

Virgin Mobile USA, Inc.
Form 4
October 18, 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 *
Feehan John D JR

(Last) (First) (Middle)

10 INDEPENDENCE BLVD, 2ND FLOOR

(Street)

WARREN, NJ 07059

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Virgin Mobile USA, Inc. [VM]

3. Date of Earliest Transaction (Month/Day/Year)
10/16/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)

X 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 Ownership (Instr. 4) |
|-------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (D) Price | | | |
| Class A Common Stock ⁽¹⁾ | 10/16/2007 | | A ⁽¹⁾ | 30,000 A <u>(1)</u> | 30,000 | D | |
| Class A Common Stock ⁽²⁾ | 10/16/2007 | | M ⁽²⁾ | 10,243 A <u>(2)</u> | 40,243 | D | |

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)

Edgar Filing: Virgin Mobile USA, Inc. - Form 4

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 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 Security (Instr. 3 and 4) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-------------------------|---|-----------------|----------------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Class D Units of Virgin Mobile USA, LLC ⁽²⁾ | <u>(2)</u> | 10/16/2007 | | <u>M</u> ⁽²⁾ | | | 24 | <u>(3)</u> | <u>(3)</u> | Class A Common Stock | 10,200 |
| Options to Purchase Class D Units (right to buy) ⁽⁴⁾ | \$ 14.64 | 10/16/2007 | | <u>M</u> ⁽⁴⁾ | | | <u>1</u> ⁽⁴⁾ | <u>(5)</u> | 08/06/2012 | Class A Common Stock | 32,000 |
| Options to Purchase Class A Common Stock (right to buy) ⁽⁴⁾ | \$ 14.64 | 10/16/2007 | | <u>M</u> ⁽⁴⁾ | | 32,009 | | <u>(5)</u> | 08/06/2012 | Class A Common Stock | 32,000 |
| Options to Purchase Class D Units (right to buy) ⁽⁴⁾ | \$ 17.45 | 10/16/2007 | | <u>M</u> ⁽⁴⁾ | | | <u>1</u> ⁽⁴⁾ | <u>(6)</u> | 07/01/2015 | Class A Common Stock | 8,536 |
| Options to Purchase Class A Common Stock (right to buy) ⁽⁴⁾ | \$ 17.45 | 10/16/2007 | | <u>M</u> ⁽⁴⁾ | | 8,536 | | <u>(6)</u> | 07/01/2015 | Class A Common Stock | 8,536 |
| Stock Appreciation Rights ⁽⁷⁾ | \$ 17.45 | 10/16/2007 | | <u>M</u> ⁽⁷⁾ | | | <u>1</u> ⁽⁷⁾ | <u>(8)</u> | 06/01/2012 | Class A Common Stock | 17,072 |
| Options to Purchase Class A Common Stock (right to buy) | \$ 17.45 | 10/16/2007 | | <u>M</u> ⁽⁷⁾ | | 17,072 | | <u>(8)</u> | 06/01/2012 | Class A Common Stock | 17,072 |

to buy) (7)

| | | | | | | | | |
|---|----------|------------|--------------|-----------------|-------------|------------|----------------------------|------|
| Stock Appreciation Rights <u>(7)</u> | \$ 19.95 | 10/16/2007 | M <u>(7)</u> | 1 <u>(7)</u> | <u>(9)</u> | 08/08/2012 | Class A Common Stock | 25,6 |
| Options to Purchase Class A Common Stock (right to buy) <u>(7)</u> | \$ 19.95 | 10/16/2007 | M <u>(7)</u> | 25,607 | <u>(9)</u> | 08/08/2012 | Class A Common Stock | 25,6 |
| Stock Appreciation Rights <u>(7)</u> | \$ 19.95 | 10/16/2007 | M <u>(7)</u> | 1 <u>(7)</u> | <u>(9)</u> | 12/18/2012 | Class A Common Stock | 9,81 |
| Options to Purchase Class A Common Stock (right to buy) <u>(7)</u> | \$ 19.95 | 10/16/2007 | M <u>(7)</u> | 9,816 | <u>(9)</u> | 12/18/2012 | Class A Common Stock | 9,81 |
| Options to Purchase Class A Common Stock (right to buy) | \$ 15 | 10/16/2007 | A | 38,889 | <u>(10)</u> | 10/10/2013 | Class A Common Stock | 38,8 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Feehan John D JR 10 INDEPENDENCE BLVD, 2ND FLOOR WARREN, NJ 07059 | | | Chief Financial Officer | |

Signatures

/s/ Nathan Marinoff,
 Attorney-in-Fact 10/18/2007

**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) Represents a grant of 30,000 Restricted Stock Units which vest 50% on October 10, 2008 and 50% on October 10, 2009.
- (2) Mr. Feehan's 24 restricted Class D Units of Virgin Mobile USA, LLC ("Class D Units") were exchanged for 10,243 restricted shares of Class A Common Stock of Virgin Mobile USA, Inc. ("Class A Common Stock"), pursuant to the Reorganization and Purchase Agreement, dated as of October 10, 2007, by and among the Company, Virgin Mobile USA, LLC and other parties thereto (the

Edgar Filing: Virgin Mobile USA, Inc. - Form 4

"Reorganization Agreement"). These restricted Shares will vest 25% on May 23, 2008, 25% on May 23, 2009, 25% on May 23, 2010 and 25% on May 23, 2011.

- (3) Not applicable.
- (4) Mr. Feehan's options to purchase Class D Units were exchanged for options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (5) These options are fully vested.
- (6) These options vested 50% as of July 1, 2007 and will vest 25% on July 1, 2008 and 25% on July 1, 2009.
- (7) Mr. Feehan's Stock Appreciation Rights were exchanged for options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (8) These securities vested 25% as of June 1, 2007, will vest 25% on June 1, 2008, 25% on June 1, 2009 and 25% on June 1, 2010.
- (9) These options vested 25% as of August 8, 2007 and will vest 25% on August 8, 2008, 25% on August 8, 2009 and 25% on August 8, 2010.
- (10) These options vest 25% on July 1, 2008, 25% on July 1, 2009, 25% on July 1, 2010 and 25% on July 1, 2011.

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.