

MHR FUND MANAGEMENT LLC
 Form 4
 March 17, 2014

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)
03/13/2014

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 Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Common Stock	03/13/2014		D		65,817	D	0	
Common Stock	03/13/2014		D		353,420	D	0	See Footnote (2) (3)
Common Stock	03/13/2014		D		42,514	D	0	See Footnote (4)
Common Stock	03/13/2014		D		3,340,378	D	0	See Footnote

Common Stock	03/13/2014		D	8,415,428	D	<u>11</u>	0	I	(5) (6) See Footnote (7) (8)
Common Stock	03/13/2014		D	11,382,129	D	<u>11</u>	0	I	See Footnote (9) (10)

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 Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4)
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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		
MHR Institutional Partners IIA LP 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019		X		
MHR Institutional Advisors II LLC 40 WEST 57TH STREET NEW YORK, NY 10019		X		

MHR Institutional Partners III LP 40 WEST 57TH STREET, 24TH FLOOR NEW YORK, NY 10019	X
MHR Institutional Advisors III LLC 40 WEST 57TH STREET, 24TH FLOOR NEW YORK, NY 10019	X
MHRC II LLC 40 WEST 57TH STREET NEW YORK, NY 10019	X
MHR FUND MANAGEMENT LLC 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019	X
MHR Holdings LLC 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019	X

Signatures

/s/ Janet Yeung, 03/17/2014
Attorney-in-Fact

__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) Disposed of pursuant to Agreement and Plan of Merger dated July 12, 2013, by and among AT&T Inc., the Issuer and the other parties thereto (the "Merger Agreement"), which provides for a cash payment of \$15.00 and one non-transferable contingent value right per share of Common Stock.
- These shares of Common Stock 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. MHR Fund Management LLC ("Fund Management") 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 of Common Stock held for the account of Master Account. MHR Holdings LLC, a Delaware limited liability company ("MHR Holdings"), is the managing member of Fund Management. (Continued in Footnote 3)
- (2) Accordingly, Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Master Account. MHR Holdings LLC, a Delaware limited liability company ("MHR Holdings"), is the managing member of Fund Management. Accordingly, Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Master Account. Each of Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such shares of Common Stock except to the extent of their pecuniary interest therein.
- (3) These shares of Common Stock 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. Fund Management 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 of Common Stock held for the account of Capital Partners (100). MHR Holdings is the managing member of Fund Management. Accordingly, Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Capital Partners 100. Each of Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such shares of Common Stock except to the extent of their pecuniary interest therein.
- (4)

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- (5) These shares of Common Stock 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. Fund Management 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 of Common Stock held for the account of Institutional Partners II. MHR Holdings is the managing member of Fund Management. (Continued in Footnote 6)
- (6) Accordingly, Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Institutional Partners II. Each of Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such shares of Common Stock except to the extent of their pecuniary interest therein.
- (7) These shares of Common Stock 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. Fund Management 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 of Common Stock held for the account of Institutional Partners IIA. MHR Holdings is the managing member of Fund Management. (Continued in Footnote 8)
- (8) Accordingly, Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Institutional Partners IIA. Each of Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such shares of Common Stock except to the extent of their pecuniary interest therein.
- (9) These shares of Common Stock are held for the account of 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. 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 of Common Stock held for the account of Institutional Partners III. MHR Holdings is the managing member of Fund Management. Accordingly, Institutional Advisors III, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the shares of Common Stock held for the account of Institutional Partners III. (Continued in Footnote 10)
- (10) Each of Institutional Advisors III, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such shares of Common Stock except to the extent of their pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.