

Gilhuley Marie
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 *
Gilhuley Marie

(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
 Officer (give title below) Other (specify below)

CONTROLLER

6. 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)	
			Code	V	Amount	(A) or (D)	Price	
Class A Common Stock ⁽¹⁾	10/16/2007		A ⁽¹⁾		13,333	A	<u>(1)</u> 13,333	D
Class A Common Stock ⁽²⁾	10/16/2007		M ⁽²⁾		5,121	A	<u>(2)</u> 18,454	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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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⁾		12	<u>(3)</u>	<u>(3)</u>	Class A Common Stock	5,12
Options to Purchase Class D Units (right to buy) ⁽⁴⁾	\$ 14.64	10/16/2007		<u>M</u> ⁽⁴⁾		1	<u>(5)</u>	12/23/2012	Class A Common Stock	28,5
Options to Purchase Class A Common Stock (right to buy) ⁽⁴⁾	\$ 14.64	10/16/2007		<u>M</u> ⁽⁴⁾		28,595	<u>(5)</u>	12/23/2012	Class A Common Stock	28,5
Options to Purchase Class D Units (right to buy) ⁽⁴⁾	\$ 17.45	10/16/2007		<u>M</u> ⁽⁴⁾		1	<u>(6)</u>	01/13/2015	Class A Common Stock	6,40
Options to Purchase Class A Common Stock (right to buy) ⁽⁴⁾	\$ 17.45	10/16/2007		<u>M</u> ⁽⁴⁾		6,402	<u>(6)</u>	01/13/2015	Class A Common Stock	6,40
Options to Purchase Class D Units (right to buy) ⁽⁴⁾	\$ 17.45	10/16/2007		<u>M</u> ⁽⁴⁾		1	<u>(7)</u>	07/01/2015	Class A Common Stock	8,53
Options to Purchase Class A	\$ 17.45	10/16/2007		<u>M</u> ⁽⁴⁾		8,536	<u>(7)</u>	07/01/2015	Class A Common Stock	8,53

Common Stock (right to buy) (4)

Class	Price	Date	Type	Count	Expiry	Class	Count
Class A Common Stock	\$ 17.45	10/16/2007	M ⁽⁸⁾	<u>1</u> ⁽⁸⁾	<u>(9)</u>	Class A Common Stock	17,0

Options to Purchase Class A Common Stock (right to buy) (8)

Class A Common Stock	\$ 17.45	10/16/2007	M ⁽⁸⁾	17,072	<u>(9)</u>	Class A Common Stock	17,0
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Options to Purchase Class A Common Stock (right to buy)

Class A Common Stock	\$ 15	10/16/2007	A	17,778	<u>(10)</u>	Class A Common Stock	17,7
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Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Gilhuley Marie
10 INDEPENDENCE BLVD, 2ND FLOOR
WARREN, NJ 07059

CONTROLLER

Signatures

/s/ Nathan Marinoff,
Attorney-in-Fact

10/18/2007

__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) Represents a grant of 13,333 Restricted Stock Units which vest 50% on October 10, 2008 and 50% on October 10, 2009.
Ms. Gilhuley's 12 Restricted Class D Units of Virgin Mobile USA, LLC ("Class D Units") were exchanged for 5,121 restricted 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"). 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) Ms. Gilhuley's options to purchase Class D Units were exchanged for stock options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (5) These options are fully vested.
- (6) These options are 75% vested as of August 2, 2007 and will vest 25% on August 2, 2008.

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- (7) These options vested 50% as of July 1, 2007, will vest 25% on July 1, 2008 and 25% on July 1, 2009.
- (8) Ms. Gilhuley's Stock Appreciation Rights were exchanged for options to purchase shares of Class A Common Stock pursuant to the Reorganization Agreement.
- (9) 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.
- (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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