SPRINT NEXTEL CORP
Form DEFM14A
May 01, 2013
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x Filed by a party other than the Registrant ¨

Check appropriate box:

¨ Preliminary Proxy Statement
¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material under § 240.14a-12

SPRINT NEXTEL CORPORATION

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (Check the appropriate box):

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0- 11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

Table of Contents

MERGER AND OTHER PROPOSALS YOUR VOTE IS VERY IMPORTANT

To the Stockholders of Sprint Nextel Corporation:

You are cordially invited to attend a special stockholders meeting of Sprint Nextel Corporation, a Kansas corporation (referred to as Sprint), at Ritz Charles, 9000 W. 137th Street, Overland Park, Kansas 66221 on June 12, 2013, at 10:00 a.m., local time.

We are pleased to inform you that the boards of directors of Sprint and SoftBank Corp., a Japanese *kabushiki kaisha* (SoftBank), have approved an Agreement and Plan of Merger, dated as of October 15, 2012, as amended on November 29, 2012 and April 12, 2013 (the Merger Agreement) by and among Sprint, SoftBank, Starburst I, Inc., a Delaware corporation and a direct wholly owned subsidiary of SoftBank (HoldCo), Starburst II, Inc., a Delaware corporation and a direct wholly owned subsidiary of HoldCo (Parent or New Sprint) and Starburst III, Inc., a Kansas corporation and a direct wholly owned subsidiary of New Sprint (Merger Sub). Upon consummation of the merger pursuant to the terms of the Merger Agreement (the SoftBank Merger), Merger Sub will merge with and into Sprint, with Sprint surviving the SoftBank Merger as a wholly owned subsidiary of New Sprint. Upon consummation of the SoftBank Merger, New Sprint will be renamed Sprint Corporation.

At the special stockholders meeting you will be asked to adopt the Merger Agreement and approve certain other matters as set forth in the stockholder notice and accompanying proxy statement-prospectus.

If the Merger Agreement is adopted by Sprint s stockholders, then upon the terms and subject to the conditions described in the Merger Agreement, upon the effectiveness of the SoftBank Merger, based on the elections made by Sprint stockholders, each outstanding share of Series 1 common stock, $2.00 par value per share, of Sprint (Sprint common stock), except as otherwise provided for in the Merger Agreement, will be converted into the right to receive either (i) cash in an amount equal to $7.30 for each share of Sprint common stock or (ii) one share of New Sprint common stock, par value $0.01 per share (New Sprint common stock) for each share of Sprint common stock. You will have the right to elect to receive cash or New Sprint common stock, or, to the extent you hold multiple shares of Sprint common stock, a combination of cash and New Sprint common stock, with respect to all or a portion of the Sprint common stock that you own. However, the number of shares of New Sprint common stock that you receive as a result of your stock elections, or the amount of cash you receive as a result of your cash elections, may be less than the number of shares or cash you requested, as the allocations of stock and cash are subject to proration to ensure that New Sprint will pay $12.14 billion in cash in the SoftBank Merger and the former stockholders and other Sprint equityholders will own approximately 30% of the fully diluted equity of New Sprint immediately following the SoftBank Merger. **Stockholders who neither elect to receive stock nor to receive cash will be deemed to have elected to receive cash, and they will be allocated and receive the same type (or types) of consideration that are ultimately determined to be allocable to other Sprint stockholders that have affirmatively elected to receive cash. In order for your election to receive cash or stock consideration to be valid, you must submit a properly completed form of election by the election deadline, which is expected to be 5:00 p.m., Eastern time, on the date that is five business days immediately preceding the effective time of the SoftBank Merger, all as provided for in the accompanying proxy statement-prospectus (although as described above, a failure to make either election will be treated the same as an election to receive cash). None of SoftBank (or any of its subsidiaries), New Sprint, Sprint or the Sprint board of directors is making any recommendation as to whether any Sprint stockholder should make an election to receive cash, New Sprint common stock or, if electing for multiple shares, a combination of the two, or no election. Your vote in favor of the adoption of the Merger Agreement does not constitute an election to receive stock or cash in the SoftBank Merger, and an election to receive stock or cash in the SoftBank Merger does not constitute a vote in favor of the adoption of the Merger Agreement.**

Table of Contents

New Sprint is applying to have the New Sprint common stock listed on the New York Stock Exchange (NYSE) under the proposed symbol S, the same ticker symbol currently used by Sprint.

