

AVENUE INVESTMENTS LP
 Form 4
 November 19, 2008

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 *
 Avenue Capital Management II, L.P.

(Last) (First) (Middle)

535 MADISON AVENUE, 15TH FLOOR

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

NextWave Wireless Inc. [WAVE]

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

10/09/2008

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)

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Amount | | |
| | | | | Code | V | | Price |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title Underlying (Instr. 3) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--------------------------------|
| | | | | | | | |

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Code | (Instr. 3, 4, and 5) V | (A) | (D) | Date Exercisable | Expiration Date | Title |
|---|------------------------------|------------------|-------------------------|------------------------|---------------|--------|------------------|-----------------|--------------|
| Series A Senior Convertible Preferred Stock | \$ 11.05 | 10/09/2008 | <u>D</u> ⁽¹⁾ | | | 48,739 | 03/28/2007 | <u>(2)</u> | Common Stock |
| Series A Senior Convertible Preferred Stock | \$ 11.05 | 10/09/2008 | <u>D</u> ⁽¹⁾ | | | 22,294 | 03/28/2007 | <u>(2)</u> | Common Stock |
| Series A Senior Convertible Preferred Stock | \$ 11.05 | 10/09/2008 | <u>D</u> ⁽¹⁾ | | | 13,726 | 03/28/2007 | <u>(2)</u> | Common Stock |
| Series A Senior Convertible Preferred Stock | \$ 11.05 | 10/09/2008 | <u>D</u> ⁽¹⁾ | | | 15,241 | 03/28/2007 | <u>(2)</u> | Common Stock |
| Third Lien Subordinated Secured Convertible Note Due 2011 | \$ 11.05 | 10/09/2008 | <u>A</u> ⁽¹⁾ | | \$ 65,666,531 | | 10/09/2008 | 12/31/2011 | Common Stock |
| Third Lien Subordinated Secured Convertible Note Due 2011 | \$ 11.05 | 10/09/2008 | <u>A</u> ⁽¹⁾ | | \$ 30,036,924 | | 10/09/2008 | 12/31/2011 | Common Stock |
| Third Lien Subordinated Secured Convertible Note Due 2011 | \$ 11.05 | 10/09/2008 | <u>A</u> ⁽¹⁾ | | \$ 18,493,174 | | 10/09/2008 | 12/31/2011 | Common Stock |
| Third Lien Subordinated Secured Convertible | \$ 11.05 | 10/09/2008 | <u>A</u> ⁽¹⁾ | | \$ 20,534,348 | | 10/09/2008 | 12/31/2011 | Common Stock |

Note Due
2011

Common

Stock

Warrant

(right to buy)

\$ 0.01

10/09/2008

A⁽⁹⁾

\$
30,000,000

10/09/2008

10/09/2011

Comm
Stoc

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Avenue Capital Management II, L.P. 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |
| Avenue International Master, L.P. 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |
| AVENUE INVESTMENTS LP 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |
| Avenue Special Situations Fund IV LP 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |
| Avenue CDP Global Opportunities Fund LP 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |
| Avenue AIV US, L.P. 535 MADISON AVENUE 15TH FLOOR NEW YORK, NY 10022 | X | X | | |

Signatures

Avenue Capital Management II, L.P. By: Avenue Capital Management II GenPar, LLC , its
General Partner By: /s/ Sonia Gardner, Member

11/13/2008

__Signature of Reporting Person

Date

Avenue International Master, L.P. By: Avenue International Master Fund GenPar, Ltd., its
General Partner By: /s/ Sonia Gardner, Director

11/13/2008

__Signature of Reporting Person

Date

Avenue Investments, L.P. By: Avenue Partners, LLC its General Partner By: /s/ Sonia

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| | |
|---|------------|
| Gardner, Member | 11/13/2008 |
| **Signature of Reporting Person | Date |
| Avenue Special Situations Fund IV, L.P. By: Avenue Capital Partners IV, LLC, its General Partner By: GL Partners IV, LLC, its Managing Member By: /s/ Sonia Gardner, Member | 11/13/2008 |
| **Signature of Reporting Person | Date |
| Avenue CDP Global Opportunities Fund, L.P. By: Avenue Global Opportunities Fund GenPar, LLC, its General Partner By: /s/ Sonia Gardner, Member | 11/13/2008 |
| **Signature of Reporting Person | Date |
| Avenue AIV US, L.P. By: Avenue AIV US GenPar, LLC, its General Partner By: /s/ Sonia Gardner, Member | 11/13/2008 |
| **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) On October 9, 2008, NextWave Wireless Inc. (the "Company") entered into a Third Lien Subordinated Exchange Note Exchange Agreement among the Company, as issuer, NextWave Wireless LLC ("NextWave LLC"), a wholly-owned subsidiary of the Company, the guarantors named therein and the purchasers party thereto, and The Bank of New York Mellon, as collateral agent pursuant to which the purchasers party thereto exchanged their holdings of Series A Senior Convertible Preferred Stock for Third Lien Subordinated Secured Convertible Notes due 2011 (the "Third Lien Notes").
 - (2) The Series A Senior Convertible Preferred Stock has no expiration date.
 - (3) The number of shares represents the accreted liquidation preference plus accrued dividends as of October 9, 2008 divided by the conversion price per share of \$11.05.
 - (4) The securities are owned directly by Avenue International Master, L.P. ("Avenue International").
 - (5) The securities are owned directly by Avenue Investments, L.P. ("Avenue Investments").
 - (6) The securities are owned directly by Avenue Special Situations Fund IV, L.P. ("Avenue Special Situations").
 - (7) The securities are owned directly by Avenue CDP Global Opportunities Fund, L.P. ("Avenue Global Opportunities").
 - (8) The number of shares reflects the principal amount of the Third Lien Notes divided by the conversion price of \$11.05.
 - (9) On October 9, 2008, Avenue AIV US, L.P. ("Avenue AIV" and together with Avenue International, Avenue Investments, Avenue Special Situations, and Avenue Global Opportunities, the "Funds") entered into a Warrant Agreement with the Company pursuant to which the Company issued to Avenue AIV warrants to purchase in the aggregate 30,000,000 shares of common stock (subject to adjustment as provided in the Warrant Agreement). The warrants were issued to Avenue AIV as a condition to Avenue AIV's purchase of Senior Subordinated Secured Second Lien Notes in the aggregate principal amount of \$78,947,367.75 from NextWave LLC.
 - (10) The securities are owned directly by Avenue AIV.

Remarks:

This report is jointly filed by Avenue Capital Management II, L.P. ("Adviser") and the Funds, each of which may be deemed a

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.