  
Walter J. Bench, Assistant Treasurer

Contact Name

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TELEX NO: 160455 CMACALLB  
FAX NO: (310) 338-6330  
SWIFT: MNBUS6S LAX

COMERICA BANK-CALIFORNIA  
INTERNATIONAL DEPARTMENT  
9920 S. LA CIENEGA BLVD., 11<sup>TH</sup> FLOOR  
INGLEWOOD, CA. 90301

BENEFICIARY:  
SOUTHERN CALIFORNIA EDISON  
COMPANY  
2131 WALNUT GROVE  
ROSEMEAD, CA. 91770  
ATTN: GUERHSHU  
*TOMMY NAVARRA*

ISSUANCE DATE: ~~OCTOBER 16, 2002~~

AMOUNT: USD ~~53,970.00~~ *ONE YEAR*  
~~53,970.00~~ *FAST ISSUANCE*

EXPIRY DATE: ~~OCTOBER 16, 2003~~ *DATA*  
(AT OUR COUNTERS)

*4000 MACARTHUR BOULEVARD*

AT THE REQUEST AND FOR THE ACCOUNT OF CONEXANT SYSTEMS, INC., ~~411 LAMAR~~  
ROAD NEWPORT BEACH, CA. 92660 WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY  
LETTER OF CREDIT NO. ~~57936~~ IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY,  
2131 WALNUT GROVE, ROSEMEAD, CA. 91770 IN THE AGGREGATE AMOUNT OF ~~FIFTY~~  
~~HUNDRED TWENTY FIVE THOUSAND US DOLLARS (\$25,000.00)~~ AND IS AVAILABLE FOR  
PAYMENT AGAINST PRESENTATION OF YOUR DRAFT(S) AT SIGHT DRAWN ON COMERICA  
BANK-CALIFORNIA WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND AMENDMENT(S) IF ANY THERETO.
2. A). A WRITTEN STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICIAL OF  
BENEFICIARY, CERTIFYING THAT CONEXANT SYSTEMS, INC. FAILED TO PAY FOR GOODS  
OR SERVICES PROVIDED BY SOUTHERN CALIFORNIA EDISON COMPANY WHEN DUE,  
AND  
B). A COPY OF BILL(S) FOR SUCH GOODS OR SERVICES.

SPECIAL CONDITIONS:  
PARTIAL DRAWINGS ARE PERMITTED.

ALL DOCUMENTS ARE TO BE DISPATCHED IN ONE LOT BY COURIER SERVICE TO  
COMERICA BANK-CALIFORNIA INTERNATIONAL DEPARTMENT, 9920 S. LA CIENEGA BLVD.,  
11<sup>TH</sup> FLOOR, INGLEWOOD, CA. 90301 ATTN: STANDBY L/C TEAM-44

WE ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH  
THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED IF PRESENTED AT  
THIS OFFICE ON OR BEFORE ~~OCTOBER 16, 2003~~.

THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE "ISP98" INTERNATIONAL CHAMBER  
OF COMMERCE (PUBLICATION NO. 590), AND ALL DISPUTES ARISING OUT OF IT OR  
RELATED TO IT ARE SUBJECT TO ARBITRATION UNDER "ICLOCA RULES (1996)".

*Kle*  
YOURS VERY TRULY

NOTE: THIS IS AN EXACT COPY OF THE CREDIT ~~LETTER~~  
WHICH WE HAVE ISSUED IN ACCORDANCE WITH YOUR  
APPLICATION. PLEASE EXAMINE THE CONTENTS IN  
ORDER TO NOTE WHETHER YOUR INSTRUCTIONS WERE  
PROPERLY FOLLOWED.

AUTHORIZED SIGNATURE  
RUDY FORBES  
VP, INTERNATIONAL DIV.

Lr/Credit

## **EXHIBIT J**





**Security Agreement**  
**(Conexant Systems, Inc.)**  
**(Negotiable Collateral)**

595628

As of September 27, 2004 for value received, the undersigned ("Debtor") grants to Comerica Bank - California, a Michigan banking corporation ("Bank"), whose address is 611 Anton Blvd, Suite 400, Costa Mesa, California 92626, a continuing security interest and lien (any pledge, assignment, security interest or other lien arising hereunder is sometimes referred to herein as a "security interest") in the Collateral (as defined below) to secure payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness ("Indebtedness") to the Bank of Debtor. Indebtedness includes without limit any and all obligations or liabilities of the Debtor to the Bank, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown, any and all obligations or liabilities for which the Debtor would otherwise be liable to the Bank were it not for the invalidity or unenforceability of them by reason of any bankruptcy, insolvency or other law, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; all costs incurred by Bank in establishing, determining, continuing, or defending the validity or priority of its security interest, or in pursuing its rights and remedies under this Agreement or under any other agreement between Bank and Debtor or in connection with any proceeding involving Bank as a result of any financial accommodation to Debtor; and all other costs of collecting Indebtedness, including without limit attorney fees. Debtor agrees to pay Bank all such costs incurred by the Bank, immediately upon demand, and until paid all costs shall bear interest at the highest per annum rate applicable to any of the Indebtedness, but not in excess of the maximum rate permitted by law. Any reference in this Agreement to attorney fees shall be deemed a reference to reasonable fees, costs, and expenses of both in-house and outside counsel and paralegals, whether or not a suit or action is instituted, and to court costs if a suit or action is instituted, and whether attorney fees or court costs are incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding or otherwise. Debtor further covenants, agrees and represents as follows:

1. Collateral shall mean all of the following property Debtor now or later owns or has an interest in, wherever located:

Money Market Account No. # 1851-480234, and all proceeds thereof.

2. Warranties, Covenants and Agreements. Debtor warrants, covenants and agrees as follows:

- 2.1 At the time any Collateral becomes, or is represented to be, subject to a security interest in favor of Bank, Debtor shall be deemed to have warranted that (a) Debtor is the lawful owner of the Collateral and has the right and authority to subject it to a security interest granted to Bank; (b) none of the Collateral is subject to any security interest other than that in favor of Bank; (c) there are no financing statements on file with respect to the Collateral, other than in favor of Bank; (d) no person, other than Bank, has possession or control (as defined in the Uniform Commercial Code) of any Collateral of such nature that perfection of a security interest may be accomplished by control; and (e) Debtor acquired its rights in the Collateral in the ordinary course of its business.

- 2.2 Debtor will keep the Collateral free at all times from all claims, liens, security interests and encumbrances other than those in favor of Bank. Debtor will not, without the prior written consent of Bank, sell, transfer or lease, or permit to be sold, transferred or leased, any or all of the Collateral.

- 2.3 Debtor will do all acts and will execute or cause to be executed all writings requested by Bank to establish, maintain and continue an exclusive perfected and first security interest of Bank in the Collateral. Debtor agrees that Bank has no obligation to acquire or perfect any lien on or

security interest in any asset(s), whether realty or personalty, to secure payment of the Indebtedness, and Debtor is not relying upon assets in which the Bank may have a lien or security interest for payment of the Indebtedness.

- 2.4 If at any time the outstanding principal balance of the Indebtedness exceeds 100% of the value of the Collateral, as such value is determined from time to time by Bank (herein called the "Margin Requirement"), Debtor shall immediately pay or cause to be paid to Bank an amount sufficient to reduce the Indebtedness such that the remaining principal outstanding thereunder is equal to or less than the Margin Requirement. Bank shall apply payments made under this paragraph in payment of the Indebtedness in such order and manner of application as Bank in its sole discretion elects. In the alternative, Debtor may provide or cause to be provided to Bank additional collateral in the form of cash or other property acceptable to Bank and with a value, as determined by Bank, that when added to the Collateral will constitute compliance with the Margin Requirement.
- 2.5 At any time and without notice, Bank may (a) cause any or all of the Collateral to be transferred to its name or to the name of its nominees; (b) receive or collect by legal proceedings or otherwise all dividends, interest, principal payments and other sums and all other distributions at any time payable or receivable on account of the Collateral, and hold the same as Collateral, or apply the same to the Indebtedness, the manner and distribution of the application to be in the sole discretion of Bank; (c) enter into any extension, subordination, reorganization, deposit, merger or consolidation agreement or any other agreement relating to or affecting the Collateral, and deposit or surrender control of the Collateral, and accept other property in exchange for the Collateral and hold or apply the property or money so received pursuant to this Agreement; and (d) take such actions in its own name or in Debtor's name as Bank, in its sole discretion, deems necessary or appropriate to establish exclusive control (as defined in the Uniform Commercial Code) over any Collateral of such nature that perfection of Bank's security interest may be accomplished by control.
3. Collection of Proceeds. Debtor irrevocably authorizes Bank or any Bank employee or agent to endorse the name of Debtor upon any checks or other items which are received in payment for any Collateral, and to do any and all things necessary in order to reduce these items to money. Debtor agrees to take all steps necessary to preserve rights against prior parties with respect to the Collateral. Nothing in this Section 3 shall be deemed a consent by Bank to any sale, lease or other disposition of any Collateral.
4. Defaults, Enforcement and Application of Proceeds.
- 4.1 Upon the occurrence of any of the following events (each an "Event of Default"), Debtor shall be in default under this Agreement:
- (a) Any failure to pay the Indebtedness or any other indebtedness when due, or such portion of it as may be due, by acceleration or otherwise; or
  - (b) Any failure or neglect to comply with, or breach of or default under, any term of this Agreement, or any other agreement or commitment between Debtor and Bank; or
  - (c) Any warranty, representation, financial statement, or other information made, given or furnished to Bank by or on behalf of Debtor shall be, or shall prove to have been, false or materially misleading when made, given, or furnished; or

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- (d) Sale or other disposition by Debtor of any substantial portion of its assets or property or voluntary suspension of the transaction of business by Debtor, or death, dissolution, termination of existence, merger, consolidation, insolvency, business failure, or assignment for the benefit of creditors of or by Debtor; or commencement of any proceedings under any state or federal bankruptcy or insolvency laws or laws for the relief of debtors by or against Debtor; or the appointment of a receiver, trustee, court appointee, sequestrator or otherwise, for all or any part of the property of Debtor; or
  - (e) Bank deems the margin of Collateral insufficient or itself insecure, in good faith believing that the prospect of payment of the Indebtedness or performance of this Agreement is impaired or shall fear deterioration, removal, or waste of Collateral; or
  - (f) A default shall occur under any instrument, agreement or other document evidencing, securing or otherwise relating to any of the Indebtedness.
- 4.2 Upon the occurrence of any Event of Default, Bank may at its discretion and without prior notice to Debtor declare any or all of the Indebtedness to be immediately due and payable, and shall have and may exercise any one or more of the following rights and remedies:
- (a) Exercise all the rights and remedies upon default, in foreclosure and otherwise, available to secured parties under the provisions of the Uniform Commercial Code and other applicable law;
  - (b) Institute legal proceedings to foreclose upon the lien and security interest granted by this Agreement, to recover judgment for all amounts then due and owing as Indebtedness, and to collect the same out of any Collateral or the proceeds of any sale of it; and/or
  - (c) Institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any or all Collateral.
  - (d) Liquidate and collect Collateral and apply it toward payment of Indebtedness
- 4.3 At the request of Bank, whether or not an Event of Default shall have occurred, Debtor shall immediately take such actions as Bank shall request to establish exclusive control (as defined in the Uniform Commercial Code) by Bank over any Collateral which is of such a nature that perfection of a security interest may be accomplished by control.
- 4.4 The proceeds of any sale or other disposition of Collateral authorized by this Agreement shall be applied by Bank first upon all expenses authorized by the Uniform Commercial Code and all reasonable attorney fees and legal expenses incurred by Bank; the balance of the proceeds of the sale or other disposition shall be applied in the payment of the Indebtedness, first to interest, then to principal, then to remaining Indebtedness and the surplus, if any, shall be paid over to Debtor or to such other person(s) as may be entitled to it under applicable law. Debtor shall remain liable for any deficiency, which it shall pay to Bank immediately upon demand. Debtor agrees that Bank shall be under no obligation to accept any noncash proceeds in connection with any sale or disposition of Collateral unless failure to do so would be commercially unreasonable. If Bank agrees in its sole discretion to accept noncash proceeds (unless the failure to do so would be commercially unreasonable), Bank may ascribe any commercially reasonable value to such proceeds. Without limiting the foregoing, Bank may apply any discount factor in determining the present value of proceeds to be received in the future or may elect to apply proceeds to be received in the future only as and when such proceeds are actually received in cash by Bank.