After careful consideration, Sprint s board of directors has determined that the SoftBank Merger is in the best interests of Sprint and its stockholders and approved the Merger Agreement and the transactions contemplated by the Merger Agreement. **The Sprint board of directors recommends that the stockholders of Sprint vote FOR the adoption of the Merger Agreement, FOR the proposal to approve, by a non-binding advisory vote, certain compensation arrangements for Sprint s named executive officers in connection with the SoftBank Merger and FOR the proposal to postpone or adjourn the special stockholders meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the Merger Agreement.**

The accompanying proxy statement-prospectus provides you with detailed information about the proposed SoftBank Merger, the special stockholders meeting and New Sprint. Please give this material your careful attention. You may also obtain more information about Sprint and New Sprint from documents each of them has filed with the Securities and Exchange Commission.

Your vote is very important regardless of the number of shares you own. The SoftBank Merger cannot be completed unless holders of a majority of the outstanding shares of Sprint common stock entitled to vote at the special stockholders meeting vote for the adoption of the Merger Agreement. **Failing to vote has the same effect as a vote against the adoption of the Merger Agreement.** You are cordially invited to attend the special stockholders meeting; however, whether or not you plan to attend the special stockholders meeting, it is important that your shares be represented.

If you intend to vote by proxy, please complete, date, sign and return the enclosed proxy card. If your shares are held in street name, you should check the voting instruction card provided by your broker to see which voting options are available and the procedures to be followed. If you hold shares through a broker or other nominee, you should follow the procedures provided by your broker or nominee. If you have any questions or need assistance in voting your shares, please call our proxy solicitor and New Sprint s information agent, Georgeson Inc., toll free at (866) 741-9588 (banks and brokers call (212) 440-9800).

Thank you for your continued support and we look forward to seeing you on June 12, 2013.

Sincerely,

James H. Hance, Jr.
Chairman of the Board of Directors

For a discussion of certain risk factors that you should consider in evaluating the transactions described above and an investment in New Sprint common stock, see Risk Factors beginning on page 48 of the accompanying proxy statement-prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the accompanying proxy statement-prospectus, or determined the accompanying proxy statement-prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The proxy statement-prospectus is dated May 1, 2013, and is first being mailed to stockholders on or about May 3, 2013.

Table of Contents

ADDITIONAL INFORMATION

This proxy statement-prospectus incorporates important business and financial information about Sprint from other documents that are not included in or delivered with this proxy statement-prospectus. This information is available to you without charge upon your written or oral request. This proxy statement-prospectus is available at Sprint s website at www.sprint.com/investors, and you can obtain the documents incorporated by reference in this proxy statement-prospectus by requesting them in writing or by telephone or over the Internet from:

Sprint Nextel Corporation

Brad Hampton, Investor Relations

6200 Sprint Parkway

Overland Park, Kansas 66251

(800) 259-3755

email: investor.relations@sprint.com

You may also ask questions about this proxy statement-prospectus and obtain copies of these documents from the proxy solicitor for Sprint and the information agent for New Sprint, Georgeson Inc., by requesting in writing or by telephone from:

Georgeson Inc.

199 Water Street, 26th Floor

New York, New York 10038

Toll Free: (866) 741-9588

Banks and Brokers: (212) 440-9800

If you would like to request any documents, please do so by June 5, 2013 in order to receive them before the special stockholders meeting.

This proxy statement-prospectus and its exhibits are also available for inspection at the public reference facilities of the Securities and Exchange Commission (the SEC) at 100 F Street, N.E., Washington, DC 20549. Copies of such information should be obtainable by mail, upon payment of the SEC s customary charges, by writing to the SEC s principal office at 100 F Street, N.E., Washington, DC 20549. You may also obtain information by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website at www.sec.gov that contains reports, proxy statements and other information relating to Sprint that have been filed via the EDGAR System.

See Where You Can Find More Information beginning on page 187.

Table of Contents

SPRINT NEXTEL CORPORATION

6200 Sprint Parkway

Overland Park, Kansas 66251

Notice of Special Meeting of the Sprint Nextel Corporation Stockholders

To be Held on June 12, 2013 at 10:00 a.m., local time

To the stockholders of Sprint Nextel Corporation:

This is a notice that a special stockholders meeting of Sprint Nextel Corporation, a Kansas corporation (Sprint) will be held on June 12, 2013, beginning promptly at 10:00 a.m., local time, at Ritz Charles, 9000 W. 137th Street, Overland Park, Kansas 66221, unless postponed or adjourned to a later date. This special stockholders meeting will be held to consider and vote upon the following matters:

