Gilhuley Marie Form 4 October 18, 2007

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

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)

(Last)

(City)

**FLOOR** 

1. Name and Address of Reporting Person \* Gilhuley Marie

(First)

(Middle)

(Zip)

10 INDEPENDENCE BLVD, 2ND

(Street)

(State)

WARREN, NJ 07059

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)

Expires: 2005

OMB

Number:

Estimated average burden hours per

**OMB APPROVAL** 

3235-0287

January 31,

0.5

response...

10% Owner

Other (specify

below) CONTROLLER

5. Relationship of Reporting Person(s) to

(Check all applicable)

Director

X\_ Officer (give title

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

Issuer

1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of Securities Form: Direct Indirect (Instr. 3) any Code (D) Beneficially (D) or Beneficial Indirect (I) Ownership (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) Owned Following (Instr. 4) (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4) Amount (D) Price Class A  $A^{(1)}$ Common D 10/16/2007 13,333 Α <u>(1)</u> 13,333 Stock (1) Class A Common 10/16/2007  $M^{(2)}$ 5.121 Α <u>(2)</u> 18,454 D Stock (2)

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

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# $\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)         | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number of Derivative Securities Acquired or Dispos (D) (Instr. 3, 4 and 5) | e<br>(A)<br>ed of | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                    | 7. Title and Amount Underlying Securitie (Instr. 3 and 4) |                              |
|-------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------|-------------------|----------------------------------------------------------|--------------------|-----------------------------------------------------------|------------------------------|
|                                                             |                                                                       |                                         |                                                             | Code V                                  | (A)                                                                           | (D)               | Date<br>Exercisable                                      | Expiration<br>Date | Title                                                     | Amou<br>or<br>Numb<br>of Sha |
| Class D Units<br>of Virgin<br>Mobile USA,<br>LLC (2)        | (2)                                                                   | 10/16/2007                              |                                                             | M(2)                                    |                                                                               | 12                | (3)                                                      | (3)                | Class A<br>Common<br>Stock                                | 5,12                         |
| Options to Purchase Class D Units (right to buy)            | \$ 14.64                                                              | 10/16/2007                              |                                                             | M <u>(4)</u>                            |                                                                               | 1 (4)             | <u>(5)</u>                                               | 12/23/2012         | Class A<br>Common<br>Stock                                | 28,59                        |
| Options to Purchase Class A Common Stock (right to buy) (4) | \$ 14.64                                                              | 10/16/2007                              |                                                             | M(4)                                    | 28,595                                                                        |                   | <u>(5)</u>                                               | 12/23/2012         | Class A<br>Common<br>Stock                                | 28,59                        |
| Options to Purchase Class D Units (right to buy)            | \$ 17.45                                                              | 10/16/2007                              |                                                             | M <u>(4)</u>                            |                                                                               | 1 (4)             | <u>(6)</u>                                               | 01/13/2015         | Class A<br>Common<br>Stock                                | 6,40                         |
| Options to Purchase Class A Common Stock (right to buy) (4) | \$ 17.45                                                              | 10/16/2007                              |                                                             | M <u>(4)</u>                            | 6,402                                                                         |                   | <u>(6)</u>                                               | 01/13/2015         | Class A<br>Common<br>Stock                                | 6,40                         |
| Options to<br>Purchase<br>Class D Units<br>(right to buy)   | \$ 17.45                                                              | 10/16/2007                              |                                                             | M(4)                                    |                                                                               | 1 (4)             | <u>(7)</u>                                               | 07/01/2015         | Class A<br>Common<br>Stock                                | 8,53                         |
| Options to<br>Purchase<br>Class A                           | \$ 17.45                                                              | 10/16/2007                              |                                                             | M(4)                                    | 8,536                                                                         |                   | <u>(7)</u>                                               | 07/01/2015         | Class A<br>Common<br>Stock                                | 8,53                         |

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| Common<br>Stock (right<br>to buy) (4)                       |          |            |              |        |             |            |                            |       |
|-------------------------------------------------------------|----------|------------|--------------|--------|-------------|------------|----------------------------|-------|
| Stock<br>Appreciation<br>Rights (8)                         | \$ 17.45 | 10/16/2007 | M(8)         | 1 (8)  | <u>(9)</u>  | 06/01/2012 | Class A<br>Common<br>Stock | 17,0′ |
| Options to Purchase Class A Common Stock (right to buy) (8) | \$ 17.45 | 10/16/2007 | M <u>(8)</u> | 17,072 | <u>(9)</u>  | 06/01/2012 | Class A<br>Common<br>Stock | 17,0  |
| Options to Purchase Class A Common Stock (right to buy)     | \$ 15    | 10/16/2007 | A            | 17,778 | <u>(10)</u> | 10/10/2013 | Class A<br>Common<br>Stock | 17,7′ |

# **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

Gilhuley Marie

10 INDEPENDENCE BLVD, 2ND FLOOR CONTROLLER

WARREN, NJ 07059

# **Signatures**

/s/ Nathan Marinoff, Attorney-in-Fact

\*\*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 13,333 Restricted Stock Units which vest 50% on October 10, 2008 and 50% on October 10, 2009.
  - Ms. Gilhuley's 12 Restricted Class D Units of Virgin Mobile USA, LLC ("Class D Units") were exchanged for 5,121 restricted shares of Class A Common Stock of Virgin Mobile USA, Inc. ("Class A Common Stock"), pursuant to the Reorganization and Purchase
- (2) Agreement, dated as of October 10, 2007, by and among the company, Virgin Mobile USA, LLC and other parties thereto (the "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) Ms. Gilhuley's options to purchase Class D Units were exchanged for stock options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (5) These options are fully vested.
- (6) These options are 75% vested as of August 2, 2007 and will vest 25% on August 2, 2008.

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- (7) These options vested 50% as of July 1, 2007, will vest 25% on July 1, 2008 and 25% on July 1, 2009.
- (8) Ms. Gilhuley's Stock Appreciation Rights were exchanged for options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (9) 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.
- (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.