- 4.5 Nothing in this Agreement is intended, nor shall it be construed, to preclude Bank from pursuing any other remedy provided by law for the collection of the Indebtedness or for the recovery of any other sum to which Bank may be entitled for the breach of this Agreement by Debtor. Nothing in this Agreement shall reduce or release in any way any rights or security interests of Bank contained in any existing agreement between Debtor and Bank.
- 4.6 No waiver of default or consent to any act by Debtor shall be effective unless in writing and signed by an authorized officer of Bank. No waiver of any default or forbearance on the part of Bank in enforcing any of its rights under this Agreement shall operate as a waiver of any other default or of the same default on a future occasion or of any rights.
- 4.7 Debtor (a) irrevocably appoints Bank or any agent of Bank (which appointment is coupled with an interest) the true and lawful attorney of Debtor (with full power of substitution) in the name, place and stead of, and at the expense of, Debtor and (b) authorizes Bank or any agent of Bank, in its own name, at Debtor's expense, to do any of the following, as Bank, in its sole discretion, deems appropriate:
- (i) to demand, receive, sue for, and give receipts or acquittances for any moneys due or to become due on any Collateral (including without limit to draft against Collateral) and to endorse any item representing any payment on or proceeds of the Collateral;
  - (ii) to execute and file in the name of and on behalf of Debtor all financing statements or other filings deemed necessary or desirable by Bank, in respect to the Collateral, to evidence, perfect, or continue the security interests granted in this Agreement;
  - (iii) upon the occurrence of an Event of Default, to execute in the name of and on behalf of Debtor any and all stock or bond assignment forms or comparable instruments as Bank in its sole discretion deems necessary to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral;
  - (iv) upon the occurrence of an Event of Default, to take such other action in the name of and on behalf of Debtor as Bank deems necessary in its sole discretion to sell or transfer any of the Collateral to any person or to otherwise liquidate or dispose of any of the Collateral; and
  - (v) to do and perform any act on behalf of Debtor permitted or required under this Agreement.

5. Miscellaneous.

- 5.1 Until Bank is advised in writing by Debtor to the contrary, all notices, requests and demands required under this Agreement or by law shall be given to, or made upon, Debtor at its the first address indicated in Section 5.12 below.
- 5.2 Debtor will give Bank not less than 30 days prior written notice of all contemplated changes in Debtor's name, location, chief executive office, principal place of business, and/or location of any Collateral, but the giving of this notice shall not cure any Event of Default caused by this change.
- 5.3 Bank assumes no duty of performance or other responsibility under any contracts contained within the Collateral.
- 5.4 After any Event of Default, Bank has the right to sell, assign, transfer, negotiate or grant participations or any interest in, any or all of the Indebtedness and any related obligations,

including without limit this Agreement. In connection with the above, but without limiting its ability to make other disclosures to the full extent allowable, Bank may disclose all documents and information which Bank now or later has relating to Debtor, the Indebtedness or this Agreement, however obtained. Debtor further agrees that Bank may provide information relating to this Agreement or relating to Debtor to the Bank's parent, affiliates, subsidiaries, and service providers.

- 5.5 Debtor, to the extent not expressly prohibited by applicable law, waives any right to require the Bank to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Uniform Commercial Code; or (c) pursue any other remedy in the Bank's power. Debtor waives notice of acceptance of this Agreement and presentment, demand, protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which the undersigned might otherwise be entitled, and diligence in collecting any Indebtedness, and agree(s) that the Bank may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew or forbear to enforce payment of any or all Indebtedness, all without notice to Debtor and without affecting in any manner the unconditional obligation of Debtor under this Agreement. Debtor unconditionally and irrevocably waives each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Debtor under this Agreement, and acknowledges that such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Debtor now or later securing the Indebtedness, and acknowledges that as of the date of this Agreement no such defense or setoff exists.
- 5.6 In the event that applicable law shall obligate Bank to give prior notice to Debtor of any action to be taken under this Agreement, Debtor agrees that a written notice given to Debtor at least ten days before the date of the act shall be reasonable notice of the act and, specifically, reasonable notification of the time and place of any public sale or of the time after which any private sale, lease, or other disposition is to be made, unless a shorter notice period is reasonable under the circumstances. A notice shall be deemed to be given under this Agreement when delivered to Debtor or when placed in an envelope addressed to Debtor and deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States Postal Service or delivered to an overnight courier. The mailing shall be by overnight courier, certified, or first class mail.
- 5.7 Notwithstanding any prior revocation, termination, surrender, or discharge of this Agreement in whole or in part, the effectiveness of this Agreement shall automatically continue or be reinstated in the event that any payment received or credit given by Bank in respect of the Indebtedness is returned, disgorged, or rescinded under any applicable law, including, without limitation, bankruptcy or insolvency laws, in which case this Agreement, shall be enforceable against Debtor as if the returned, disgorged, or rescinded payment or credit had not been received or given by Bank, and whether or not Bank relied upon this payment or credit or changed its position as a consequence of it. In the event of continuation or reinstatement of this Agreement, Debtor agrees upon demand by Bank to execute and deliver to Bank those documents which Bank determines are appropriate to further evidence (in the public records or otherwise) this continuation or reinstatement, although the failure of Debtor to do so shall not affect in any way the reinstatement or continuation.

L/C S. CA Edison \$53,970.00

- 5 -

- 5.8 This Agreement and all the rights and remedies of Bank under this Agreement shall inure to the benefit of Bank's successors and assigns and to any other holder who derives from Bank title to or an interest in the Indebtedness or any portion of it, and shall bind Debtor and the heirs, legal representatives, successors, and assigns of Debtor. Nothing in this Section 5.8 is deemed a consent by Bank to any assignment by Debtor.
- 5.9 Except as otherwise provided in this Agreement, all terms in this Agreement have the meanings assigned to them in Article 9 (or, absent definition in Article 9, in any other Article) of the Uniform Commercial Code, as those meanings may be amended, revised or replaced from time to time. "Uniform Commercial Code" means Act No. 174 of the Michigan Public Acts of 1962, as amended, revised or replaced from time to time, including without limit as amended by Act No. 348 of the Michigan Public Acts of 2000. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the Uniform Commercial Code have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more broadly or inclusively than the Uniform Commercial Code in effect on the date of this Agreement, then such term, as used herein, shall be given such broadened meaning. If the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the Uniform Commercial Code in effect on the date of this Agreement, such amendment or holding shall be disregarded in defining terms used in this Agreement.
- 5.10 No single or partial exercise, or delay in the exercise, of any right or power under this Agreement, shall preclude other or further exercise of the rights and powers under this Agreement. The unenforceability of any provision of this Agreement shall not affect the enforceability of the remainder of this Agreement. This Agreement constitutes the entire agreement of Debtor and Bank with respect to the subject matter of this Agreement. No amendment or modification of this Agreement shall be effective unless the same shall be in writing and signed by Debtor and an authorized officer of Bank. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without regard to conflict of laws principles.
- 5.11 To the extent that any of the Indebtedness is payable upon demand, nothing contained in this Agreement shall modify the terms and conditions of that Indebtedness nor shall anything contained in this Agreement prevent Bank from making demand, without notice and with or without reason, for immediate payment of any or all of that Indebtedness at any time(s), whether or not an Event of Default has occurred.
- 5.12 Debtor represents and warrants that Debtor's exact name is the name set forth in this Agreement. Debtor further represents and warrants the following and agrees that Debtor is, and at all times shall be, located in the following place (mark applicable provision):
- Debtor is an individual, and Debtor is located (as determined pursuant to the Uniform Commercial Code) at Debtor's principal residence which is (street address, state and county or parish): \_\_\_\_\_.
- ☒ Debtor is a registered organization which is organized under the laws of Delaware, and Debtor's address is ~~4311 Jamboree Road M/S W03-309, Newport Beach, California 92660-3095~~ *4000 MacArthur Boulevard M/S F04-400, Newport Beach, CA 92660-3095*
- Debtor is a domestic organization which is not a registered organization under the laws of the United States or any state thereof (e.g. general partnership, joint venture, trust, estate or

association), and Debtor is located (as determined pursuant to the Uniform Commercial Code) at its sole place of business or, if it has more than one place of business, at its chief executive office, which is (street address, state and county or parish): \_\_\_\_\_.

Debtor is a registered organization organized under the laws of the United States, and Debtor is located in the state that United States law designates as its location or, if United States law authorizes the Debtor to designate the state for its location, the state designated by Debtor, or if neither of the foregoing are applicable, at the District of Columbia. Debtor is located (as determined pursuant to the Uniform Commercial Code) at (street address, state and county or parish): \_\_\_\_\_.

Debtor is a foreign individual or foreign organization or a branch or agency of a bank that is not organized under the laws of the United States or a state thereof. Debtor is located (as determined pursuant to the Uniform Commercial Code) at: \_\_\_\_\_.

5.13 A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement under the Uniform Commercial Code and may be filed by Bank in any filing office.

5.14 This Agreement shall be terminated only by the filing of a termination statement in accordance with the applicable provisions of the Uniform Commercial Code.

6. DEBTOR AND BANK ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE INDEBTEDNESS.

09/24/2004 15:06 9494839493

09/23/2004 12:22 714-433,26

COMERICA BANK

PAGE 09/09

PAGE 16/16

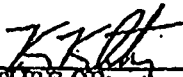
7. Special Provisions Applicable to this Agreement. (\*None, if left blank)

Debtor:

CONEXANT SYSTEMS, INC.

By:

SIGNATURE OF:

  
Jerry K. Petry

Its: Vice President and Treasurer

TITLE:

MI-00161 (3-01)

- 8 -

L/C'S. CA Edison \$53,970.00

DEL18:2284105.2022751-03706  
SEP 24 2004 15:07

9494839493

PAGE.09



# **EXHIBIT K**

COPY

Comerica Bank

AKM

FAX NO: 310-297-2886  
SWIFT: MNBDS66 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT  
SEPTEMBER 15, 2011

CREDIT NUMBER OF  
ISSUING BANK: 5956281 -44

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SOUTHERN CALIFORNIA EDISON  
300 NORTH LONE HILL AVE.  
SAN DIMAS, CA 91773

AMENDMENT NUMBER: 08

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW DECEMBER 14, 2012 IN AT OUR  
COUNTERS

PLEASE NOTE THE FOLLOWING ADDITION:

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE  
DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD  
OF ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE,  
UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY EXPIRATION  
DATE WE SEND YOU NOTICE BY OVERNIGHT COURIER THAT WE ELECT  
NOT TO EXTEND THIS CREDIT FOR ANY SUCH ADDITIONAL PERIOD.  
SAID NOTIFICATION WILL BE SENT TO THE BENEFICIARY'S ADDRESS  
INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE  
NOTIFIED BY YOU TO US IN WRITING BY RECEIPTED MAIL OR COURIER.  
ANY NOTICE TO US WILL BE DEEMED EFFECTIVE ONLY UPON ACTUAL  
RECEIPT BY US AT OUR DESIGNATED OFFICE.  
NOT WITHSTANDING THE ABOVE, THE FINAL EXPIRY DATE OF THIS  
CREDIT IS DECEMBER 14, 2016.

THIS AMENDMENT IS SUBJECT TO THE BENEFICIARY'S APPROVAL AND  
MUST BE ACCEPTED OR REJECTED IN ITS ENTIRETY. PLEASE SIGNIFY  
YOUR AGREEMENT/DISAGREEMENT TO THIS AMENDMENT BY SIGNING AND  
RETURNING THE ENCLOSED ACKNOWLEDGEMENT COPY.

( ☒ ) AGREE

( ☐ ) DISAGREE

*[Signature]* 9/16/11

*12/11/12 RDDH  
1/4 to add 1/2  
clause*

COPY



PAGE: 2

CREDIT NUMBER OF ISSUING BANK: 5956281 -44

AUTHORIZED SIGNATURE/ DATE

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE

MARK A. THORNE  
AUTHORIZED SIGNATURE



COPY

Comerica Bank

AKM

FAX NO: 310-297-2886  
SWIFT: MNBDUS66 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

SEPTEMBER 24, 2010

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

CREDIT NUMBER OF  
ISSUING BANK: 5956281 -44

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SOUTHERN CALIFORNIA EDISON  
300 NORTH LONE HILL AVE.  
SAN DIMAS, CA 91773

AMENDMENT NUMBER: 07

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW SEPTEMBER 27, 2011 IN AT OUR  
COUNTERS.