1. to adopt the Agreement and Plan of Merger, dated as of October 15, 2012, as amended on November 29, 2012 and April 12, 2013 (the Merger Agreement) by and among Sprint, SoftBank Corp., a Japanese *kabushiki kaisha* (SoftBank), Starburst I, Inc., a Delaware corporation and a direct wholly owned subsidiary of SoftBank (HoldCo), Starburst II, Inc., a Delaware corporation and a direct wholly owned subsidiary of HoldCo (Parent or New Sprint), and Starburst III, Inc., a Kansas corporation and a direct wholly owned subsidiary of Parent (Merger Sub), a copy of which is attached as Annex A to the proxy statement-prospectus accompanying this notice (referred to as the Merger Proposal);

2. to approve, by a non-binding advisory vote, certain compensation arrangements for Sprint s named executive officers in connection with the merger contemplated by the Merger Agreement (referred to as the Merger-Related Compensation Proposal); and

3. to approve any motion to postpone or adjourn the special stockholders meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the Merger Proposal (referred to as the Adjournment Proposal);

and to transact any other business as may properly come before the special stockholders meeting or any postponement or adjournment of such special stockholders meeting.

The Merger Proposal is not conditioned on the approval of the Merger-Related Compensation Proposal or the Adjournment Proposal. The Merger Proposal is the only proposal whose approval is required to adopt the Merger Agreement and consummate the merger.

Only holders of record of Sprint common stock at the close of business on April 18, 2013, the record date for the special stockholders meeting (the meeting record date), are entitled to receive this notice and to vote at the special stockholders meeting or at any postponement or adjournment of such special stockholders meeting.

The accompanying proxy statement-prospectus describes the proposals listed above in more detail. Please refer to the accompanying proxy statement-prospectus, including the Merger Agreement and all other Annexes, Exhibits and any documents incorporated by reference, for further information with respect to the business to be transacted at the special stockholders meeting. You are encouraged to read the entire document carefully before voting. **In particular, review the section entitled Risk Factors beginning on page 48 carefully before voting.**

Sprint s board of directors has approved the Merger Agreement and the merger. Sprint s board of directors recommends that you vote FOR the Merger Proposal, FOR the Merger-Related Compensation Proposal and FOR the Adjournment Proposal.

YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. The transactions contemplated by the Merger Agreement cannot be completed without the affirmative

Table of Contents

vote on the Merger Proposal by the holders of at least a majority of the outstanding shares of Sprint common stock entitled to vote as of the meeting record date. **If you do not vote, the effect will be the same as a vote against the Merger Proposal.** You may vote your shares by proxy via the Internet, by telephone, by sending in an appropriately completed paper proxy card or in person by ballot at the special stockholders meeting.

If you have any questions concerning the transactions or this proxy statement-prospectus or would like additional copies, please contact our proxy solicitor and New Sprint s information agent:

Georgeson Inc.

199 Water Street, 26th Floor

New York, NY 10038

Toll Free: (866) 741-9588

Banks and Brokers: (212) 440-9800

By order of the Board of Directors,

Overland Park, Kansas
May 1, 2013

James H. Hance, Jr.
Chairman of the Board of Directors

You are cordially invited to attend the special stockholders meeting in person. Whether or not you expect to attend the special stockholders meeting, please complete, date, sign and return the proxy mailed to you, or vote over the telephone or the Internet as instructed in these materials, as promptly as possible to ensure your representation at the special stockholders meeting. Even if you have voted by proxy, you may still vote in person if you attend the special stockholders meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the special stockholders meeting, you must obtain a proxy issued in your name from such record holder.

THIS PROXY STATEMENT-PROSPECTUS IS FIRST BEING SENT OR GIVEN TO SECURITY HOLDERS ON OR ABOUT MAY 3, 2013.

