

LEAP WIRELESS INTERNATIONAL INC
 Form 4
 May 21, 2013

FORM 4

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

OMB APPROVAL

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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 *
RACHESKY MARK H MD

2. Issuer Name and Ticker or Trading Symbol
LEAP WIRELESS INTERNATIONAL INC [LEAP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
40 WEST 57TH STREET, 24TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
05/17/2013

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)
NEW YORK, NY 10019

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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
Common Stock	05/17/2013		M		6,494	A	11
Common Stock						I	353,420
Common Stock						I	42,514
Common Stock						I	3,340,378

See footnote (2) (3)

See footnote (4) (5)

See footnote (6)

Common Stock	8,415,428	I	(7) See footnote (8) (9)
Common Stock	11,382,129	I	See footnote (10) (11)

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 Securities (Instr. 3 and 4)	8. Price of Underlying Securities (Instr. 3 and 4)	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				
Deferred Stock Unit	(1)	05/17/2013		M	6,494	(12) (12)	Common Stock	6,494	(1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RACHESKY MARK H MD 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019	X	X		

Signatures

/s/ Janet Yeung,
Attorney-in-Fact

05/21/2013

__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) Each deferred stock unit represents the right to receive one share of LEAP common stock or cash equal to the market value of a share of LEAP common stock, at the Company's option, upon vesting.
- These shares are held for the account of MHR Capital Partners Master Account LP, an Anguilla, British West Indies limited partnership ("Master Account"). MHR Advisors LLC, a Delaware limited liability company ("Advisors"), is the general partner of Master Account. MHRC LLC, a Delaware limited liability company ("MHRC") is the managing member of Advisors. Mark H. Rachesky, M.D. ("Dr. Rachesky") is the managing member of MHRC. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the shares held for the account of Master Account. MHR Fund Management LLC, a Delaware limited liability company ("Fund Management"), is an affiliate of, and has an investment management agreement with, Master Account, pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares held for the account of Master Account and, accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Master Account. (continued to footnote 3)
- (2) (continued from footnote 2) MHR Holdings LLC, a Delaware limited liability company ("MHR Holdings"), is the managing member of Fund Management and, in such capacity, may be deemed to beneficially own any shares that are deemed to be beneficially owned by Fund Management. Accordingly, MHR Holdings may be deemed to beneficially own the shares held for the account of Master Account.
- These shares are held for the account of MHR Capital Partners (100) LP, a Delaware limited partnership ("Capital Partners (100)"). Advisors is the general partner of Capital Partners (100). MHRC is the managing member of Advisors. Dr. Rachesky is the managing member of MHRC. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the shares held for the account of
- (3) Capital Partners (100). Fund Management is an affiliate of, and has an investment management agreement with, Capital Partners (100), pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares held for the account of Capital Partners (100) and, accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Capital Partners (100). (continued to footnote 5)
- (4) (continued from footnote 4) MHR Holdings is the managing member of Fund Management and, in such capacity, may be deemed to beneficially own any shares that are deemed to be beneficially owned by Fund Management. Accordingly, MHR Holdings may be deemed to beneficially own the shares held for the account of Capital Partners (100).
- These shares are held for the account of MHR Institutional Partners II LP, a Delaware limited partnership ("Institutional Partners II"). MHR Institutional Advisors II LLC, a Delaware limited liability company ("Institutional Advisors II"), is the general partner of Institutional Partners II. MHRC II LLC, a Delaware limited liability company ("MHRC II") is the managing member of Institutional Advisors II. Dr. Rachesky is the managing member of MHRC II. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the shares held for the account of Institutional Partners II. Fund Management is an affiliate of, and has an investment management agreement with, Institutional Partners II, pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares held for the account of Institutional Partners II and, accordingly, (continued to footnote 7)
- (5) (continued from footnote 6) Fund Management may be deemed to beneficially own the shares held for the account of Institutional Partners II. MHR Holdings is the managing member of Fund Management and, in such capacity, may be deemed to beneficially own any shares that are deemed to be beneficially owned by Fund Management. Accordingly, MHR Holdings may be deemed to beneficially own the shares held for the account of Institutional Partners II.
- These shares are held for the account of MHR Institutional Partners IIA LP, a Delaware limited partnership ("Institutional Partners IIA"). Institutional Advisors II is the general partner of Institutional Partners IIA. MHRC II is the managing member of Institutional Advisors II. Dr. Rachesky is the managing member of MHRC II. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the shares held for the account of Institutional Partners IIA. Fund Management is an affiliate of, and has an investment management agreement with, Institutional Partners IIA, pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares held for the account of Institutional Partners IIA and, accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Institutional Partners IIA. (continued to footnote 9)
- (6) (continued from footnote 8) MHR Holdings is the managing member of Fund Management and, in such capacity, may be deemed to beneficially own any shares that are deemed to be beneficially owned by Fund Management. Accordingly, MHR Holdings may be deemed to beneficially own the shares held for the account of Institutional Partners IIA.
- These shares are held for the account of MHR Institutional Partners III LP, a Delaware limited partnership ("Institutional Partners III"). MHR Institutional Advisors III LLC, a Delaware limited liability company ("Institutional Advisors III"), is the general partner of Institutional Partners III. Dr. Rachesky is the managing member of Institutional Advisors III. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the shares held for the account of Institutional Partners III. Fund Management is an affiliate of, and has an investment management agreement with, Institutional Partners III, pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares held for the account of Institutional Partners III and, accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Institutional Partners III. (continued to footnote 11)
- (7) (10)

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(continued from footnote 10) MHR Holdings is the managing member of Fund Management and, in such capacity, may be deemed to

(11) beneficially own any shares that are deemed to be beneficially owned by Fund Management. Accordingly, MHR Holdings may be deemed to beneficially own the shares held for the account of Institutional Partners III.

(12) On May 17, 2013, 6,494 deferred stock units vested and the Company elected to settle the units in shares of LEAP common stock.

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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