PLEASE NOTE THE FOLLOWING ADDITION:  
THE AMOUNT OF THIS CREDIT HAS BEEN DECREASED BY USD5,594.00

THE AMOUNT OF THIS CREDIT ISSUED NOW TOTALS USD35,715.00

THIS AMENDMENT IS SUBJECT TO THE BENEFICIARY'S APPROVAL AND  
MUST BE ACCEPTED OR REJECTED IN ITS ENTIRETY. PLEASE SIGNIFY YOUR  
AGREEMENT/DISAGREEMENT TO THIS AMENDMENT BY SIGNING AND RETURNING  
THE ENCLOSED ACKNOWLEDGEMENT COPY.

☒ I AGREE ☐ I DISAGREE

  
AUTHORIZED SIGNATURE/ DATE

11/15/2010

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

AUTHORIZED SIGNATURE

Rudy Forbes

COPY

Comerica

AKM

Letter of Credit Division

TELEX NO: 3772134  
FAX NO: 310-297-2886  
SWIFT: MNBDUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT  
AUGUST 7, 2009

CREDIT NUMBER OF  
ISSUING BANK: 5956281 -44

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SOUTHERN CALIFORNIA EDISON  
300 N. LONE HILL AVE.  
SAN DIMAS, CA 91773

AMENDMENT NUMBER: 06

ORIGINAL  
THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW SEPTEMBER 27, 2010 IN AT OUR  
COUNTERS

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

AUTHORIZED SIGNATURE

Rudy Forbes  
V.P. International Trade Services

MAT

TELEX NO: 3772134  
FAX NO: 310-297-2886  
SWIFT: MNBDUS6S LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT  
SEPTEMBER 4, 2008

CREDIT NUMBER OF  
ISSUING BANK: 5956281 -44

ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

RELEASED

Initial

Date

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:  
SOUTHERN CALIFORNIA EDISON  
300 N. LONE HILL AVE.  
SAN DIMAS, CA 91773

AMENDMENT NUMBER: 04

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW SEPTEMBER 27, 2009, IN AT OUR  
COUNTERS.

PLEASE NOTE THE FOLLOWING CHANGE:  
OUR STANDBY LETTER OF CREDIT NO. 595628-44  
NOW READS STANDBY LETTER OF CREDIT NO. 5956281-44

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE

# COPY

AKMM

TELEX NO: 3772134  
FAX NO: 310-297-2886  
SWIFT: MNBDUS6S LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

AUGUST 15, 2007  
ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

CREDIT NUMBER OF  
ISSUING BANK: 595628 -44

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:

SOUTHERN CALIFORNIA EDISON  
300 N. LONE HILL AVE.  
SAN DIMAS, CA 91773

AMENDMENT NUMBER: 03

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW SEPTEMBER 27, 2008 IN AT OUR  
COUNTERS .

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,



AUTHORIZED SIGNATURE

Rudy Forbes  
V.P. International Trade Services



Comerica

Letter of Credit Division  
ROOM

TELEX NO: 3772134  
FAX NO: 310-297-2886  
SWIFT: MNBUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

CREDIT NUMBER OF  
ISSUING BANK: 595628 -44

SEPTEMBER 20, 2006  
ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:

SOUTHERN CALIFORNIA EDISON  
300 N. LONE HILL AVE.  
SAN DIMAS, CA 91773  
ATTN: DANIEL EVANGWORD

AMENDMENT NUMBER: 02

O R I G I N A L

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

PLEASE NOTE THE FOLLOWING ADDITION:  
EXPIRATION DATE EXTENDED TO SEPTEMBER 27, 2007

CREDIT AMOUNT DECREASED BY USD12,661.00

CREDIT AMOUNT NOW USD41,309.00

+TO THE BENEFICIARY, PLEASE COMMUNICATE YOUR ACCEPTANCE OF THIS AMENDMENT IN  
WRITING TO US AT COMERICA BANK INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS  
AVE., 5TH FL., EL SEGUNDO, CA 90245 ATTN: STANDBY LETTER OF CREDIT DEPT., TEAM  
44 STATING THAT YOU AGREE TO AMENDMENT NO. 02 TO OUR STANDBY L/C NO. 595628-44.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

  
AUTHORIZED SIGNATURE

RHONDA DANTZLER  
AUTHORIZED SIGNATURE



September 21, 2006

Rhonda Dantzler  
Comerica Bank International Trade Services  
Attn: Standby Letter of Credit Dept., Team 44  
2321 Rosecrans Ave, 5<sup>th</sup> Floor  
El Segundo, CA 90245

Dear Ms. Dantzler:

Thank you for taking the time to discuss the credit condition of Conexant Systems Inc. Pursuant to our conversation, the following was discussed and agreed upon.

1. Southern California Edison agrees to reduce the security requested on 09/20/2006 from \$53,965 to \$41,309.
2. Southern California Edison accepted the No 2 Amendment.
3. Conexant Systems Inc agrees to pay all future energy bills upon receipt. Payments must be received on or before the due date printed on the bill.

Edison will closely monitor Conexant Systems Inc's accounts.

You are a valued customer and your prompt attention to this matter is appreciated. Should you have any questions, please call me at (909) 394-8949.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Livingword", written over a horizontal line.

D. Livingword

cc. Mr. Jake Cisneros - Conexant Systems Inc

Comerica

Letter of Credit Division  
RDDM

TELEX NO: 3772134  
FAX NO: 310-297-2886  
SWIFT: MNEDUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA 90245

AMENDMENT TO LETTER OF CREDIT

SEPTEMBER 22, 2005  
ISSUING BANK:

COMERICA BANK  
INTERNATIONAL DEPT  
2321 ROSECRANS AVE., 5TH FLOOR  
EL SEGUNDO, CA. 90245

CREDIT NUMBER OF  
ISSUING BANK: 595628 44

Released

Initial

Date

9/22

APPLICANT:

CONEXANT SYSTEMS, INC.  
4000 MACARTHUR BOULEVARD  
NEWPORT BEACH, CA 92660

BENEFICIARY:

SOUTHERN CALIFORNIA EDISON COMPANY  
2131 WALNUT GROVE AVENUE  
ROSEMEAD, CA 91230  
ATTN: TOMMY NAVARRO

AMENDMENT NUMBER: 01

ORIGINAL

THIS AMENDMENT IS TO BE CONSIDERED  
AS PART OF THE ABOVE CREDIT AND MUST  
BE ATTACHED THERETO.

GENTLEMEN:

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED FROM OUR PRINCIPALS, THE ABOVE  
CAPTIONED CREDIT HAS BEEN AMENDED AS FOLLOWS:

THE NEW EXPIRY DATE OF THIS INSTRUMENT IS NOW SEPTEMBER 27, 2006 IN AT OUR  
COUNTERS.

PLEASE NOTE THE FOLLOWING ADDITION:  
BENEFICIARY'S ADDRESS IS CHANGED TO:

300 N. LONE HILL AVE.  
SAN DIMAS, CA 91773  
ATTN: DANIEL LIVINGWORD

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS,

AUTHORIZED SIGNATURE

RHONDA DANTZLER  
AUTHORIZED SIGNATURE

9/22/05 RDDM  
1/A to chng bnf  
address

Initial

Date

Comerica

Letter of Credit Division  
RDM

TELEX NO. 160455 CMACALLB  
FAX NO. (310) 297-2890  
SWIFT: MNBDUS68 LAX

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVE., 5<sup>TH</sup> FL.  
EL SEGUNDO, CA. 90245

File  
Initial  
Date 10/1

DATE OF ISSUE: OCTOBER 1, 2004

AMOUNT: USD 53,970.00

EXPIRY DATE: SEPTEMBER 27, 2005  
(AT OUR COUNTERS)

**BENEFICIARY:**

SOUTHERN CALIFORNIA EDISON COMPANY  
2131 WALNUT GROVE AVENUE  
ROSEMEAD, CA 91770  
ATTN: TOMMY NAVARRO

AT THE REQUEST AND FOR THE ACCOUNT OF COMEXANT SYSTEMS, INC., 4000 MACARTHUR BLVD., (PO 4-400), NEWPORT BEACH, CA 92660 WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 595628-44 IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY, 2131 WALNUT GROVE, ROSEMEAD, CA 91770 IN THE AGGREGATE AMOUNT OF USD 53,970.00 (FIFTY THREE THOUSAND NINE HUNDRED SEVENTY AND 00/100 U.S. DOLLARS) AND IS AVAILABLE FOR PAYMENT AGAINST PRESENTATION OF YOUR DRAFT(S) AT SIGHT DRAWN ON COMERICA BANK WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND AMENDMENT(S), IF ANY, THERE TO
2. A WRITTEN STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICIAL OF BENEFICIARY CERTIFYING THAT COMEXANT SYSTEMS, INC. PAID TO PAY FOR GOODS OR SERVICES PROVIDED BY SOUTHERN CALIFORNIA EDISON COMPANY WHEN DUE

B. COPY OF BILL(S) FOR SUCH GOODS OR SERVICES

**SPECIAL CONDITIONS:**

PARTIAL DRAWINGS ARE PERMITTED

ALL DOCUMENTS MUST BE PRESENTED TO US IN ONE LOT BY COURIER SERVICE TO: COMERICA BANK INTERNATIONAL TRADE SERVICES, 2321 ROSECRANS AVE., 5<sup>TH</sup> FL., EL SEGUNDO, CA 90245 ATTN: STANDBY LETTER OF CREDIT TEAM 44

WE ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED IF PRESENTED AT THIS OFFICE ON OR BEFORE SEPTEMBER 27, 2005

THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE "ISP98" INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 590), AND ALL DISPUTES ARISING OUT OF IT OR RELATED TO IT ARE SUBJECT TO ARBITRATION UNDER "VICLOCA" RULES (1996)

YOURS VERY TRULY,

AUTHORIZED SIGNATURE

EMILIA DANTZLER  
AUTHORIZED SIGNATURE

# **EXHIBIT L**



# Standby Letter of Credit Application and Agreement and Pledge Agreement

The undersigned hereby requests Comerica Bank ("Bank") to issue an irrevocable standby letter of credit ("Credit") and notify the beneficiary directly or through an advising bank by:

- ☐ Forwarding the Credit directly to the beneficiary via courier; or  
☐ Forwarding the Credit to an advising bank via ☐ courier ☐ S.W.I.F.T./telex; or  
☐ Forwarding the Credit to a third party (insert name and address) \_\_\_\_\_ by courier; as follows (if the preceding information is not completed, Bank will send the Credit directly to the beneficiary or an advising bank it selects).

## Section A

Advising Bank (if applicable):

na  
(Complete Name)

(Complete Street Address - P.O. Box Prohibited)

APR 744  
DOUGLAS W. TANGHONG

UC# 650154

NO 1819002

For Account of (Account Party):

CONEXANT SYSTEMS, Inc.  
(Complete Name)

4000 MacArthur Blvd Newport Beach CA 92660  
(Complete Street Address - P.O. Box Prohibited)

140575

In Favor of (Beneficiary):

Stony Brook Associates 96 Boston Properties LP  
(Complete Name) (Alias)

800 Boylston Street Ste 1900 Boston, MA 02119-8103  
(Complete Street Address - P.O. Box Prohibited)

146864

## Section B

Amount and Currency:

Forty Five thousand nine hundred eighty five 15/100  
(Amount in Figures and Words)

\$ 45,918.75 ✓  
(Currency)

Expiration Date:

(Spell out date - month, day, year) April 30, 2012 ✓

## Section C

Auto Extension Provisions (Select only one option) (If no option is selected, the default extension is "Not Automatically Extendable")

☐ NOT AUTOMATICALLY EXTENDABLE

☒ AUTOMATICALLY EXTENDABLE

Number of Days Notice to Beneficiary Prior to Expiration Date (e.g., 15, 30, 45) (If not specified, default is 30 days) 60

How often (e.g., yearly, semi-yearly): YEARLY

Final Expiration Date: April 30, 2012

Drawing and Presentation Options (Select only one option):

☒ Partial Drawings/Multiple Presentations Permitted (multiple presentations for less than full amount)

☐ Partial Drawings/Multiple Presentations Prohibited (only one presentation and for full amount)

☐ Partial Drawing Permitted/Multiple Presentation Prohibited (only one presentation may be made but it may be for less than the full amount available)

Documents Required for Drawing under the Credit (Select only one option):

☒ NO DOCUMENTS REQUIRED FOR DRAWING. It is understood by the Applicant that the beneficiary will not be required to provide any documents or a reason for the drawing.