Table of Contents

TABLE OF CONTENTS

QUESTIONS AND ANSWERS ABOUT THE SOFTBANK MERGER, THE SPRINT SPECIAL STOCKHOLDERS MEETING AND NEW SPRINT	Q-1
SUMMARY OF THE PROXY STATEMENT-PROSPECTUS	1
The Companies	1
The Special Stockholders Meeting	3
Recommendation of the Sprint Board of Directors	3
Opinions of Sprint s Financial Advisors	4
The Structure of the SoftBank Merger	5
Summary of the Material Terms of the SoftBank Merger	7
Summary of the Bond Purchase Agreement	13
Summary of the Warrant	14
Regulatory Approvals	14
Tax Consequences of the SoftBank Merger	15
Overview of the Comparison of Rights of Holders of Sprint Common Stock and New Sprint Common Stock	16
Limitations, Restrictions and Conditions on SoftBank s Conduct of Business and Exercise of Rights	17
Security Ownership of Certain Beneficial Owners and Management of Sprint	19
Appraisal Rights	19
Recent Developments	20
Risks Associated with the SoftBank Merger, New Sprint and Sprint	20
Interests of Certain Sprint Directors and Executive Officers in the SoftBank Merger	21
Board of Directors and Management Following the SoftBank Merger	21
SUMMARY HISTORICAL FINANCIAL DATA	23
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION	25
COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA	43
MARKET PRICES AND DIVIDEND INFORMATION	44
RECENT DEVELOPMENTS	46
RISK FACTORS	48
STATEMENTS REGARDING FORWARD-LOOKING INFORMATION	73
THE PARTIES TO THE SOFTBANK MERGER	74
Sprint Nextel Corporation	74
Parent and Merger Sub	74
HoldCo	74
SoftBank	75
THE SPECIAL STOCKHOLDERS MEETING	76
Date, Time and Place	76
Purpose of the Special Stockholders Meeting	76
Recommendations of the Sprint Board of Directors	76
Record Date; Stock Entitled to Vote	76
Quorum	77
Required Vote	77
Treatment of Abstentions; Failure to Vote	77
Voting of Proxies; Incomplete Proxies	78
Shares Held in Street Name	78
Employee Plan Shares	79
Revocation of Proxies and Changes to a Sprint Stockholder s Vote	79
Solicitation of Proxies	79
Delivery of Proxy Materials to Households Where Two or More Stockholders Reside	80
Voting by Sprint Directors and Executive Officers	80
Attending the Sprint Special Stockholders Meeting	80

Table of Contents

SPRINT PROPOSALS	81
THE SOFTBANK MERGER	83
Background of the SoftBank Merger	83
Recommendation of the Sprint Board of Directors; Sprint s Reasons for the SoftBank Merger	93
Opinions of Sprint s Financial Advisors Citigroup, Rothschild and UBS	97
Summary of Financial Analyses of Sprint s Financial Advisors	105
Certain Financial Scenarios Prepared by the Management of Sprint	112
Interests of Certain Sprint Directors and Executive Officers in the SoftBank Merger	115
Financing	119
Regulatory Matters	121
Making the Cash/Stock Election	123
Cash/Stock Proration and Allocation Rules	126
Treatment of Stock Options, Restricted Stock Units, Performance Units, Employee Stock Purchase Plan and Deferred Compensation Plan Accounts	128
Advisory Vote Regarding Merger-Related Executive Compensation (Say-on-Golden-Parachute)	130
Appraisal Rights	132
Listing of New Sprint Common Stock on the NYSE	134
Delisting and Deregistration of Sprint Common Stock after the SoftBank Merger	134
Stockholder Lawsuits Challenging the SoftBank Merger	134
THE MERGER AGREEMENT	136
THE BOND PURCHASE AGREEMENT	156
THE WARRANT AGREEMENT	161
MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE SOFTBANK MERGER	162
ACCOUNTING TREATMENT OF THE SOFTBANK MERGER	166
DESCRIPTION OF NEW SPRINT COMMON STOCK	167
COMPARISON OF RIGHTS OF HOLDERS OF SPRINT COMMON STOCK AND NEW SPRINT COMMON STOCK	168
CONTROL AND MANAGEMENT OF NEW SPRINT AFTER THE SOFTBANK MERGER	177
SoftBank	177
Board of Directors of New Sprint	177
Directors and Executive Officers	178
Committees	180
Limitations, Restrictions and Conditions on SoftBank s Conduct of Business and Exercise of Rights	180
Controlled Company	181
Certain Relationships and Related Transactions	182
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF SPRINT	184
LEGAL MATTERS	186
EXPERTS	186
SPRINT STOCKHOLDER PROPOSALS	186
WHERE YOU CAN FIND MORE INFORMATION	187
INDEX TO FINANCIAL STATEMENTS	F-1

Annex A Agreement and Plan of Merger, as amended
Annex B Bond Purchase Agreement
Annex C Opinion of Citigroup Global Markets, Inc.
Annex D Opinion of Rothschild Inc.
Annex E Opinion of UBS Securities LLC
Annex F Section 17-6712 of the Kansas General Corporation Code

QUESTIONS AND ANSWERS ABOUT THE SOFTBANK MERGER, THE SPRINT SPECIAL STOCKHOLDERS MEETING AND NEW SPRINT

Questions and Answers About the SoftBank Merger

Q: Why is Sprint proposing the SoftBank Merger?

A: Sprint is proposing the SoftBank Merger pursuant to the terms of the Merger Agreement with SoftBank to create New Sprint, a financially stronger company that Sprint and SoftBank believe will be better able to compete in the U.S. telecommunications industry and that is anticipated to deliver significant benefits to U.S. consumers based on SoftBank s expertise in the deployment of next-generation wireless networks, and track record of success in taking share in mature markets from larger telecommunications competitors.

