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| <b>UNITED STATES BANKRUPTCY COURT</b>   |   | <b>District of Delaware</b>  | <b>PROOF OF CLAIM</b>  |
| Name of Debtor:<br><b>Conexant Systems, Inc.</b>  |   | Case Number:<br><b>13-10367 (MFW)</b>  | <p style="text-align: center;"><b>COURT USE ONLY</b></p> <input type="checkbox"/> Check this box if this claim amends a previously filed claim.<br>Court Claim Number: _____<br>(If known)<br>Filed on: _____<br><input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars. |
| NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.   |   |  |  |
| Name of Creditor (the person or other entity to whom the debtor owes money or property):<br><b>Attorney General of the United States, on behalf of the Administrator of EPA</b>                                   |   |  |  |
| Name and address where notices should be sent:<br><b>US Dept. of Justice/ENRD/Environmental Enforcement Section<br/>P.O. Box 7611<br/>Washington, DC 20044-7611</b>   |   | <b>RECEIVED</b>  |  |
| Telephone number: <b>(202) 514-5484</b> email: <b>John.Sither@usdoj.gov</b>   |   |  |  |
| Name and address where payment should be sent (if different from above):  |   | <b>AUG 21 2013</b>   |  |
| Telephone number: _____ email: _____  |   | <b>BMC GROUP</b>   |  |
| 1. Amount of Claim as of Date Case Filed: \$ <u>See Attachment</u>  |   |  |  |
| If all or part of the claim is secured, complete item 4.  |   |  |  |
| If all or part of the claim is entitled to priority, complete item 5.   |   |  |  |
| <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.                   |   |  |  |
| 2. Basis for Claim: <u>Environmental (See Attachment)</u><br>(See instruction #2)   |   |  |  |
| 3. Last four digits of any number by which creditor identifies debtor:<br><b>0 6 / 2</b>  | 3a. Debtor may have scheduled account as:<br>_____<br>(See instruction #3a)   | 3b. Uniform Claim Identifier (optional):<br>_____<br>(See instruction #3b)   |  |
| 4. Secured Claim (See instruction #4)<br>Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. |   | Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:<br>\$ _____ |  |
| Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____   |   | Basis for perfection: _____  |  |
| Value of Property: \$ _____   |   | Amount of Secured Claim: \$ _____  |  |
| Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)  |   | Amount Unsecured: \$ _____   |  |
| 5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.               |   |  |  |
| <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).   | <input type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4). | <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).                         | Amount entitled to priority:<br>\$ _____   |
| <input type="checkbox"/> Up to \$2,775* 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"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).  | <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).                          |  |
| *Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.  |   |  |  |
| 6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)  |   |  |  |



**ATTACHMENT**

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

In re:

CONEXANT SYSTEMS, INC., et al.,

Debtors.

Chapter 11

Case No. 13-10367 (MFW)

Jointly Administered

**PROTECTIVE PROOF OF CLAIM OF THE UNITED STATES ON BEHALF  
OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

1. The United States of America files this Proof of Claim at the request of the United States Environmental Protection Agency ("EPA") against Conexant Systems, Inc. ("Debtor" or "Conexant"). The Attorney General is authorized to make this Protective Proof of Claim on behalf of the United States.

2. Debtor is a liable party under Section 107(a)(2) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9607(a)(2), at the Recticon/Allied Steel Superfund Site (the "Site") in Parker Ford, East Coventry Township, Chester County, Pennsylvania.

3. From 1974 until 1981, Recticon Corporation ("Recticon"), a wholly owned subsidiary of Rockwell International Corporation ("Rockwell"), leased a portion of the Site and manufactured silicon wafers there. Rockwell admitted in response to an information request by EPA that it was involved in all significant aspects of Recticon's operations to such an extent that it was an operator of the manufacturing facility.

4. As a result of Recticon's operations, the Site became contaminated with hazardous substances, including but not limited to trichloroethene ("TCE") and cis-1,2-dichloroethene

("DCE"). EPA began to conduct response activities pursuant to CERCLA in the early 1980s.

The agency placed the Site on the National Priorities List in 1989.