☐ DOCUMENTS REQUIRED FOR DRAWING (Select only one option):

☒ Issue the Credit substantially in the form attached hereto as Exhibit A. (Applicant must sign the attached Exhibit to acknowledge and approve the proposed form of the Credit; provided, however, issuance of the Credit and the final form and terms of the Credit shall be at Bank's sole discretion).

☐ A statement signed by the beneficiary with the following wording: \_\_\_\_\_

(If additional documents are required, please specify in Section D below.)

REGARDLESS OF WHETHER OR NOT DOCUMENTS ARE REQUIRED, THE BANK, AT ITS SOLE OPTION, MAY REQUIRE THE ORIGINAL OF THE CREDIT, AND ALL AMENDMENTS THERETO, AND A DRAFT OR OTHER DEMAND FOR PAYMENT BE DELIVERED OR PRESENTED TO THE BANK AT THE TIME OF A DRAWING UNDER THE CREDIT.

## Section D

Other Conditions, Instructions and Requests: Fax issued to Ann Oulakano 949 483 9403 copy original

Received Time Jan. 27, 2011 10:21 AM No. 7009 delivery to bone. MDR# 1819022

**TERMS AND CONDITIONS.** In consideration of the issuance of the Credit by Bank, Applicant hereby agrees to Bank as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the following respective meanings:
  - (a) "Account Party" means the party or parties identified as the "Account Party" in the Application, whose name(s) will be identified in the Credit. The Account Party may be, but is not required to be, the same as the Applicant.
  - (b) "Applicant" means the undersigned party or parties identified and signing this Application and Agreement as such, and who will be responsible as herein provided.
  - (c) "Application" and "Agreement" each means this Standby Letter of Credit Application and Agreement for an irrevocable standby letter of credit to be issued by Bank, as the same may be amended or modified from time to time in accordance with the provisions hereof.
  - (d) "Bank" means Comerica Bank.
  - (e) "Collateral" is defined in paragraph 13 of this Agreement.
  - (f) "Commercial Code" is defined in paragraph 9 of this Agreement.
  - (g) "Correspondent Bank" is defined in paragraph 19 of this Agreement.
  - (h) "Credit" means the irrevocable standby letter of credit issued by Bank, at its option, pursuant to this Application and Agreement, so such letter of credit may be modified or amended from time to time.
  - (i) "Designated Office" means Bank's office designated in the Bank's Designated Office section of the end of this Agreement, or such other office of Bank as Bank may designate from time to time by written notice to Applicant.
  - (j) "Dollars" and the sign "\$" shall mean lawful money of the United States of America.
  - (k) "Event of Default" is defined in paragraph 14 of this Agreement.
  - (l) "Governing Law" means the laws of the State of California, Michigan or Texas, respectively, as indicated in the Bank's Designated Office section at the end of this Agreement, subject to the terms of this Agreement, or as otherwise determined pursuant to and in accordance with the terms of this Agreement.
  - (m) "Governing Rules" means the rules governing letter of credit practice as specified in the Credit, which shall be either the International Standby Practices 1992, International Chamber of Commerce ("ICC") Publication No. 590, and any revisions thereof approved by the ICC and adhered to by Bank; or the Uniform Customs and Practice for Documentary Credits, 1993 Revision-ICC Publication No. 590 or 2007 Revision-ICC Publication No. 600, and, in either case, any revisions thereof approved by the ICC and adhered to by Bank.
  - (n) "Instrument" means any time or sight draft or other negotiable or written demand for payment drawn under or in connection with any Credit.
  - (o) "Obligations" means all liabilities and obligations of Applicant to Bank, whether direct or indirect, absolute or contingent, joint or several, due or to become due, now existing or hereafter arising, and howsoever evidenced, including, without limit, all liabilities and obligations of Applicant at any time arising or existing under or pursuant to this Agreement or otherwise in respect of the Credit.
  - (p) "Prime Rate" means the rate of interest established by Bank from time to time as its prime rate, which may not necessarily be the lowest interest rate charged by Bank to its borrowers at any time.
  - (q) "Request" is defined in paragraph 11 of this Agreement.
  - (r) "Taxes" means all taxes, levies, duties, charges and fees (including interest and penalties) of any nature charged or imposed by any government or other taxing authority in connection with the Credit, any instrument or any transaction contemplated thereby.

**Issuance of Credit.** Applicant hereby authorizes Bank to comply with Applicant's request to issue the Credit, and any amendments thereto, in each case, for Applicant's account and risk, subject to and in accordance with the terms of this Agreement; provided, however, and notwithstanding anything in this Agreement or elsewhere to the contrary: (a) the issuance of the Credit, or any amendment to the Credit, will be at Bank's sole and absolute discretion; and (b) the terms and conditions of the Credit and any such amendment must be acceptable to Bank, in its sole and absolute discretion. In the event that Bank, in its discretion, elects to issue the Credit with terms or conditions that differ materially or substantially from those set forth in this Application, Bank will provide notice of such election to Applicant by telephone or otherwise, and Bank will either, at its discretion, (i) provide a specimen copy of the Credit as so modified to Applicant for its review, in which case, Applicant will promptly review the specimen copy and notify Bank of any errors, omissions, discrepancies or irregularities and as to whether Applicant approves or disapproves the issuance of the Credit in each modified form; or (ii) review the proposed modifications with Applicant by telephone or other means, and if deemed necessary by Bank obtain Applicant's consent to such modifications. Bank may, in its sole discretion, decline to issue the modified Credit until it receives written authorization from Applicant in the form of the Credit as so modified. In the event applicable, Applicant will promptly examine the copy of the Credit and any amendments thereto sent to it by Bank and all documents and instruments delivered to it from time to time by Bank and, in the event of any claim or non-compliance with Applicant's instructions in other irregularity, will immediately notify Bank thereof in writing. Applicant hereby conclusively deemed to have waived any such claim against Bank and its correspondents unless such notice is given within seven (7) banking days of Bank sending such copy of the Credit and/or the applicable documents to Applicant.

**Reimbursement Obligations.** (a) Applicant will reimburse Bank, at the Designated Office, in immediately available funds, the amount required to pay each instrument drawn or presented, or purporting to be drawn or presented, under the Credit (including all Taxes, charges, costs and expenses paid or incurred by Bank in connection therewith), together with interest thereon from the date of payment by Bank of the instrument to the date of reimbursement at a per annum rate equal to three percent (3%) above the Prime Rate, such reimbursement to be made on demand. Interest shall be calculated on the basis of a 360 day year and shall be assessed for the actual number of days elapsed; and effect shall be given to any change in the interest rate resulting from a change in the Prime Rate on the date of such change in the Prime Rate.

(b) Bank may accept or pay any instrument presented to it or a nominated bank under the Credit in accordance with the terms of the Credit, regardless of when drawn, and whether or not negotiated, if the instrument and any other documents required under the terms of the Credit are presented or received on or before the expiration date of the Credit and otherwise appear on their face to substantially comply with the terms of the Credit, without any further investigation or inquiry on the part of Bank and regardless of any notice or information to the contrary, and Applicant shall be obligated to reimburse Bank for such instrument and such other amounts as are required under and in accordance with the terms of this Agreement.

(c) Regardless of the currency of the instrument or the Credit, each reimbursement shall be in Dollars. If Bank receives currency other than Dollars and/or receives reimbursement at a place other than the Designated Office, Bank may, in its sole discretion and in accordance with Bank's own banking procedures, convert the currency received by it into Dollars at the most favorable spot exchange rate determined by Bank to be available to it at the relevant time and transfer the proceeds to the Designated Office. If, after any such conversion and transfer, the amount of Dollars received by Bank at the Designated Office is less than the actual amount due hereunder, then Applicant shall remain liable for such deficiency, together with interest on such amount from the date demanded until payment in full thereof at the rate and on the terms set forth above. If, for any reason or cause, on the date of reimbursement or settlement there is no rate of exchange generally current for settling such currency conversions and transfers, the Applicant will reimburse the Bank on demand in an amount in Dollars equivalent to the Bank's actual cost of settlement of its obligation under the instrument or otherwise in respect of the Credit as of the time Bank shall make such settlement, with interest from the date of settlement to the date of reimbursement at the rate and on the terms set forth above. Applicant will comply with all governmental exchange regulations now or hereafter applicable to the Credit or instruments or payments related thereto and will pay the Bank, on demand, in Dollars, such amount as the Bank may be required to expend on account of such regulations, including, without limitation, all applicable Taxes.

(d) All payments to be made by Applicant under this Agreement shall be without deduction, setoff or counterclaim.

(e) Bank is authorized to charge Applicant's Deposit Account (defined below) with Bank for all reimbursements and other payments required under or pursuant to the terms of this Agreement.

**Delivery of Documents.** Notwithstanding anything in this Agreement or elsewhere to the contrary, Applicant will Bank be obligated to deliver to Applicant any instrument or other documents presented to Bank at any time under or in connection with a Credit prior to (a) payment of the instrument, and (b) Applicant's payment in full of all reimbursement obligations and other amounts owing by Applicant to Bank hereunder or otherwise in respect of the Credit. If Bank delivers copies of any instrument or documents to Applicant, Bank will be under no obligation to explain instructions or authorizations from Applicant in determining whether to make any payment on or in respect of such instrument or the Credit.

**Unconditional Obligations.** The obligation of Applicant to reimburse Bank for all amounts paid or required to be paid under any instrument or otherwise in respect of the Credit will be absolute, unconditional and irrevocable and not subject to any qualification, condition or exception, including, without limitation, (a) any lack of validity or enforceability of the Credit or any related documentation or transaction; (b) any amendment, modification, waiver, consent, or any substitution, exchange or release of or failure to perfect any interest in any collateral or security with respect to any property or documents related in any way to the Credit; (c) the existence of any claim, setoff, defense or other right which Applicant or any Account Party may have at any time against any beneficiary or transferee of the Credit (or any person(s) for whom any such beneficiary or transferee may be acting), Bank, or any other party, whether in connection with any documentation relating to the Credit, any transactions contemplated by this Agreement, or any unrelated transactions; (d) any instrument or other document presented under the Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement in any of them being untrue or misstated in any respect; (e) payment by Bank to any beneficiary or transferee under the Credit against presentation of any instrument or other document which does not strictly comply with the terms of the Credit, including failure of any instrument or other document to bear any reference or identify reference to the Credit; (f) any failure, omission, or delay on the part of Bank, or any party to any of the transactions or documents relating to the Credit or any transactions contemplated by this Agreement, to enforce or assert any right or remedy conferred on Bank or any such party, or any other acts or omissions on the part of Bank or any such other party; or (g) any other event or circumstance that would, in the absence of this paragraph, result in the release or discharge, by operation of law or otherwise, of Applicant from the observance or performance of any of its liabilities or obligations under this Agreement.

**Interest, Fees, Costs and Expenses.** (a) Applicant will pay Bank such fees and commission with respect to the Credit and any related instruments as has been agreed to by Applicant and Bank. Applicant will further pay Bank the reasonable fees and expenses of Bank in connection with the Credit and any such instruments according to Bank's standard practice as in effect from time to time. Amounts due hereunder include, without limitation, any taxes, fees, costs or expenses incurred by Bank in connection with any amounts paid by Bank under the Credit that are not reimbursed by Applicant in accordance with the terms of this Agreement. There shall be no refund or decrease, and Applicant shall not be entitled to any return, of any fee, commission or other amount paid or owed to Bank in the event that the Credit is drawn upon, used, reduced, amended, terminated, renewed or otherwise modified prior to its expiration date.

(b) If any law or regulation or the interpretation or implementation thereof by any court or administrative or governmental authority charged with the administration thereof shall either (i) impose, modify or deem applicable any reserve, special deposit, limitation or similar requirement against letters of credit issued by, or assets held by, or deposits in or for the account of, Bank, or (ii) impose on Bank any insurance premium or other condition regarding this Application and Agreement or the Credit, and the result of any event referred to in clause (i) or (ii) above shall be to increase the cost of issuing or maintaining the Credit over that which Bank assumed in determining its fees and commissions, then, upon demand by Bank, Applicant shall immediately pay to Bank, as specified by Bank from time to time, additional amounts which shall be sufficient to compensate Bank for such increased cost, together with interest on each such amount from the date demanded until payment in full thereof at the rate and on the terms set forth above. A certificate as to such increased cost incurred by Bank as a result of any event mentioned in clause (i) or (ii) above, submitted by Bank to Applicant shall be conclusive, absent manifest error, as to the amount thereof.

