

Virgin Mobile USA, Inc.
Form 4
October 18, 2007

FORM 4

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

OMB APPROVAL

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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 (A) or (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.

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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)	Amount or Number of Shares		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title			
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⁾		1	<u>(4)</u>	<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>	<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⁾		1	<u>(4)</u>	<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>	<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⁾		1	<u>(7)</u>	<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>	<u>(8)</u>	06/01/2012	Class A Common Stock	17,072

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"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.

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