With the $3.1 billion in cash that SoftBank has already invested in Sprint pursuant to a bond purchase agreement by and between Sprint and Parent (the Bond Purchase Agreement), and the $4.9 billion in cash that SoftBank will invest in New Sprint pursuant to the terms of the Merger Agreement at the effective time of the SoftBank Merger (the Equity Contribution), SoftBank and Sprint are significantly enhancing Sprint s financial position to help make New Sprint a more robust competitor in the U.S. telecom market.

Additionally, Sprint is proposing the SoftBank Merger as part of the larger SoftBank investment because it is expected to:

- give Sprint stockholders the opportunity to realize an attractive cash premium or hold shares in a stronger, better capitalized New Sprint, subject to proration rules which are more fully described in Summary of the Proxy Statement-Prospectus beginning on page 1 and The SoftBank Merger Cash/Stock Proration and Allocation Rules beginning on page 126;
- enable New Sprint to benefit from SoftBank s global leadership in LTE;
- improve the operating scale and create opportunities for collaborative innovation in consumer services and applications; and
- provide other benefits and opportunities described in this proxy statement-prospectus.

Accordingly, the Sprint board of directors believes that the proposed SoftBank Merger is in the best interests of Sprint stockholders.

Q: As a Sprint stockholder, what will I receive in the SoftBank Merger?

A: Each share of Sprint common stock you hold will be exchanged for the right to receive either $7.30 in cash (the Cash Consideration) or one share of New Sprint common stock (the Stock Consideration), subject to prorations as described below. Each Sprint stockholder will have the right to elect to receive Cash Consideration or Stock Consideration in respect of each share of Sprint common stock owned by that stockholder, and a Sprint stockholder that fails to make either election will be deemed to have elected to receive Cash Consideration. Because the aggregate Cash Consideration that Sprint stockholders will receive in the SoftBank Merger is fixed at $12.14 billion, the elections of Sprint stockholders to receive Cash Consideration or Stock Consideration are subject to proration and allocation rules set forth in the Merger Agreement and described herein. Based on the number of shares of Sprint common stock outstanding as of April 18, 2013 (the meeting record date), if all Sprint stockholders were to make the same election, you would receive Cash Consideration of $4.03 per share of Sprint common stock you hold (representing approximately 55.16% of $7.30), and Stock Consideration of 0.4484 (or 44.84%) of a share of New Sprint common stock per share of Sprint common stock you hold.

Under the terms of the Merger Agreement, because the aggregate Cash Consideration that Sprint stockholders will be entitled to receive in the SoftBank Merger is fixed at $12.14 billion, at the effective time of the SoftBank Merger, an aggregate of approximately 1,663,013,699 of the outstanding shares of Sprint common stock (representing approximately 55.16% of the outstanding Sprint common stock calculated as of the meeting

record date) will be entitled to be exchanged for Cash Consideration (assuming there are no dissenting stockholders who perfect their appraisal rights). All remaining outstanding shares of Sprint common stock (representing approximately 44.84% of the outstanding Sprint common stock calculated as of the meeting record date) will be exchanged for Stock Consideration.

The proration and allocation rules applicable to the cash and stock elections to be made by Sprint stockholders, which are more fully described in Summary of the Proxy Statement-Prospectus beginning on page 1 and The SoftBank Merger Cash/Stock Proration and Allocation Rules beginning on page 126, are complex and have the potential to result in allocations of consideration that differ (for each Sprint stockholder) from the form of consideration elected (or deemed elected). Subject to the more detailed description of these rules described in such sections, these proration and allocation rules will operate in the following manner:

- If Sprint stockholders, in the aggregate, elect (or are deemed to have elected) to receive Cash Consideration in an amount exceeding $12.14 billion, then (a) Sprint stockholders that elect to receive Cash Consideration (or that fail to elect either Cash Consideration or Stock Consideration and thus are deemed to have elected Cash Consideration) will receive a mixture of Cash Consideration and Stock Consideration in a proportion that results in the aggregate payment of $12.14 billion of Cash Consideration to such stockholders, pro rata in proportion to the number of shares held by such stockholders, and (b) Sprint stockholders that elect to receive Stock Consideration will receive merger consideration comprised entirely of Stock Consideration.

- If Sprint stockholders, in the aggregate, elect to receive Stock Consideration in an amount exceeding the available stock component of the aggregate merger consideration, then (a) Sprint stockholders that elect to receive Stock Consideration will receive a mixture of Stock Consideration and Cash Consideration that results in the distribution of the entire stock component of the aggregate merger consideration to such stockholders, pro rata in proportion to the number of shares held by such stockholders, (b) Sprint stockholders that elect to receive Cash Consideration will receive merger consideration comprised entirely of Cash Consideration, and (c) Sprint stockholders that fail to elect either Cash Consideration or Stock Consideration will receive merger consideration comprised entirely of Cash Consideration.