(c) Applicant will pay on demand all costs and expenses (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Bank in connection with the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement and Applicant's liabilities and obligations hereunder, or in connection with any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain Bank from paying any instrument or any amount under the Credit.

**Indemnification.** (a) Applicant agrees to indemnify and hold Bank and its correspondents harmless from and against any and all claims, damages, losses, liabilities, costs or expenses, whatsoever which Bank or any of its correspondents may incur (in which may be claimed against Bank or any of its correspondents) by reason of, or in connection with, the receipt and delivery of drafts or, in payment in full or in part, of any instrument or other document under this Agreement or any of the transactions contemplated hereby provided, however, Applicant shall not be required to indemnify Bank or its correspondents for any claims, damages, losses, liabilities, costs or expenses incurred by the extent, but only to the extent, caused by Bank's or such correspondent's willful misconduct or gross negligence.

(b) Applicant agrees that if Applicant at any time has any right or remedies available to it against the beneficiary(ies) or other person(s) in connection with the Credit (with respect to which Bank is alleged to be liable, it will be a condition of the assertion of any such liability by Applicant against Bank that Applicant shall contemporaneously and diligently assert and pursue all rights and remedies as to the alleged liability that Applicant may have against such beneficiary(ies) or other person(s).

**Applicant's Assumption of Risks.** Applicant assumes all risks of the acts or omissions of any beneficiary or transferee of the Credit with respect to its use of the Credit. Neither Bank nor any of its officers, directors, employees or agents shall be liable or responsible for: (a) the use which may be made of the Credit or for any acts or omissions of any beneficiary, transferee or other party in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereof, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by Bank made against presentation of documents which substantially comply with the terms of the Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Credit, in furtherance and not in limitation of the foregoing, Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. Applicant shall indemnify and hold Bank and its correspondents harmless from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever which any of them may incur (or which may be claimed against any of them) by reason of, or in connection with, the occurrence or existence of any one or more of the contingencies referred to in the preceding clauses of this paragraph, except to the extent, but only to the extent, caused by Bank's or such correspondent's willful misconduct or gross negligence. Further, the occurrence or existence of any one or more of such contingencies shall not affect, impair or prevent the vesting of any of Bank's rights or powers hereunder or any of Applicant's obligation to make reimbursement and other payments in accordance with the terms hereof.

**Governing Law and Rules.** (a) This Application and Agreement and all rights, obligations and liabilities arising hereunder, shall be governed by, subject to and construed in accordance with the applicable Governing Law, including, without limitation, the Uniform Commercial Code as adopted by the state promulgating the Governing Law, as from time to time amended and enforced (the "Commercial Code"), without regard to any conflict of law principles. This Agreement shall be further subject to the Governing Rules (a copy of which is available upon request) and, in the event any provision of the Governing Rules is or is construed to vary from or be in conflict with any provision of the Commercial Code or other Governing Law, the Governing Rules shall prevail. Applicant acknowledges and agrees that the Credit may be governed by, subject to and construed in accordance with governing laws that may differ from the Governing Laws provided in this Application and Agreement, in which case, this Agreement shall remain governed by and subject to the Governing Law and the Governing Rules provided herein and the Credit shall be governed by and subject to the applicable law and Governing Rules (if applicable) provided for in the Credit.

(b) Applicant acknowledges and agrees that Bank may, in its sole discretion, upon written notice to Applicant prior to issuance of the Credit, designate a Designated Office of Bank, and consequently, a Governing Law, which differs from that designated by Applicant in the Bank's Designated Office section at the end of this Agreement, in which case, the Designated Office and Governing Law with respect to this Application and Agreement shall be that so designated in writing by Bank, in



(the "Designated Office") that Applicant does not designate a Designated Office, as provided below, the Designated Office shall be determined by Bank, in its sole discretion, and Applicant acknowledges and agrees to be bound by such determination.

Designated Office as provided below, the Designated Office shall be determined by Bank, in its sole discretion, and Applicant acknowledges and agrees to be bound by such determination.

and Governing Law shall be determined by Bank, in its sole discretion, and Applicant acknowledges and agrees to be bound by such determination.

10. **Compliance with Laws and Regulations.** Applicant shall comply with all applicable laws and regulations (foreign or domestic) relating to the Credit, any instruments or documents relating thereto, and any of the transactions contemplated hereby. Bank shall have no obligation to process any transactions or honor any instruments or documents that, in Bank's determination, do not comply with applicable laws and regulations.

11. **Requests to Amend Credit; Waiver of Discrepancies.** (a) Applicant authorizes Bank to comply with Applicant's request to amend the Credit for Applicant's account and risk or to waive any discrepancies in an instrument or other documents presented or required under the terms of the Credit, upon a request communicated to Bank by telephone, telegram, fax, computer, facsimile transmission, "S.W.I.F.T." or other electronic means acceptable to Bank (each a "Request"), subject to the following: (i) Requests will be made on behalf of Applicant only by those persons authorized by Applicant and communicated in writing to Bank, and Bank may continue to rely on such authorizations until such time that it receives written notice to the contrary from Applicant. In no event shall Bank be obligated to verify the identity of any persons so authorized or any persons purporting to communicate a Request, beyond the use of the authorized name, code identification or other means of verification, if any, established by Bank; (ii) if frequent Requests are to be made, Bank may, but shall not be obligated to, assign a unique code number or word and require that such code be used by Applicant (and if such a code number or word is established, all further Requests shall refer to such code); (iii) Bank shall not be liable for any losses, costs, expenses, liabilities or damages that Applicant may incur as a result of Bank's compliance with, or otherwise acting in reliance on, a Request in accordance with this Agreement, and Applicant will indemnify and hold Bank harmless from and against all such losses, costs, expenses, liabilities and damages, except to the extent, but only to the extent, that they arise as a result of Bank's gross negligence or willful misconduct; (iv) Bank will not be liable for any delays in complying with any Request, nor for any delays caused by others to whom Bank may transmit such Request either at Applicant's direction or otherwise, and Bank will not be required to comply with Requests on the day on which Requests are received unless Bank has agreed to do so and Applicant has caused such Request to be received before the time Bank has specified to comply with such Request; (v) all Requests shall be subject to the terms of this Agreement and any other written or electronic agreement entered into between Bank and Applicant in connection with the Credit or any transaction relating to such Request; and (vi) any notice or communication of a change of address sent by a beneficiary to Bank shall not require a Request or the consent of Applicant, and (A) Applicant hereby authorizes Bank to send to the beneficiary(ies) an amendment or a revised form of the Credit with the beneficiary's new address, and (B) if the beneficiary does not communicate the beneficiary's new address before presentation or use of its current or previous address in the documents presented, Applicant hereby agrees that such variation in address shall not be deemed a discrepancy and such variation in address shall not, to the sole benefit of Bank, constitute a breach or non-compliance with the terms of this Agreement. Bank may receive any Request made by telephone and any other telephonic communications between Applicant and Bank regarding the Credit. Notwithstanding anything to the contrary contained in this Agreement, Bank shall not be obligated to, and shall have no liability for failing to, comply with any Requests.

(b) Bank may, in its sole discretion and without any obligation to do so, approach Applicant for a waiver of any discrepancies in any instrument or other documents presented or required under the terms of the Credit and request that Applicant authorize payment of such instrument despite any such deficiencies. Any such action will be solely for Applicant's risk, benefit and convenience. Bank's request for a waiver in one instance will not require Bank to approach Applicant for waivers of discrepancies in any other instances, and whether or not a course of dealing has been established. Notwithstanding anything set forth herein or elsewhere to the contrary, Applicant's waiver of any discrepancies will not in any instance obligate Bank to waive any such discrepancies, pay any instrument(s) presented as to the Credit, or approach Applicant at any time for a waiver of future discrepancies.

12. **Extensions of Credit.** Bank shall have the sole and absolute right to extend or not extend the Credit. If the Credit provides for automatic extension, Applicant's request to not extend the Credit must be received by Bank, in writing, at its Designated Office at least sixty (60) days prior to the last day specified in the Credit by which Bank must give notice of its intent not to extend the expiration date of the Credit. If Applicant fails to provide Bank with actual written notice of Applicant's request for Bank not to extend the Credit at least sixty (60) days prior to the last day specified in the Credit by which Bank must give notice of its intent not to extend the Credit, then Applicant shall be deemed to have irrevocably authorized the extension of the Credit, and Applicant shall continue to be liable under the terms of this Agreement. Notwithstanding Applicant's request to extend the Credit or failure to timely give Bank actual notice of Applicant's desire to not extend the Credit, Applicant acknowledges that in the event the beneficiary of the Credit, or any authorized, immediate, exclusive representative, trustee or agent of the beneficiary, is notified that Bank has elected not to extend the Credit, the terms of the Credit may allow it to be drawn upon, and Applicant shall be bound by the reimbursement and other obligations under this Agreement, and Applicant shall irrevocably waive all claims, counterclaims, defenses and defenses that Applicant may have against Bank for electing not to extend the Credit.

13. **Collateral.** (a) As security for the payment and performance of all of the Obligations, Applicant hereby assigns, pledges and grants to Bank a continuing first priority security interest in and then upon, and the right of possession and disposal to (the "Collateral"): (i) account number 184140234 maintained by Applicant with Bank (the "Deposit Account"); (ii) all replacements, substitutions, renewals thereof; (iii) all interest accruing thereon; and (iv) all products and proceeds (cash or non-cash proceeds) of the foregoing. So long as the Collateral is subject to this Agreement, Applicant shall have no right to withdraw any of the foregoing Collateral without the prior written consent of Bank. To the extent applicable, the foregoing is in addition to any other liens, security interests, mortgages and/or other rights and interests that may at any time be granted to or in favor of Bank to secure all or any part of the Obligations.

(c) Prior to the maturity (if any) of any Collateral held by Bank pursuant hereto, Applicant and Bank shall agree upon a security or instrument similar in form, quality, and substance to the original Collateral in which the proceeds of the Collateral can be reinvested on maturity. Upon maturity of the Collateral in accordance with its terms, or in the event the Collateral otherwise becomes payable during the term of this Agreement, such maturing Collateral may be presented for payment, exchange, or otherwise marketed by Bank on behalf of Applicant and the proceeds therefrom used to purchase the security or instrument agreed to by Applicant and Bank in accordance with the immediately preceding sentence. If no agreement has been made, such proceeds shall be placed into an interest bearing account offered by the Bank until such time as an agreement as to the security replacing the original Collateral can be reached. Bank may retain any such successor collateral and the proceeds therefrom as Collateral in accordance with the terms of this Agreement.

(d) Applicant authorizes Bank to file such financing statements and take such other actions as Bank determines from time to time may be necessary or appropriate to create, perfect, preserve or protect the security interests and other interests of Bank created hereby, all at the expense of Applicant. Applicant shall execute and/or deliver to Bank such documents, instruments and agreements as may be requested by Bank to create, perfect, preserve or protect the security interests and other interests of Bank created hereby.

(e) The pledge and grant of a security interest in the Collateral hereunder remains in effect for the term of this Agreement, notwithstanding any release by Bank of any other collateral in connection with the Obligations or any other agreement in effect between the Bank and the Applicant, now or hereafter arising.

(f) Applicant represents and warrants to and covenants with Bank that: (i) the Collateral is owned by Applicant free and clear of any security interests, liens, encumbrances, options or other restrictions created by Applicant, other than to or in favor of Bank; (ii) Applicant has full power and authority to create a first lien on the Collateral in favor of Bank and no disability or contractual obligation exists that would prohibit Applicant from pledging the Collateral pursuant to this Agreement; and Applicant will not assign, create or permit to exist any other claim to, lien or encumbrance upon, or security interest in any of the Collateral, other than to or in favor of Bank; (iii) the Collateral is not the subject of any present or threatened suit, action, arbitration, administrative or other proceeding, and Applicant knows of no

reasonable grounds for the institution of or of any proceedings, interest, or amounts payable

in proceedings; and (iv) Applicant shall not transfer, sell, dispose of, withdraw, or otherwise direct the payment of the Collateral for so long as it is subject to this Agreement.

it, dispose of, withdraw, or otherwise direct the payment of the Collateral for so long as it is subject to this Agreement.

