

NAVISTAR INTERNATIONAL CORP

Form 4

August 17, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
HARBERT MANAGEMENT CORP

2. Issuer Name **and** Ticker or Trading
Symbol
**NAVISTAR INTERNATIONAL
CORP [NAVZ.PK]**

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
**ONE RIVERCHASE PARKWAY
SOUTH,**

3. Date of Earliest Transaction
(Month/Day/Year)
08/15/2007

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

(Street)
BIRMINGHAM, AL 35244

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 (D) Price			

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

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information contained in this form are not
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SEC 1474
(9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. P Der
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)	Sec (Ins			
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Equity Swap	\$ 51.03	08/15/2007	<u>J(2)</u>	1	08/15/2007	06/30/2008	Common Stock	166,667		
Equity Swap	\$ 51.03	08/15/2007	<u>J(2)</u>	1	08/15/2007	06/30/2008	Common Stock	83,333		
Equity Swap	\$ 48.21	08/16/2007	<u>J(2)</u>	1	08/16/2007	06/30/2008	Common Stock	166,667		
Equity Swap	\$ 48.21	08/16/2007	<u>J(2)</u>	1	08/16/2007	06/30/2008	Common Stock	83,333		

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HARBERT MANAGEMENT CORP ONE RIVERCHASE PARKWAY SOUTH BIRMINGHAM, AL 35244	X

FALCONE PHILIP
555 MADISON AVE
16TH FLOOR
NEW YORK, NY 10022

X

HARBERT RAYMOND J
ONE RIVERCHASE PARKWAY SOUTH
BIRMINGHAM, AL 35244

X

LUCE MICHAEL D
ONE RIVERCHASE PARKWAY SOUTH
BIRMINGHAM, AL 35244

X

Signatures

Harbert Management Corporation, By: /s/ William R.
Lucas, Jr. 08/17/2007

__Signature of Reporting Person

Date

/s/ Philip Falcone 08/17/2007

__Signature of Reporting Person

Date

/s/ Raymond J. Harbert 08/17/2007

__Signature of Reporting Person

Date

/s/ Michael D. Luce 08/17/2007

__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).

These securities are owned by Harbinger Capital Partners Master Fund I, Ltd. (the "Master Fund"). These securities may be deemed to be beneficially owned by Harbert Management Corporation ("HMC"), Philip Falcone, Raymond J. Harbert and Michael D. Luce. HMC serves as managing member of the managing member of the investment manager of the Master Fund. Philip Falcone is the portfolio manager of the Master Fund and a shareholder of HMC. Raymond J. Harbert and Michael D. Luce are shareholders of HMC. Each such Reporting Person disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

On August 15, 2007 and August 16, 2007, the Master Fund entered into equity swap agreements with a securities broker under which (i) the Master Fund will be obligated to pay to the broker the equity notional amount of the 166,667 and 83,333 shares, subject to these agreements, for both trade dates, (the "Reference Shares") as of the beginning of each calculation period (which resets monthly), plus (2) interest at a rate equal to LIBOR plus 60 basis points, and (ii) the broker will be obligated to pay to the Master Fund the market value of the Reference Shares as of the end of each calculation period. Any dividends received by the broker on the Reference Shares during the term of the agreements will be paid to the Reporting Persons. All balances will be cash settled and there will be no transfer of voting or dispositive power over the Reference Shares.

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.