The proration and allocation rules applicable to the Sprint Merger do not include any mechanism to ensure that the value of the consideration received for each share of Sprint common stock is equivalent, and the value received by a stockholder that makes (or is deemed to have made) a cash election may be significantly different than the value received by a stockholder that makes a stock election. Based on the trading prices of Sprint common stock since the close of trading on October 12, 2012, the last trading day before the SoftBank Merger was publicly announced, through the date of this proxy statement-prospectus, Sprint stockholders that consider electing to receive stock consideration in the SoftBank Merger should carefully consider the likelihood that they may receive consideration having a lower value at the effective time of the SoftBank Merger than a Sprint stockholder that elects (or is deemed to have elected) to receive cash consideration in the SoftBank Merger. Of course, the trading value of Sprint common stock after the date of this proxy statement-prospectus is subject to a large number of factors, including any developments with respect to the unsolicited proposal to acquire Sprint publicly announced by DISH Network Corporation (DISH) on April 15, 2013 (the DISH Proposal). Following the public announcement of the DISH Proposal on April 15, 2013, and prior to the date of this proxy statement-prospectus, the trading price of shares of Sprint common stock has increased, and the closing price of Sprint common stock on April 30, 2013, the last full trading day prior to the date of this proxy statement-prospectus, was $7.05. In the event the SoftBank Merger is consummated, there can be no assurance as to what the trading value of New Sprint common stock will be immediately following the completion of the SoftBank Merger or at any time thereafter. See Risk Factors Shares of New Sprint common stock may have a value that is less than the per share cash consideration of $7.30 or the cash consideration received after application of the proration and allocation rules and the value of such shares could fluctuate significantly.

Please see The SoftBank Merger Cash/Stock Proration and Allocation Rules beginning on page 126 for several specific examples of how these proration and allocation rules will work in practice.

Q: What will determine if I will receive New Sprint common stock, cash or a combination of the two?

A: You may elect to receive cash, New Sprint common stock or, if electing for multiple shares, a combination of the two in exchange for your shares of Sprint common stock. **However, depending on what type of consideration the other Sprint stockholders elect (or are deemed to have elected) to receive as consideration and the proration rules, you may not receive your preferred type of consideration with respect to all of your shares of Sprint common stock. The elections that you and other Sprint stockholders make (or are deemed to have made) regarding the receipt of cash or shares of New Sprint common stock in exchange for shares of Sprint common stock will determine the mix of consideration that you will receive in the SoftBank Merger.** For a complete description of the proration and allocation rules, see Summary of the Proxy Statement-Prospectus beginning on page 1 and The SoftBank Merger Cash/Stock Proration and Allocation Rules beginning on page 126.

Q: How do I elect to receive cash or shares of New Sprint common stock? Can I change or revoke my election?

A: After you have determined whether you would like to receive cash or New Sprint common stock, or a combination of the two to the extent you hold multiple shares of Sprint common stock, you should properly complete the form of election, when delivered to you by Georgeson, Inc. (Georgeson), Sprint s proxy solicitor and New Sprint s information agent, indicating your election, and send the form of election to Computershare Trust Company, N.A. (Computershare), the exchange agent, to one of the proper addresses outlined on the form of election. **Sprint stockholders who fail to properly complete and return the form of election, together with any other required documentation specified in the form of election, prior to the election deadline (as described below) will be considered to have elected to receive cash for all purposes of the Merger Agreement.**

At least 20 business days prior to the anticipated effective time of the SoftBank Merger, or such other date as Parent and Sprint may mutually agree in writing, a form of election will be mailed to each of Sprint s stockholders of record determined as of the most recent practicable date prior to the mailing date (the election record date). Your form of election must be received by Computershare, together with any other required documentation specified in the form of election, no later than the election deadline, which is expected to be 5:00 p.m., Eastern time, on the date that is five business days immediately preceding the effective time of the SoftBank Merger. Sprint will publicly announce the election deadline by press release at least five business days prior to such date. Georgeson will make available the form of election upon request to any person who becomes a holder (or beneficial owner) of Sprint common stock between the election record date and the close of business on the day prior to the election deadline. You are encouraged to return your election form as promptly as practicable. SoftBank and Sprint anticipate that the SoftBank Merger will be completed in mid-2013 but no earlier than July 1, 2013.