**14. Events of Default.** The occurrence of any of the following conditions or events shall constitute an "Event of Default" under this Agreement: (a) Applicant or any guarantor under a guaranty of all or any part of the indebtedness of Applicant to Bank (a "guarantor") fails to pay any indebtedness or obligations owing to Bank, when due, whether by maturity, acceleration, upon demand or otherwise, and whether under this Agreement or otherwise; (b) if Applicant or any guarantor fails to perform or comply with any of the terms or provisions of this Agreement or any other agreement between Applicant or any guarantor and Bank; (c) if any warranty or representation made by Applicant or any guarantor to Bank shall be untrue or incomplete in any material respect; (d) if there is any termination, notice of termination, or breach of any guaranty, pledge, collateral assignment or subordination agreement relating to all or any part of the indebtedness or obligations of Applicant to Bank; (e) if there is any failure by Applicant or any guarantor to pay, when due, any of its indebtedness (other than to the Bank) or in the observance or performance of any term, covenant or condition in any document evidencing, securing or relating to such indebtedness; (f) if Applicant or any guarantor becomes (i) insolvent or the subject of a voluntary or involuntary proceeding in bankruptcy, or a reorganization, arrangement or creditor composition proceeding, or makes a general assignment for the benefit of creditors, (ii) ceases to do business as a going concern, (iii) a natural person dies or becomes incompetent, (iv) a partnership dissolves, or any general partner of it dies, becomes incompetent or becomes the subject of a bankruptcy proceeding, or (v) a corporation or a limited liability company is the subject of a dissolution, merger or consolidation; (g) if any governmental authority, or any court or the instance of any governmental authority, shall take possession of any substantial part of the property of Applicant or any guarantor or shall assume control over the affairs or operations of Applicant or any guarantor; (h) if there is filed or issued a levy or writ of attachment or garnishment or other like judicial process upon Applicant or any guarantor or any of their respective property or assets, including, without limit, any accounts of Applicant or any guarantor with the Bank, or (i) if Bank shall in good faith deem itself insecure at any time, deeming the prospect of payment or performance of any of the liabilities or obligations of Applicant to Bank to be impaired.

**15. Remedies.** (a) Upon the occurrence of any Event of Default, Bank may, at its option and without prior notice to Applicant, declare any or all of the Obligations of Applicant to Bank (whether under this Agreement or otherwise) to be immediately due and payable (notwithstanding any provisions contained in the evidence of it to the contrary), sell or liquidate all or any portion of any collateral (including, without limit, the Collateral) securing any such Obligations of Applicant to Bank, and exercise any and all rights and remedies available to Bank, whether under this Agreement or any other agreement, or law, in equity, or otherwise, including, without limitation, all rights and remedies available to Bank under the Commercial Code. Without limiting the generality of the foregoing, upon the occurrence of any Event of Default, Bank may exercise in respect of the Collateral any and all rights of a secured party under the Commercial Code and any other applicable law, and may, without notice except as otherwise required, sell such Collateral or any part thereof, in one or more parcels at public or private sale, at any of Bank's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Bank may deem commercially reasonable. After the disposal of any of the Collateral, Bank may deduct all reasonable legal and other expenses and attorneys' fees for prosecuting its interests and enforcing its remedies under this Application and Agreement, and may apply the residue of the proceeds to, or hold as a reserve against, the Obligations in such manner as Bank in its sole discretion shall determine, and shall pay the balance, if any, to Applicant or otherwise, in accordance with applicable law. Applicant will pay to Bank, on demand, all costs and expenses (including, without limitation, attorneys' fees and legal expenses) related or incidental to the repossession, custody, preservation, protection, sale or preparation for sale, collection from or after realization upon any such Collateral, or related or incidental to the establishment, preservation or enforcement of Bank's rights and remedies in respect of such Collateral.

(b) In addition to any other rights and remedies available to Bank, upon the occurrence of any Event of Default hereunder, Applicant shall, upon the written request of Bank, deliver to Bank cash collateral in an amount equal to the aggregate unpaid or available amount of the Credit at such time, which sum shall be held by Bank as cash collateral to secure the payment and performance of all obligations of Applicant to Bank under or pursuant to this Agreement or otherwise in respect of the Credit, and Applicant hereby pledges and grants unto Bank a continuing first priority security interest in any and all such sums so delivered to Bank.

(c) Upon the occurrence and at any time during the continuance of any Event of Default hereunder, Bank may at any time and from time to time, without notice to Applicant (any requirement for such notice being expressly waived by Applicant), set off and apply against any and all of the Obligations of Applicant to Bank the Deposit Account, irrespective of whether or not Bank shall have made any demand hereunder and although such obligations may be contingent and unliquidated. The rights of Bank under this paragraph are in addition to other rights and remedies (including, without limitation, other rights of setoff) which Bank may otherwise have.

**16. Jurisdiction.** Applicant irrevocably submits to the non-exclusive jurisdiction of any United States Federal Court in any court of competent jurisdiction sitting in the state in which the following law is promulgated in any action or proceeding arising out of or relating to this Agreement or the Credit, and Applicant agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. Applicant irrevocably waives any objection to the laying of venue of any such action or proceeding in any of the above described courts. Applicant agrees that service of process in any such legal proceeding may be made, and shall be conclusively deemed sufficient and adequate, by mailing copies thereof (by registered or certified mail, if practicable), postage prepaid, or by (transmission) to Applicant at its address set forth herein or such other address of which Bank shall be notified in writing, in which event, service shall be deemed complete upon the filing with the court of a copy of the process mailed or sent and an affidavit attesting the mailing or sending. Applicant agrees that nothing herein shall affect Bank's right to effect service of process in any other manner permitted by law.

**17. No Waiver of Bank's Rights.** Bank shall not be deemed to have waived any of its rights hereunder, unless Bank or its authorized agents shall have signed such waiver in writing and delivered such waiver to Applicant at Applicant's address as set forth herein. No such waiver, unless expressly as stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver nor as to any continuance of a breach after such waiver. BANK SHALL NOT BE BOUND BY ANY ALTERATION, MODIFICATION, ADDITION TO OR DELETION OF ANY OF THE PROVISIONS OF THIS AGREEMENT UNLESS EXPRESSLY AGREED TO IN WRITING BY BANK AND DELIVERED TO APPLICANT AT APPLICANT'S ADDRESS AS SET FORTH HEREIN.

**18. Applicant's Waivers.** Applicant waives presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of demand or intent to demand, notice of acceleration or intent to accelerate, and all other notices and agrees that no extension or indulgence to Applicant (or any of them) or release, substitution or nonenforcement of any security, or release or substitution of any Applicant, any guarantor or any other party, whether with or without notice, shall affect the obligations of any of the undersigned. Applicant waives all defenses or right to discharge available under Section 3-605 of the Commercial Code and waives all other suretyship defenses or right to discharge.

**19. Correspondent Bank.** (a) If Applicant has submitted this Application to a bank other than Comerica Bank (such other bank is herein called a "Correspondent Bank") requesting that the Correspondent Bank, on behalf of Applicant, deliver this Application and Agreement to Bank requesting that the Bank issue the Credit, then the following provisions shall apply: (i) the term "Bank" shall mean such Correspondent Bank and Bank, both collectively and individually so that either the Correspondent Bank or Bank may exercise all the rights, privileges and powers conferred upon Bank under this Agreement; and (ii) any collateral given as security for Applicant's obligations under this Application and Agreement, and any deposit balances of Applicant with the Correspondent Bank, shall stand as security for collateral for the Credit and for any of the Correspondent Bank's obligations under or pursuant to this Application and Agreement or otherwise in respect of the Credit.

(b) If the issuance of the Credit is requested by or through a Correspondent Bank in accordance with the terms hereof, then the Correspondent Bank, by its execution of this Application and Agreement: (i) requests and authorizes Bank to issue the Credit in Bank's name or through a correspondent; (ii) authorizes Bank and/or its correspondent(s) to pay instruments drawn against the Credit as specified in this Application and Agreement and to exercise all rights, powers and privileges conferred by this Application and Agreement, without reference to the Correspondent Bank; (iii) agrees to reimburse Bank and make payments to Bank in amount, time and manner as required of Applicant under this Agreement, whether or not the Correspondent Bank has received payment from Applicant; (iv) assigns to Bank as security all its rights, including rights of payment and to security, under this Agreement and agrees to deliver to Bank, upon demand, such additional security as Bank may

request, and also agrees to give Bank a lien on its property, including deposit balances now or hereafter, for the payment of any liability of the Correspondent Bank to Bank hereunder; (v) agrees that if Correspondent Bank fails to make any payment or provide any security as requested, all of Correspondent Bank's obligations and liabilities to Bank shall immediately, without notice, become due and payable at Bank's sole option. Correspondent Bank acknowledges and agrees that Bank shall have the right to demand or seek reimbursement and other payments required under this Agreement directly from the Correspondent Bank, without any obligation or requirement that Bank demand or seek reimbursement or payment from Applicant or any other person(s) or otherwise exercise any of Bank's rights or remedies against Applicant or such other person(s).

20. **Successors and Assigns.** This Agreement and the obligations hereunder shall bind the successors and assigns of Applicant, and all rights, benefits and privileges conferred on Bank shall be extended to, conferred upon, and may be enforced by Bank's successors and assigns; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Applicant without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion.
21. **Notice.** Except as otherwise provided hereto, any notice from Bank to Applicant, shall be deemed effective upon: (a) if hand delivered, upon actual receipt thereof by Applicant; (b) if mailed or by overnight courier service, when mailed or delivered to such courier service, postage paid, addressed to Applicant at its address set forth herein or such other address of which Bank shall be notified in writing at Bank's Designated Office, or (c) if by computer, e-mail or other electronic means acceptable to Bank, the sending or transmission thereof and Bank's receipt of confirmation that the notice was transmitted. Any notice to Bank must be in writing, must be sent to Bank's Designated Office, and shall only be deemed given when actually received by Bank.
22. **Severability.** Whenever possible each provision of this Application and Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Application and Agreement shall be prohibited by or invalid under applicable law, such provision shall be inoperative only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Application and Agreement.
23. **Participations, Assignments, Disclosures.** Applicant agrees that Bank has the right to sell, assign, or grant participations or any interest in, the Credit or any or all of the liabilities, obligations or indebtedness of Applicant to Bank, and that, in connection therewith, but without limiting its ability to make other disclosures to the full extent allowable, Bank may disclose all documents and information which Bank now or later has relating to Applicant, the Credit or such liabilities, obligations or indebtedness. Applicant agrees that Bank may provide information relating to this Agreement or relating to Applicant to the Bank's parent, affiliates, subsidiaries and service providers.
24. **Headings.** Headings in this Agreement are included for convenience only and shall not constitute part of this Agreement and shall in no way modify or affect any of the terms or provisions of this Agreement.
25. **Joint and Several Obligations.** If this Application and Agreement is executed by more than one Applicant, each Applicant agrees to be bound by the terms and conditions of this Agreement (as Applicant) and each Applicant agrees that each shall be jointly and severally liable for all indebtedness and obligations arising under or pursuant to this Agreement.
26. **COMPLETE AGREEMENT; NO ORAL AGREEMENTS.** THIS AGREEMENT AND ANY REQUESTS ACCEPTED BY BANK CONSTITUTE THE ENTIRE AGREEMENT AND UNDERSTANDING OF THE PARTIES REGARDING ITS SUBJECT MATTER, SUPERSEDES ALL PRIOR AGREEMENTS REGARDING ITS SUBJECT MATTER, AND, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, CAN ONLY BE MODIFIED IN WRITING SIGNED BY THE AUTHORIZED REPRESENTATIVE OF APPLICANT AND BANK. THIS AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES, AND THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. APPLICANT ACKNOWLEDGES AND AGREES THAT THERE ARE NO CONTRARY AGREEMENTS, ORAL OR WRITTEN, ESTABLISHING A TERM OF THIS AGREEMENT.
27. **WAIVER OF JURY TRIAL.** APPLICANT AND BANK (BY ITS ACCEPTANCE OF THIS AGREEMENT) ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED UNDER CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL, OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT.
28. **Credit Facility Adjustment.** If Bank issues the Credit, it is being issued pursuant to a credit facility(ies) extended by Bank to Applicant, and any amount available to Applicant under such credit facility shall be reduced by an amount equal to the amount of the Credit.
29. **Electronic Notice; Confidential Information.** Applicant acknowledges and agrees that if Applicant forwards notices or otherwise communicates with Bank via email, the internet or other electronic means, such notices or communications may not be secure, and Applicant assumes all risks associated with the use of such means of communication, including, without limitation, unauthorized access to such information by third parties; and Applicant indemnifies and holds Bank harmless from and against all liabilities, damages, losses, costs and expenses of any nature whatsoever arising or incurred as a result of Applicant's use of any such means of communication. Applicant is advised that it should not use browser e-mail to send notices or communications to Bank which contain unencrypted confidential information, such as passwords, account numbers, Social Security numbers or tax identification numbers.
30. **Survival.** All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding. The obligations of Applicant to indemnify Bank with respect to the expenses, damages, losses, costs and liabilities described in Section 7 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.
31. **Term.** This Agreement shall remain in effect so long as any Obligation, whether or not contingent or unliquidated, now or hereafter arising, remains in existence.
32. **Consideration.** In consideration of Bank issuing the Credit and for other consideration, the receipt and adequacy of which is hereby acknowledged, Applicant(s) agree(s) to be bound by this Agreement, including but not limited to the payment obligations therein set forth.

