



IN THE COURT OF CHANCERY OF THE  
STATE OF DELAWARE

\_\_\_\_\_  
IN RE INTEGRATED TELECOM EXPRESS,  
INC. \_\_\_\_\_

)  
) C.A. No. 2215-VCL  
)

**TWENTY SECOND QUARTERLY REPORT OF RECEIVER**

James Williams, in his capacity as Receiver for Integrated Telecom Express, Inc. files this quarterly report.

1. On June 29, 2006, this Court appointed me as Receiver for Integrated Telecom Express, Inc. ("ITeX"), a dissolved Delaware corporation, pursuant to Section 279 of the Delaware Corporation Law.

2. As of the end of the quarter ended September 30, 2011, the liquid assets of ITeX were approximately \$617,000 of cash located at Silicon Valley Bank in Santa Clara, California. The liabilities of ITeX at September 30, 2011 were approximately \$126,000, consisting primarily of cash not distributed during the initial distribution for shares, which were not tendered, to the transfer agent. Prior years Federal Tax returns have been filed or are in the process of being filed by ITeX's independent accountants. At this time I do not foresee the need for income tax accruals.

3. In addition, a class action lawsuit has been filed against ITeX, and certain of its directors and officers and its investment bank underwriters for violation of the federal securities laws in the United States District Court for the Southern District of New York. This action and similar cases involving other companies' initial public offerings were coordinated for pretrial proceedings as In re Initial Public Offering Securities

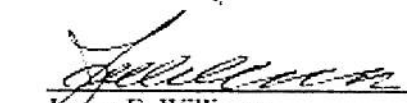
Litigation, 21 MC 92 (SAS). The parties have reached a global settlement of the litigation. Under the settlement, ITeX will bear no financial responsibility and ITeX and the other defendants will receive complete dismissals from the case. In 2009, the Court granted final approval of the settlement. Certain objectors filed appeals, a number of which were dismissed by agreement or by the appellate court. Following remand from the appellate court, the district court in August 2011 issued an order determining that the last remaining appellant was not a class member and thus lacked standing to object to the settlement. The remaining appellant has appealed the order determining that he was not a class member and thus lacked standing.

4. The California Franchise Tax Board has requested information on the status of the previous Bankruptcy filed in 2002 by ITeX to determine whether an audit of the company's sales tax returns was appropriate. At this time the California Franchise Tax Board has not scheduled an audit, however it has left open the possibility that any audit of years 2002 through 2005 could take place. During the audit period ITeX had no sales activities and all documents have been filed with the State of California, and are in good order.

5. ITeX will continue to maintain its web site until a final distribution of cash occurs and the office is officially closed. The web site is the major information source for remaining shareholders.

Dated: December 3, 2011

Respectfully submitted,

  
James E. Williams,  
Receiver