Sprint stockholders who hold their shares in street name, that is, with a broker, dealer, bank or other financial institution, and who wish to make an election will have to instruct their broker, dealer, bank or other financial institution, that holds their shares to make an election on their behalf, or to change or revoke an election. For a more detailed description of the election procedures, see The SoftBank Merger Making the Cash/Stock Election beginning on page 123. You may change your election by delivering a later dated form of election to Computershare before the election deadline. You may revoke your election by written notice of revocation to Computershare before the election deadline.

Once you have made a valid election, you will not be able to transfer your shares of Sprint common stock subject to such election unless and until you have validly revoked such election. Any transferee of such shares must (if the election deadline has not occurred) make a new election with respect to such shares if such transferee does not wish the shares to be considered non-electing shares. If you have made a valid election (that has not been revoked prior to the election deadline) with respect to shares of Sprint common stock, after the election

deadline you will not be able to revoke such election or transfer your shares prior to the effective time of the SoftBank Merger (except in certain circumstances when the expected effective time is delayed).

None of SoftBank (or any of its subsidiaries), New Sprint, Sprint or the Sprint board of directors makes any recommendation about whether any Sprint stockholder should make an election to receive cash, New Sprint common stock or, if electing for multiple shares, a combination of the two, or no election. Each holder of shares of Sprint common stock must make his or her own decision about whether to make an election and, if so, what election to make.

Q: If I am a Sprint stockholder, am I required to complete a form of election in order to receive my merger consideration?

A: No. If you do not make an election, you will still receive your portion of the merger consideration. However, Sprint stockholders who fail to properly complete and return the form of election to Computershare by the election deadline, together with any other required documentation specified in the form of election, prior to the election deadline will be considered non-electing stockholders for all purposes of the Merger Agreement, and accordingly will receive merger consideration (consisting of cash, shares of New Sprint common stock or a combination of the two) that is identical to the merger consideration allocable to those stockholders that have elected to receive cash. See The SoftBank Merger Cash/Stock Proration and Allocation Rules beginning on page 126.

Q: How will Sprint s recently announced transaction to acquire Clearwire Corporation affect the SoftBank Merger?

A: On December 17, 2012, Sprint announced that it had agreed to acquire all of the equity interests of Clearwire Corporation (together with Clearwire Communications LLC, Clearwire) not currently owned by Sprint (the Clearwire Acquisition), subject to the terms and conditions of the agreement and plan of merger, dated as of December 17, 2012, by and among Sprint, Clearwire Corporation and Collie Acquisition Corp. (the Clearwire Acquisition Agreement). If the Clearwire Acquisition Agreement is adopted by Clearwire s stockholders and the other closing conditions to the Clearwire Acquisition are satisfied or waived, then upon the terms and subject to the conditions described in the Clearwire Acquisition Agreement, upon the closing of the Clearwire Acquisition, each outstanding share of Class A common stock, $0.0001 par value per share, of Clearwire Corporation (Clearwire common stock), except as otherwise provided for in the Clearwire Acquisition Agreement, will be converted into the right to receive cash in an amount equal to $2.97, and Clearwire Corporation will survive the acquisition as a wholly owned subsidiary of Sprint. Clearwire s stockholders will not receive shares of Sprint common stock or shares of New Sprint common stock in connection with the Clearwire Acquisition. Before the Clearwire Acquisition can be consummated, a number of conditions must be satisfied or waived, including but not limited to obtaining requisite approval from Clearwire s stockholders, receipt of all required regulatory approvals, and various other conditions.

In addition, in connection with the Clearwire Acquisition, Sprint entered into an agreement with each of Intel Capital Corporation, Intel Capital (Cayman) Corporation, Intel Capital Wireless, Comcast Wireless Investment, LLC and BHN Spectrum Investments, LLC (collectively, the Voting Agreement Stockholders) whereby (i) if the Clearwire Acquisition Agreement is terminated due to the failure of the Clearwire stockholders to approve the Clearwire Acquisition and (ii) either (a) the SoftBank Merger has been consummated or (b) the SoftBank Merger shall have been terminated in order for Sprint to enter into an alternative transaction (and such alternative transaction has been consummated), then each such Voting Agreement Stockholder will, upon the occurrence of the events described in (a) or (b), deliver a right of first offer notice to the other equityholders of Clearwire, including Sprint, to offer to sell all of the equity securities of Clearwire such entity owns at a price per share equal to $2.97, and Sprint will then be obligated to elect to purchase any such equity securities in any such notice. Each of the Voting Agreement Stockholders has agreed not to exercise their respective purchase rights with respect to any such notice it receives from the other Voting Agreement Stockholders.