This Application and Agreement has been entered into this \_\_\_\_ day of \_\_\_\_, 20\_\_.

APPLICANT(S):

Applicant Name

CoroXant Systems, Inc.

Applicant Name

Received Time: Jan. 27, 2011, 10:21AM No. 7009

Application and Agreement (Rev. 12/07)

Authorized Signature		
Authorized Signature, Title Dean R. Sr VP, CFO and Treasurer		
Contact Name ANN Sadakano		
Telephone Number 949 483 5271		
Street Address 4000 MacArthur Blvd		
City Newport Beach CA	State CA	Zip 92660

Authorized Signature		
Authorized Signature, Title		
Contact Name		
Telephone Number		
Street Address		
City	State	Zip

**CORRESPONDENT BANK:** (This section must be completed by the Correspondent Bank if Application is being submitted through another Bank.)

Correspondent Bank Name			
Authorized Signature		Authorized Signature, Title	
Street Address		City	State Zip
We certify that all Section 82A of the USA Patriot Act Customer Identification Program (CIP) requirements have been completed on this Credit Applicant.			

#### BANK'S DESIGNATED OFFICE:

Designate only one. The Bank's Designated Office should be the respective office of Bank to which this Application and Agreement is directed. Please contact your Bank representative if there are any questions regarding the appropriate Designated Office. If the Applicant does not select a Designated Office, as provided below, the Designated Office, and the applicable Governing Law, shall be determined by Bank in its sole discretion.

☐ California - Northern (California law governs)  
Comerica Bank, International Trade Services  
2 Embarcadero Center, 3<sup>rd</sup> Floor  
San Francisco, CA 94111

☒ California - Southern (California law governs)  
Comerica Bank, International Trade Services  
1131-Rosecrans Ave., 5<sup>th</sup> Floor  
El Segundo, CA 90245

☐ Florida (Florida law governs)  
Comerica Bank, International Trade Services  
100 N.E. Third Avenue, Suite 600  
Ft. Lauderdale, FL 33301

☐ Illinois (Illinois law governs)  
Comerica Bank, International Trade Services  
203 N. LaSalle, Suite 2240  
Chicago, IL 60601

☐ Michigan - Detroit (Michigan law governs)  
Comerica Bank, International Trade Services  
411 West Larned, MC 3341  
Detroit, MI 48226

☐ Michigan - Grand Rapids (Michigan law governs)  
Comerica Bank, International Trade Services  
99 Monroe N.W., Suite 300  
Grand Rapids, MI 49503

☐ Texas - North (Texas law governs)  
Comerica Bank, International Trade Services  
6260 East McDougall Blvd., 2<sup>nd</sup> Floor  
Dallas, TX 75214

☐ Texas - South (Texas law governs)  
Comerica Bank, International Trade Services  
910 Louisiana, 4<sup>th</sup> Floor  
Houston, TX 77002

**\*\*PROFORMA WORDING\*\*FOR DISCUSSION ONLY\*\* PLEASE REVIEW CAREFULLY\*\***  
ISSUING BANK HAS PREPARED THIS SPECIMEN UPON REQUEST AND BASED UPON INFORMATION  
SUPPLIED TO IT. NO REPRESENTATION OR COMMITMENT IS MADE BY THE ISSUING BANK REGARDING  
THE ACCURACY OR SUITABILITY OF THIS SPECIMEN FOR ITS INTENDED PURPOSE OR THE  
WILLINGNESS OF ISSUING BANK TO ISSUE THIS LETTER OF CREDIT IN THIS OR ANY OTHER FORM.

## EXHIBIT "A"

WORDING APPROVED: CONEXANT SYSTEMS, INC.

BY: Jean Hn. ITS: SAVP, CFO & TreasurerDATED: 1/27/2011

FAX NO: 310-297-2890  
SWIFT: MNBDUS66 LAX  
PHONE: 310-297-2840

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRAWS AVENUE, 5TH FLOOR  
EL SEGUNDO, CA 90245

DATE OF ISSUE: MMDDYYYY  
STANDBY LETTER OF CREDIT NO. [INSERT L/C NO.]

BENEFICIARY:  
STONY BROOK ASSOCIATES, LLC  
C/O BOSTON PROPERTIES LP  
400 BOYLSTON ST., STE. 1900  
BOSTON, MA 02199-8103  
ATTN: LEASE ADMIN., LEGAL DEPT.

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT L/C NO.] IN YOUR  
FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC. ("ACCOUNTTEE"), 4000 MACARTHUR BOULEVARD,  
NEWPORT BEACH, CA 92660, FOR A SUM NOT EXCEEDING USD 45,918.75 (U.S. DOLLARS FORTY  
FIVE THOUSAND NINE HUNDRED EIGHTEEN AND 75/100 ONLY) AVAILABLE BY YOUR DRAFT(S), AT  
SIGHT ON COMERICA BANK (IN THE FORM ATTACHED HERETO AS ANNEX A), WHEN ACCOMPANIED BY:

1. THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT AND AMENDMENT(S) IF ANY, OR AS  
OTHERWISE INDICATED BELOW.
2. BENEFICIARY'S STATEMENT ON ITS LETTERHEAD DATED AND SIGNED BY AN OFFICER OF THE  
BENEFICIARY INDICATING NAME AND TITLE OF THE SIGNER WITH THE FOLLOWING WORDING:

THE UNDERSIGNED HEREBY CERTIFIES THAT SUCH MONIES AS EVIDENCED BY THE ACCOMPANYING  
SIGHT DRAFT ARE DUE AND OWING TO BENEFICIARY UNDER THAT CERTAIN 201 JONES ROAD LEASE  
DATED (NEED DATE) THAT EXISTS BY AND BETWEEN CONEXANT SYSTEMS, INC., AS TENANT AND  
STONY BROOK ASSOCIATES, LLC, AS LANDLORD.

## SPECIAL CONDITIONS:

ALL SIGNATURES MUST BE MANUALLY EXECUTED IN ORIGINALS.

ALL INFORMATION REQUIRED WHETHER INDICATED BY BLANKS, BRACKETS OR OTHERWISE, MUST BE  
COMPLETED AT THE TIME OF DRAWING.

PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS MAY BE MADE UNDER THIS IRREVOCABLE STANDBY  
LETTER OF CREDIT, PROVIDED, HOWEVER, THAT EACH SUCH DEMAND THAT IS PAID BY US SHALL  
REDUCE THE AMOUNT AVAILABLE UNDER THIS IRREVOCABLE STANDBY LETTER OF CREDIT.

IT IS A CONDITION OF THIS IRREVOCABLE STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED  
AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE YEAR FROM THE PRESENT OR  
ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO THE EXPIRATION  
DATE WE SEND YOU NOTICE BY OVERNIGHT COURIER THAT WE ELECT NOT TO EXTEND THIS  
IRREVOCABLE STANDBY LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. SAID NOTIFICATION  
WILL BE SENT TO THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE  
NOTIFIED BY YOU TO US IN WRITING BY RECEIPTED MAIL OR COURIER. ANY NOTICE TO US WILL  
BE DEEMED EFFECTIVE ONLY UPON ACTUAL RECEIPT BY US AT OUR DESIGNATED OFFICE. UPON  
RECEIPT OF SUCH NOTICE, YOU MAY DRAW HEREUNDER BY MEANS OF YOUR SIGHT DRAFT(S) DRAWN

ON US AND YOUR SIGNED STATEMENT READING AS FOLLOWS: "WE CERTIFY THAT THIS DRAWING REPRESENTS FUNDS DUE US AS A RESULT OF OUR HAVING RECEIVED NOTIFICATION FROM COMERICA BANK OF ITS INTENTION NOT TO EXTEND STANDBY LETTER OF CREDIT NO. (INSERT L/C NO.). THE AMOUNT OF (SPECIFY AMOUNT) IS NOW DUE AND PAYABLE."

IN NO EVENT, AND WITHOUT FURTHER NOTICE FROM OURSELVES, SHALL THE EXPIRATION DATE BE EXTENDED BEYOND A FINAL EXPIRATION DATE OF APRIL 30, 2016.

THIS LETTER OF CREDIT MAY BE TRANSFERRED SUCCESSIVELY IN ITS ENTIRETY ONLY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF A NOMINATED TRANSFEREE ("TRANSFEREE"), ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE IS IN COMPLIANCE WITH ALL APPLICABLE U.S. LAWS AND REGULATIONS. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S) IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR TRANSFER FORM (ATTACHED HERETO).

ALL COMMISSIONS AND FEES UNDER THIS LETTER OF CREDIT, INCLUDING TRANSFERS ARE FOR THE ACCOUNTEE'S ACCOUNT.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAWING(S) MADE DRAWN UNDER AND IN COMPLIANCE WITH THIS STANDBY LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION (WHICH MAY BE VIA NATIONALLY RECOGNIZED DELIVERY SERVICE) TO COMERICA BANK, AT THE ADDRESS EVIDENCED ABOVE ON OR BEFORE APRIL 30, 2012 OR ANY AUTOMATICALLY EXTENDED DATE BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO ANY ACCOUNT DESIGNATED BY THE BENEFICIARY. PRESENTATION MAY ALSO BE EFFECTED BY FACSIMILE TO COMERICA BANK FAX NUMBER 310 297-2890 CONFIRMED BY PHONE CALL AT 310 297-2840. WHEN PRESENTATION IS MADE BY FACSIMILE, THE ORIGINAL LETTER OF CREDIT MAY BE REPLACED BY A BENEFICIARY'S STATEMENT THAT <BENEFICIARY'S NAME> IS IN POSSESSION OF THE ORIGINAL LETTER OF CREDIT, AND THAT THE AMOUNT AND DATE OF THIS PRESENTATION HAS BEEN NOTED ON THE BACK OF SUCH ORIGINAL. IN THE EVENT OF FACSIMILE DRAWING, THE DRAFT(S) AND DOCUMENTS REQUIRED HEREUNDER WILL BE CONSIDERED TO HAVE BEEN PRESENTED TO COMERICA BANK IF COPIES OF SUCH DRAFT(S) AND DOCUMENTS ARE RECEIVED BY COMERICA BANK BY MEANS OF A FACSIMILE AT THE FAX NUMBER NOTED ABOVE. HOWEVER, THE DRAFT MUST INCLUDE THE FRONT AND BACK OF THE DRAFT IN ORDER TO EVIDENCE ENDORSEMENT THEREOF.

HOWEVER, THIS STANDBY LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT BE IN ANY WAY MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS STANDBY LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS STANDBY LETTER OF CREDIT RELATES, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE ISFP98 INTERNATIONAL STANDBY PRACTICES, INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION 1998 VERSION (ISFP98)).

11/27/2011

**ANNEX A**  
**SIGHT DRAFT**

DATE: _____	REF. NO. _____
AT SIGHT	
PAY TO THE ORDER OF _____	US\$ _____
US DOLLARS _____	
"DRAWN UNDER COMERICA BANK, IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER NO. _____ DATED _____, 2011"	
TO: COMERICA BANK 2321 ROSECRANS AVE., 5 <sup>TH</sup> FL BL SEGUNDO, CA 90245	(INSERT NAME OF BENEFICIARY)
_____ AUTHORIZED SIGNATURE	

**GUIDELINES TO PREPARE THE SIGHT DRAFT:**

1. **DATE:** ISSUANCE DATE OF DRAFT.
  2. **REF. NO.:** YOUR REFERENCE NUMBER, IF ANY.
  3. **PAY TO THE ORDER OF:** BENEFICIARY'S NAME
  4. **US\$:** AMOUNT OF DRAWING IN FIGURES.
  5. **US DOLLARS:** AMOUNT OF DRAWING IN WORDS.
  6. **LETTER OF CREDIT NUMBER:** OUR STANDBY L/C NUMBER THAT PERTAINS TO THE DRAWING.
  7. **DATED:** ISSUANCE DATE OF OUR STANDBY L/C.
- NOTE:** BENEFICIARY'S NAME SHOULD BE PRINTED AT THE BACK OF THE SIGHT DRAFT WITH ENDORSEMENT.

