

LEAP WIRELESS INTERNATIONAL INC

Form 4

March 18, 2014

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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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 *
ELLIOTT JERRY

(Last) (First) (Middle)

**C/O LEAP WIRELESS
INTERNATIONAL, INC., 5887
COPLEY DRIVE**

(Street)

SAN DIEGO, CA 92111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol**LEAP WIRELESS
INTERNATIONAL INC [LEAP]**3. Date of Earliest Transaction
(Month/Day/Year)
03/13/20144. If Amendment, Date Original
Filed(Month/Day/Year)5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President and COO6. 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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/13/2014		D	130,714	D	\$ 15 (1)	0

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)**

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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 Underlying (Instr. 3 a)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 5.34	03/13/2014		D		112,500		<u>(2)</u>	05/14/2022	Common Stock
Performance-Based Share Units	\$ 0	03/13/2014		D		45,000		03/13/2014	12/31/2016	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ELLIOTT JERRY C/O LEAP WIRELESS INTERNATIONAL, INC. 5887 COPLEY DRIVE SAN DIEGO, CA 92111	President and COO

Signatures

By: Barbara J. Olson, Attorney-in-Fact For: Jerry V. Elliott 03/18/2014

**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) Leap Wireless International, Inc. (the "Issuer") was acquired (the "Merger") pursuant to that certain Agreement and Plan of Merger (the "Merger Agreement"), by and among the Issuer, AT&T Inc. ("AT&T"), Laser, Inc. and Mariner Acquisition Sub Inc., a wholly owned subsidiary of AT&T ("Merger Sub"). All shares of the Issuer's Common stock, were exchanged for merger consideration consisting of (i) \$15.00 in cash per share of Common Stock (the "Per Share Cash Merger Consideration"), and (ii) one non-transferable contingent value right (a "CVR"), without interest. Each CVR represents the right to a pro rata share of the proceeds, if any, resulting from the sale of the license granted to the Issuer by the Federal Communications Commission having the call sign WQJQ707.
- (2) The option was scheduled to vest in four equal installments on May 14, 2013, May 14, 2014, May 14, 2015 and May 14, 2016, respectively.

Pursuant to the Merger Agreement, each outstanding option of the Reporting Person, whether vested or unvested, that was granted under one of the Issuer's stock plans and that has an exercise price equal to or below the Per Share Cash Merger Consideration was cancelled
- (3) and converted into the right to receive (i) cash equal to the product of the total number of shares underlying the option multiplied by the difference, if any, of the Per Share Cash Merger Consideration and the exercise price per share underlying each option, less any applicable withholding taxes and (ii) one CVR for each share underlying the option.
- (4) On May 14, 2013, the reporting person was granted an option (the "PSU") to purchase 45,000 shares of Common Stock. The option originally was to become eligible to vest based on the Issuer's results as measured against performance levels for each of Fiscal Year 2013 and 2014, but pursuant to the Merger Agreement, the performance condition was deemed to have been met, resulting in treating the option as if it had vested. The PSU was cancelled and entitled the reporting person to receive (i) an amount in cash equal to the product of

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- (x) the number of shares covered by the PSU multiplied by the (y) Per Share Merger Consideration, less applicable withholding taxes and
- (ii) one CVR for each share covered by the PSU.

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

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