In connection with the Clearwire Acquisition, SoftBank entered into a waiver and consent with Sprint which permitted Sprint to enter into the agreements related thereto and provided SoftBank with certain rights to

information and review of certain actions which might be taken by Sprint in connection with the Clearwire Acquisition. Sprint agreed to, among other things, consider in good faith SoftBank s comments and suggestions, with respect to certain matters related to the Clearwire Acquisition. In addition, Sprint agreed not to take certain actions with respect to the Clearwire Acquisition without SoftBank s consent, including terminating the Clearwire Acquisition (subject to the fiduciary duties of the Sprint board of directors) or making any decision with respect to the satisfaction of any conditions thereto, or taking any action that would have a material adverse effect on the expected benefits to Sprint of consummating the Clearwire Acquisition.

The adoption by Sprint s stockholders of the Merger Agreement and the completion of the SoftBank Merger is a condition to Sprint s obligation to consummate the Clearwire Acquisition, but Sprint could elect to waive this condition and permit the closing of the Clearwire Acquisition to occur first, subject to the consent of SoftBank as discussed above. Likewise, Sprint could waive this condition if Sprint stockholders failed to adopt the Merger Agreement with SoftBank, in which case the Clearwire Acquisition could still occur, even if the SoftBank Merger does not occur.

On January 8, 2013, Clearwire announced that it had received an alternative transaction proposal from DISH and that the Special Committee of the Clearwire board of directors has determined that its fiduciary duties require it to engage with DISH to discuss, negotiate and/or provide information in connection with the DISH proposal for Clearwire. The Special Committee of the Clearwire board of directors has not announced any determination to change its recommendation of the Clearwire Acquisition.

Sprint s stockholders are not being asked to vote to approve the Clearwire Acquisition, and neither the approval of the Clearwire Acquisition Agreement by Clearwire s stockholders nor the closing of the Clearwire Acquisition are conditions to the closing of the SoftBank Merger.

Sprint and Clearwire have made filings and taken other actions, and will continue to take actions, necessary to obtain governmental approvals in connection with the Clearwire Acquisition and related transactions. While Sprint and SoftBank believe that required regulatory approvals for the SoftBank Merger and the Clearwire Acquisition will ultimately be obtained, these approvals are not assured.

Q: How will DISH s recently announced unsolicited proposal to acquire Sprint affect the SoftBank Merger?

A: On April 15, 2013, Sprint announced that it had received an unsolicited proposal from DISH to acquire Sprint (the DISH Proposal). Sprint announced that its board of directors will review the DISH Proposal carefully and consistent with its fiduciary and legal duties. The Sprint board of directors subsequently established a special committee of the board (the Sprint Special Committee) to assess the DISH Proposal. The Sprint Special Committee will, consistent with its fiduciary duties and in consultation with its financial and legal advisors, evaluate the DISH Proposal and make a recommendation to the full Sprint board of directors as to whether the DISH Proposal is, or is reasonably likely to lead to, a Superior Offer as defined under the Merger Agreement (a Superior Offer). This determination is necessary because, under the terms of the Merger Agreement, Sprint may not engage in discussions or negotiations with DISH regarding the DISH Proposal unless, among other things, the Sprint board of directors first determines in good faith that the DISH Proposal is, or is reasonably likely to lead to, a Superior Offer. See Recent Developments beginning on page 46.

The Sprint board of directors has not made any determination to change its unanimous recommendation of the SoftBank Merger.

Sprint stockholders are not being asked to vote on or take any action with respect to the DISH Proposal at the special stockholders meeting.

Q: Will the Sprint Special Committee and Sprint s board of directors determine whether the DISH Proposal is, or is reasonably likely to lead to, a Superior Offer?

A: It is not possible at this time to predict when or if the Sprint Special Committee and the Sprint board of directors will make any determination with respect to the DISH Proposal. There is no obligation under the Merger Agreement for any such determination to be made within a specified time period.

The Sprint Special Committee has requested that DISH provide Sprint with additional information in writing regarding its proposal to enable Sprint s board of directors and the Sprint Special Committee to analyze the DISH Proposal consistent with their respective fiduciary and legal duties. DISH has no obligation to provide any information or within any particular time period.

Sprint intends to amend or supplement this proxy statement-prospectus to disclose material developments, if any, with respect to the DISH Proposal in accordance with applicable law and the Merger Agreement. On April 29, 2013, Sprint announced that it did not intend to make any further comment on the work of the Sprint Special Committee until it completes an assessment with respect to whether the DISH Proposal is, or is reasonably likely to lead to, a Superior Offer and the Sprint board of directors has considered such assessment. See Recent Developments beginning on page 46.

Q: What are the conditions to the closing of the So