1/27/2011

# **EXHIBIT M**



# COPY

Comerica Bank

FAX NO: 310-297-2890  
SWIFT: MNBDUS68 LAX  
PHONE: 310-297-2840

COMERICA BANK  
INTERNATIONAL TRADE SERVICES  
2321 ROSECRANS AVENUE, 5TH FLOOR  
EL SEGUNDO, CA 90245

DATE OF ISSUE: JANUARY 28, 2011  
STANDBY LETTER OF CREDIT NO. 650154-44

**BENEFICIARY:**  
STONY BROOK ASSOCIATES, LLC  
C/O BOSTON PROPERTIES LP  
800 BOYLSTON ST., STE. 1900  
BOSTON, MA 02199-8103  
ATTN: LEASE ADMIN., LEGAL DEPT.

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 650154-44 IN YOUR FAVOR, FOR ACCOUNT OF CONEXANT SYSTEMS, INC., ("ACCOMTEE"), 4000 MACARTHUR BOULEVARD, NEWPORT BEACH, CA 92660, FOR A SUM NOT EXCEEDING USD 45,918.75 (U.S. DOLLARS FORTY FIVE THOUSAND NINE HUNDRED EIGHTEEN AND 75/100 ONLY) AVAILABLE BY YOUR DRAFT(S), AT SIGHT ON COMERICA BANK (IN THE FORM ATTACHED HERETO AS ANNEX A), WHEN ACCOMPANIED BY:

1. THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT AND AMENDMENT(S) IF ANY, OR AS OTHERWISE INDICATED BELOW.
2. BENEFICIARY'S STATEMENT ON ITS LETTERHEAD DATED AND SIGNED BY AN OFFICER OF THE BENEFICIARY INDICATING NAME AND TITLE OF THE SIGNER WITH THE FOLLOWING WORDING:

THE UNDERSIGNED HEREBY CERTIFIES THAT SUCH MONIES AS EVIDENCED BY THE ACCOMPANYING SIGHT DRAFT ARE DUE AND OWING TO BENEFICIARY UNDER THAT CERTAIN 201 JONES ROAD LEASE DATED (NEED DATE) THAT EXISTS BY AND BETWEEN CONEXANT SYSTEMS, INC., AS TENANT AND STONY BROOK ASSOCIATES, LLC, AS LANDLORD.

**SPECIAL CONDITIONS:**

ALL SIGNATURES MUST BE MANUALLY EXECUTED IN ORIGINALS.

ALL INFORMATION REQUIRED WHETHER INDICATED BY BLANKS, BRACKETS OR OTHERWISE, MUST BE COMPLETED AT THE TIME OF DRAWING.

PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS MAY BE MADE UNDER THIS IRREVOCABLE STANDBY LETTER OF CREDIT, PROVIDED, HOWEVER, THAT EACH SUCH DEMAND THAT IS PAID BY US SHALL REDUCE THE AMOUNT AVAILABLE UNDER THIS IRREVOCABLE STANDBY LETTER OF CREDIT.

IT IS A CONDITION OF THIS IRREVOCABLE STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO THE EXPIRATION DATE WE SEND YOU NOTICE BY OVERNIGHT COURIER THAT WE ELECT NOT TO EXTEND THIS IRREVOCABLE STANDBY LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. SAID NOTIFICATION WILL BE SENT TO THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE NOTIFIED BY YOU TO US IN WRITING BY RECIPTED MAIL OR COURIER. ANY NOTICE TO US WILL BE DEEMED EFFECTIVE ONLY UPON ACTUAL RECEIPT BY US AT OUR DESIGNATED OFFICE. UPON RECEIPT OF SUCH NOTICE, YOU MAY DRAW HEREUNDER BY MEANS OF YOUR SIGHT DRAFT(S) DRAWN ON US AND YOUR SIGNED STATEMENT READING AS FOLLOWS: "WE CERTIFY THAT THIS DRAWING REPRESENTS FUNDS DUE US AS A RESULT OF OUR HAVING RECEIVED NOTIFICATION FROM COMERICA BANK OF ITS INTENTION NOT TO EXTEND STANDBY LETTER OF CREDIT NO. 650154-44. THE AMOUNT OF (SPECIFY AMOUNT) IS NOW DUE AND PAYABLE."

COPY

Comerica Bank

IN NO EVENT, AND WITHOUT FURTHER NOTICE FROM OURSELVES, SHALL THE EXPIRATION DATE BE EXTENDED BEYOND A FINAL EXPIRATION DATE OF APRIL 30, 2016.

THIS LETTER OF CREDIT MAY BE TRANSFERRED SUCCESSIVELY IN ITS ENTIRETY ONLY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF A NOMINATED TRANSFEREE ("TRANSFEREE"), ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE IS IN COMPLIANCE WITH ALL APPLICABLE U.S. LAWS AND REGULATIONS. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S) IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR TRANSFER FORM (AVAILABLE UPON REQUEST).

ALL COMMISSIONS AND FEES UNDER THIS LETTER OF CREDIT, INCLUDING TRANSFERS ARE FOR THE ACCOUNTEE'S ACCOUNT.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAWING(S) MADE UNDER AND IN COMPLIANCE WITH THIS STANDBY LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION (WHICH MAY BE VIA NATIONALLY RECOGNIZED DELIVERY SERVICE) TO COMERICA BANK, AT THE ADDRESS EVIDENCED ABOVE ON OR BEFORE APRIL 30, 2012 OR ANY AUTOMATICALLY EXTENDED DATE BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO ANY ACCOUNT DESIGNATED BY THE BENEFICIARY. PRESENTATION MAY ALSO BE EFFECTED BY FACSIMILE TO COMERICA BANK FAX NUMBER: 310 297-2890 CONFIRMED BY PHONE CALL AT 310 297-2840. WHEN PRESENTATION IS MADE BY FACSIMILE, THE ORIGINAL LETTER OF CREDIT MAY BE REPLACED BY A BENEFICIARY'S STATEMENT THAT STONY BROOK ASSOCIATES, LLC IS IN POSSESSION OF THE ORIGINAL LETTER OF CREDIT, AND THAT THE AMOUNT AND DATE OF THIS PRESENTATION HAS BEEN NOTED ON THE BACK OF SUCH ORIGINAL.

IN THE EVENT OF FACSIMILE DRAWING, THE DRAFT(S) AND DOCUMENTS REQUIRED HEREBUNDER WILL BE CONSIDERED TO HAVE BEEN PRESENTED TO COMERICA BANK IF COPIES OF SUCH DRAFT(S) AND DOCUMENTS ARE RECEIVED BY COMERICA BANK BY MEANS OF A FACSIMILE AT THE FAX NUMBER NOTED ABOVE. HOWEVER, THE DRAFT MUST INCLUDE THE FRONT AND BACK OF THE DRAFT IN ORDER TO EVIDENCE ENDORSEMENT THEREOF.

HOWEVER, THIS STANDBY LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT BE IN ANY WAY MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS STANDBY LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS STANDBY LETTER OF CREDIT RELATES, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREBIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE ISP98 INTERNATIONAL STANDBY PRACTICES, INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION 1998 VERSION (ISP98)).

VERY TRULY YOURS

  
(AUTHORIZED SIGNATURE)

Rudy Forbes  
V.P. International Trade Services

COPY

Comerica Bank

ANNEX A  
SIGHT DRAFT

DATE: \_\_\_\_\_

REF. NO. \_\_\_\_\_

AT SIGHT

PAY TO THE ORDER OF \_\_\_\_\_ US\$ \_\_\_\_\_

US DOLLARS \_\_\_\_\_

"DRAWN UNDER COMERICA BANK, IRREVOCABLE STANDBY LETTER OF CREDIT  
NUMBER NO. \_\_\_\_\_ DATED \_\_\_\_\_, 2010"

TO: COMERICA BANK  
2321 ROSECRANS AVE., 5<sup>TH</sup> FL  
EL SEGUNDO, CA 90245

\_\_\_\_\_  
(INSERT NAME OF BENEFICIARY)

\_\_\_\_\_  
AUTHORIZED SIGNATURE

**GUIDELINES TO PREPARE THE SIGHT DRAFT:**

1. **DATE:** ISSUANCE DATE OF DRAFT.
  2. **REF. NO.:** YOUR REFERENCE NUMBER, IF ANY.
  3. **PAY TO THE ORDER OF:** BENEFICIARY'S NAME
  4. **US\$:** AMOUNT OF DRAWING IN FIGURES.
  5. **US DOLLARS:** AMOUNT OF DRAWING IN WORDS.
  6. **LETTER OF CREDIT NUMBER:** OUR STANDBY L/C NUMBER THAT PERTAINS TO THE DRAWING.
  7. **DATED:** ISSUANCE DATE OF OUR STANDBY L/C.
- NOTE:** BENEFICIARY'S NAME SHOULD BE PRINTED AT THE BACK OF THE SIGHT DRAFT WITH ENDORSEMENT.

Peter J. Duhig  
302 552 4249  
peter.duhig@bipc.com

1105 North Market Street, Suite 1900  
Wilmington, Delaware 19801-1228

T 302 552 4200  
F 302 552 4295

[www.buchananingersoll.com](http://www.buchananingersoll.com)

May 14, 2013

**VIA OVERNIGHT MAIL**

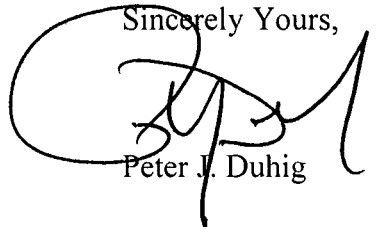
BMC Group, Inc.  
Attn: Conexant Systems, Inc. Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317

**Re: Conexant Systems, Inc., et al. Case No. 13-10367 (MFW)**

To Whom It May Concern:

Enclosed for filing, please find an original and a copy of Comerica Bank's proofs of claim. Please return a time-stamped copy in the enclosed pre-paid envelope. If you have any questions, feel free to contact me at the number above. Thank you.

Sincerely Yours,



Peter J. Duhig

PJD  
Enclosures:



UPS CampusShip: View/Print Label

1. Ensure there are no other shipping or tracking labels attached to your package. Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.

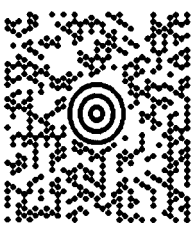

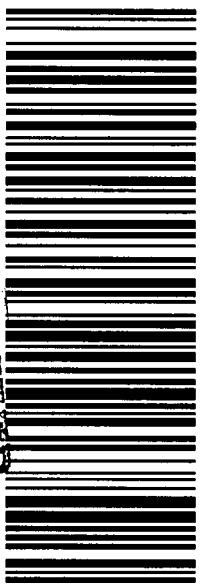
2. Fold the printed sheet containing the label at the line so that the entire shipping label is visible. Place the label on a single side of the package and cover it completely with clear plastic shipping tape. Do not cover any seams or closures on the package with the label. Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

3. GETTING YOUR SHIPMENT TO UPS  
UPS locations include the UPS Store®, UPS drop boxes, UPS customer centers, authorized retail outlets and UPS drivers.

Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages.  
Hand the package to any UPS driver in your area.  
Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

Customers with a Daily Pickup  
Your driver will pickup your shipment(s) as usual.

FOLD HERE

DYE, ANNETTE F. (302) 552-4248 4248 BUCHANAN INGERSOLL & ROONEY PC 1105 NORTH MARKET ST WILLINGTON DE 198011228		2 LBS	1 OF 1
<b>SHIP TO:</b> CONEXANT SYSTEMS INC. CLAIMS PROC 800-655-1129 BMC GROUP INC. 18675 LAKE DRIVE EAST CHANHASSEN MN 55317-9383			
		<b>MN 559 9-03</b> 	
<b>UPS EARLY A.M.</b> TRACKING #: 1Z 208 OEY 15 9046 4182		<b>1+</b>	
			
BILLING: P/P  MAY 15 2013 Timekeeper Name: Firm Timekeeper C/M #: 0047056-000035 CS 15.1.1 <b>BMC GROUP</b> 