5. In 1994, EPA issued an administrative order ("1994 Order") under CERCLA Section 106(a), 42 U.S.C. § 9606(a), requiring Rockwell and three other respondents to perform the remedial design and remedial action at the Site. Due to its involvement in Recticon's operations and the contamination resulting from them, Rockwell was liable as an operator of the Site under CERCLA Section 107(a)(2), 42 U.S.C. § 9607(a)(2).

6. Conexant was a wholly owned subsidiary of Rockwell. In 1998, Conexant spun off from Rockwell and expressly assumed all liabilities associated with Rockwell's former semiconductor business, including Rockwell's obligations under the 1994 Order. Since its spin-off from Rockwell, Conexant has performed the remedial action at the Site in accordance with the 1994 Order.

7. In 2006, the United States entered into a consent decree with Conexant and Rockwell to settle its claims for past and future CERCLA response costs. Under this 2006 consent decree, Conexant paid a portion of the United States' past costs. In recognition of Conexant's financial condition at that time and its commitment to continue performing the remedial action at the Site, the consent decree provided Conexant with a covenant not to sue for future response costs. The consent decree expressly provided that Conexant's obligations under the 1994 order were not affected by the settlement of the United States' costs claims.

#### **PROTECTIVE FILING FOR WORK OBLIGATIONS**

8. The United States is not required to file a proof of claim with respect to Conexant's injunctive obligation to comply with work requirements and financial assurance obligations imposed by court orders or by environmental statutes, regulations, administrative orders, licenses, or permits because such obligations are not claims under 11 U.S.C. § 101(5). Conexant and any

reorganized debtor must comply with such mandatory requirements, including, but not limited to, the obligations set forth in the 1994 Order. The United States reserves the right to take future actions to enforce any such obligations of Conexant. While the Government believes that its position will be upheld by the appropriate court, the United States includes certain such injunctive obligations in this Proof of Claim in a protective fashion, to safeguard against the possibility that Conexant will contend that such obligations are, in fact, "claims," and that it does not need to comply with such obligations, and that the appropriate court finds that it is not required to do so. Therefore, a protective contingent claim is filed in the alternative for such obligations, but only in the event that the appropriate court finds that such obligations are dischargeable claims under 11 U.S.C. § 101(5), rather than obligations and requirements that any reorganized debtor must comply with. Nothing in this Proof of Claim constitutes a waiver of any rights by the United States or an election of remedies with respect to such rights and obligations.

9. To the extent that the United States has additional contingent rights or claims beyond those set forth in this Proof of Claim with respect to cleanup of the Site, including but not limited to contingent rights or claims pursuant to CERCLA, the United States asserts such contingent rights and claims but only to the extent necessary to avoid a waiver of such contingent rights and claims and without prejudice to the United States' right to enforce the Debtor's injunctive obligations under CERCLA.

#### **ADDITIONAL TERMS**

10. This Proof of Claim is filed as an unsecured non-priority claim, except to the extent: (i) any rights of setoff secure the United States' claims; (ii) any secured/trust interest exists in insurance proceeds received by Debtor on account of the United States' claims; (iii) administrative priority exists with respect to property of the estate, post-petition violations of law, or otherwise; and (iv) as set forth above with respect to Conexant's injunctive obligations. The United States will file

any application for administrative expenses at the appropriate time.

11. This Proof of Claim is also filed to the extent necessary to protect the United States' rights with respect to any insurance proceeds received by Debtor, and any funds held in escrow by Debtors, in connection with the matters discussed herein.

12. This Proof of Claim is without prejudice to any right under 11 U.S.C. § 553 to set off, against this claim, debts owed (if any) to Debtor by the United States.

13. The United States has not perfected any security interest on its claims against Debtor.

14. No payments to the United States have been made by Debtor on the claims set forth herein.

15. This Proof of Claim reflects certain known liabilities of Debtor to the United States.

The United States reserves the right to amend this Proof of Claim to assert additional liabilities.

Respectfully submitted,



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Environment and Natural Resources Division

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**2 Your Internal Billing Reference**

**3 To** **Recipient's Name** DMS Group, Inc **Phone** 888 909-0100

**Company** Air? Conexim Systems, Inc. Claims Pursuing

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