

Virgin Mobile USA, Inc.
 Form 3
 October 10, 2007

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

INITIAL STATEMENT OF 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)

<p>1. Name and Address of Reporting Person *</p> <p> \hat{A} Handler Howard</p> <p> (Last) (First) (Middle)</p> <p>10 INDEPENDENCE BLVD, 2ND FLOOR</p> <p> (Street)</p> <p>WARREN, \hat{A} NJ \hat{A} 07059</p> <p> (City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>10/10/2007</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>Virgin Mobile USA, Inc. [NYSE : VM]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p>____ Director ____ 10% Owner <input checked="" type="checkbox"/> Officer ____ Other (give title below) (specify below)</p> <p>Chief Marketing Officer</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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Table I - Non-Derivative Securities Beneficially Owned

<p>1. Title of Security (Instr. 4)</p>	<p>2. Amount of Securities Beneficially Owned (Instr. 4)</p>	<p>3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)</p>	<p>4. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

<p>1. Title of Derivative Security (Instr. 4)</p>	<p>2. Date Exercisable and Expiration Date (Month/Day/Year)</p> <p>Date Exercisable Expiration Date</p>	<p>3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)</p> <p>Title Amount or Number of Shares</p>	<p>4. Conversion or Exercise Price of Derivative Security</p>	<p>5. Ownership Form of Derivative Security: Direct (D) or Indirect (I)</p>	<p>6. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
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(Instr. 5)

Class D Units of Virgin Mobile USA, LLC ⁽¹⁾ ⁽²⁾	Â ⁽³⁾	Â ⁽³⁾	Class A Common Stock ⁽¹⁾	8,536 ⁽⁴⁾	\$ ⁽⁴⁾	D	Â
Options to Purchase Class D Units (right to buy) ⁽⁵⁾	Â ⁽⁶⁾	01/06/2013	Class A Common Stock ⁽⁵⁾	170,716 ⁽⁴⁾	\$ 14.64 ⁽⁴⁾	D	Â
Options to Purchase Class D Units (right to buy) ⁽⁵⁾	Â ⁽⁷⁾	07/01/2015	Class A Common Stock ⁽⁵⁾	10,670 ⁽⁴⁾	\$ 17.45 ⁽⁴⁾	D	Â
Stock Appreciation Rights ⁽⁵⁾	Â ⁽⁸⁾	06/01/2012	Class A Common Stock	21,339 ⁽⁴⁾	\$ 17.45 ⁽⁴⁾	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Handler Howard 10 INDEPENDENCE BLVD, 2ND FLOOR WARREN, NJ 07059	Â	Â	Â Chief Marketing Officer	Â

Signatures

/s/ Nathan Marinoff,
Attorney-in-Fact

10/10/2007

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) Exchangeable for 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 "Reorganization Agreement").
- (2) Mr. Handler's Class D Units of Virgin Mobile USA, LLC ("Class D Units"), consisting of 20 units (which are exchangeable for 8,536 restricted shares of Class A Common Stock pursuant to the Reorganization Agreement) based on the assumed exchange ratio described below, were granted on May 23, 2007 and 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) Based upon assumed exchange ratio of 426.79 shares of Class A Common Stock for one LLC Unit.
- (5) Exchangeable for stock options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (6) These options to purchase Class D Units were granted on January 6, 2003, and are fully vested.
- (7) These options to purchase Class D Unit were granted on July 1, 2005 and are vested 50% as of July 1, 2007, will vest 25% on July 1, 2008 and 25% on July 1, 2009.
- (8) Mr. handler's Stock Appreciation Right, which convert as of October 10, 2007 into options to purchase 21,339 shares of Class A Common Stock pursuant to the Reorganization Agreement based on the assumed exchange ratio described below, were granted on June 1, 2006, 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.

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Remarks:

ExhibitÂ 24.1-Â PowerÂ ofÂ Attorney

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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