

CONEXANT SYSTEMS INC
Form 4
August 23, 2006

FORM 4

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

OMB APPROVAL

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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 *
STEAD JERRE L

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)

3. Date of Earliest Transaction (Month/Day/Year)
08/22/2006

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

4000 MACARTHUR BLVD.

(Street)

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

NEWPORT BEACH, CA 92660

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Common Stock | | | | | 56,358 | D | |

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

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SEC 1474 (9-02)

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

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| 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 Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 2.2 | 08/22/2006 | | A | 10,000 (1) | 08/22/2007(2) | 08/22/2016 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 2.77 | | | | | (3) | 01/04/2009 | Common Stock | 59,012 |
| Stock Option (Right to Buy) | \$ 3.61 | | | | | (3) | 02/28/2011 | Common Stock | 19,673 |
| Stock Option (Right to Buy) | \$ 3.45 (4) | | | | | (3) | 04/03/2012 | Common Stock | 19,673 |
| Stock Option (Right to Buy) | \$ 3.44 | | | | | (3) | 04/04/2012 | Common Stock | 19,673 |
| Stock Option (Right to Buy) | \$ 1.86 | | | | | (3) | 11/29/2012 | Common Stock | 78,673 |
| Stock Option (Right to Buy) | \$ 1.12 | | | | | 02/27/2004(3) | 02/27/2013 | Common Stock | 20,000 |
| Stock Option (Right to Buy) | \$ 6.2 | | | | | (3) | 10/06/2013 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 7.3 | | | | | 02/25/2005(2) | 02/25/2014 | Common Stock | 10,000 |

| | | | | | |
|--------------------------------------|------------------------|---------------------------|------------|-----------------|--------|
| Stock Option (Right to Buy) | \$ 1.61 | 08/27/2005 ⁽²⁾ | 08/27/2014 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 1.73 ⁽¹⁾ | 02/23/2006 ⁽²⁾ | 02/22/2015 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 1.66 ⁽¹⁾ | 08/23/2006 ⁽²⁾ | 08/23/2015 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 2.9 | 02/21/2007 ⁽²⁾ | 02/21/2016 | Common Stock | 10,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| STEAD JERRE L 4000 MACARTHUR BLVD. NEWPORT BEACH, CA 92660 | X | | | |

Signatures

By: Jasmina Theodore Boulanger,
Attorney-in-fact

08/22/2006

__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) Shares granted as compensation for services as a Director under the Directors Stock Plan.
- (2) Options become exercisable in whole or part (but only for a whole number of shares) as to one-fourth of the option shares beginning on this date and as to an additional one-fourth of the option shares beginning on the first, second and third anniversaries thereof.
- (3) Exercise date and vesting details previously disclosed.
- (4) In connection with a spin-off transaction effected by the Issuer on June 27, 2002, an anti-dilution adjustment was made to the stock option to preserve its pre-transaction value. Accordingly, the Exercise Price of and number of shares subject to the option were adjusted.

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.