

CONEXANT SYSTEMS INC
Form 4
July 10, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
ARTUSI DANIEL A

2. Issuer Name and Ticker or Trading Symbol
CONEXANT SYSTEMS INC
[CNXT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
4000 MACARTHUR BLVD.
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
07/09/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
President and CEO

NEWPORT BEACH, CA 92660
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Restricted Stock Units (Performance Vested) ⁽¹⁾	07/09/2007		A	1,000,000	A <u>(1)</u> 1,000,000	D	
Restricted Stock Units (Time Vested) ⁽²⁾	07/09/2007		A	1,000,000	A <u>(2)</u> 1,000,000	D	
Restricted Stock Units (Time Vested) ⁽³⁾	07/09/2007		A	500,000	A <u>(3)</u> 500,000	D	

Edgar Filing: CONEXANT SYSTEMS INC - Form 4

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities			6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
					Acquired (A)	Disposed of (D)	(Instr. 3, 4, and 5)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 1.53	07/09/2007		A		3,000,000		07/09/2008	(4)	Common Stock	3,000,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ARTUSI DANIEL A 4000 MACARTHUR BLVD. NEWPORT BEACH, CA 92660	X		President and CEO	

Signatures

By: Terri Aprati,
Attorney-in-fact

07/10/2007

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Each Performance Vested Restricted Stock Unit (PV RSU) represents the right to receive one share of common stock. One-third of the PV RSUs will vest if the Company's common stock sustains an average closing price of \$3.00 over a 60 calendar day period; one-third will vest if the Company's common stock sustains an average closing price of \$4.50 over a 60 calendar period; and one-third will vest if the Company's common stock sustains an average closing price of \$6.00 over a 60 day calendar period. Any unvested portion of the PV RSUs will be forfeited after five years. In the event of a change of control of the Company; if not already vested, one-third of the PV RSUs will vest if the closing price of the Company's common stock (or the price per share in the corporate transaction that constitutes the change of control) on the date of such change of control is at least \$3.00, an additional one-third will vest if such price is \$4.50; an additional one-third will vest if such price is \$6.

(2) Each Time Vested Restricted Stock Unit (TV RSU) represents the right to receive one share of common stock. The 1,000,000 TV RSUs will vest in three equal installments on July 9, 2008, 2009 and 2010. In the event of a change of control of the Company, any unvested TV RSUs will become fully vested.

Edgar Filing: CONEXANT SYSTEMS INC - Form 4

- (3) The 500,000 TV RSUs will vest on July 9, 2008. In the event of a change of control of the Company, any unvested TV RSUs will become fully vested.
- (4) The Stock Options will become exercisable in three equal installments on July 9, 2008, 2009 and 2010. In the event of a change in control of the Company, any unvested Stock Options will become fully vested. The Stock Options expire July 9, 2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.