

SPRINT NEXTEL CORP

Form 424B3

October 23, 2009

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**Filed Pursuant to Rule 424(b)(3)
Registration No. 333-161710**

As we previously announced, Virgin Mobile USA, Sprint Nextel Corporation and Sprint Mozart, Inc., a wholly-owned subsidiary of Sprint Nextel, entered into a merger agreement, dated as of July 27, 2009, which provides for a merger in which Virgin Mobile USA will become a wholly-owned subsidiary of Sprint Nextel.

Subject to stockholder approval as described in the accompanying proxy statement/prospectus and satisfaction or waiver of the other conditions specified in the merger agreement, in connection with the merger:

all stockholders of Virgin Mobile USA, excluding Sprint Nextel and the other stockholders identified in the following two paragraphs, will be entitled to receive a number of shares of Series 1 common stock of Sprint Nextel, which we refer to as Sprint Nextel common stock, for each outstanding share of Virgin Mobile USA's Class A common stock that they own, and cash in lieu of fractional shares, based on the exchange ratio described below;

Corvina Holdings Limited and Cortaire Limited and any of their respective affiliates to which any Virgin Mobile USA shares are transferred, which we refer to collectively as the Virgin Group, will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Class A common stock and Virgin Mobile USA's Class C common stock that they own, and cash in lieu of fractional shares, based on the exchange ratio multiplied by 93.09%;

SK Telecom Co., Ltd. and any of its affiliates to which any Virgin Mobile USA shares are transferred, which we refer to collectively as SK Telecom, will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Class A common stock that they own, and cash in lieu of fractional shares, based on the exchange ratio multiplied by 89.84%;

the Virgin Group and SK Telecom will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Virgin Mobile USA's preferred stock that they own, and cash in lieu of fractional shares, equal to the number of shares of Class A common stock into which each share of preferred stock is convertible, multiplied by (1) in the case of the Virgin Group, the exchange ratio multiplied by 93.09%, and (2) in the case of SK Telecom, the exchange ratio multiplied by 89.84%; and

the Virgin Group and SK Telecom will be entitled to receive consideration in connection with certain contractual obligations of Virgin Mobile USA, which consideration will be payable in cash or Sprint Nextel common stock, at Sprint Nextel's election, as described in the accompanying proxy statement/prospectus.

The exchange ratio will be equal to the number determined by dividing \$5.50 by the average of the closing prices of the Sprint Nextel common stock on the New York Stock Exchange for the 10 trading days ending on the second trading day immediately preceding the effective time of the merger. However, in no event will the exchange ratio be less than 1.0630 or greater than 1.3668.

We are asking you to vote to adopt the merger agreement at the Special Meeting of Stockholders of Virgin Mobile USA. The Virgin Mobile USA board of directors has approved and declared advisable the merger agreement and the transactions contemplated by the merger agreement and has determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are fair to, and in the best interests of,

Virgin Mobile USA and its stockholders. **Therefore, the Virgin Mobile USA board of directors recommends that you vote FOR the adoption of the merger agreement.**

The Sprint Nextel common stock and Virgin Mobile USA Class A common stock are traded on the New York Stock Exchange under the symbols S and VM, respectively. On October 22, 2009, the closing sale price of Sprint Nextel common stock was \$3.38 per share, and the closing sale price of Virgin Mobile USA Class A common stock was \$4.50 per share.

Your vote is very important. As a condition to the completion of the merger, an affirmative vote of holders of a majority of the combined voting power of the outstanding shares of Virgin Mobile USA's Class A common stock, Class B common stock, Class C common stock and preferred stock entitled to vote on the proposal, voting together as a single class, is required. The Virgin Group and SK Telecom have agreed to vote a portion of the Virgin Mobile USA shares owned by them that, when aggregated with the shares owned by Sprint Nextel, comprise approximately 40% of the outstanding voting power of Virgin Mobile USA, in favor of the adoption of the merger agreement, and may vote their remaining shares in favor of the adoption of the merger agreement as well.

The obligations of Sprint Nextel and Virgin Mobile USA to complete the merger are subject to a number of conditions set forth in the merger agreement and summarized in the accompanying proxy statement/prospectus. More information about Sprint Nextel, Virgin Mobile USA, the special meeting and the merger is contained in the accompanying proxy statement/prospectus. **You are encouraged to read carefully the accompanying proxy statement/prospectus in its entirety, including the section titled Risk Factors beginning on page 23.**

If you have any questions about the merger or need assistance voting your shares, please call Innisfree M&A Incorporated, which is assisting Virgin Mobile USA with the solicitation of proxies, toll-free at (888) 750-5834 or call collect at (212) 750-5833.

Sincerely,

Daniel H. Schulman
Chief Executive Officer and Director

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the accompanying proxy statement/prospectus or determined that the accompanying proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated October 23, 2009 and is first being mailed to the stockholders of Virgin Mobile USA on or about October 23, 2009.

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**Virgin Mobile USA, Inc.
10 Independence Boulevard
Warren, New Jersey 07059**

Notice of Special Meeting of Stockholders

To the Stockholders of Virgin Mobile USA, Inc.:

Notice Is Hereby Given that a Special Meeting of Stockholders of Virgin Mobile USA, Inc., a Delaware corporation, will be held on November 24, 2009 at 9:00 a.m., local time, at the Courtyard by Marriott Basking Ridge, 595 Martinsville Road, Basking Ridge, New Jersey 07920, for the following purpose:

To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of July 27, 2009 (as it may be amended from time to time, the merger agreement), among Sprint Nextel Corporation, Sprint Mozart, Inc., a wholly-owned subsidiary of Sprint Nextel, and Virgin Mobile USA, a copy of which is attached as Annex A to the proxy statement/prospectus accompanying this notice; and

To approve the adjournment of the meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes at the meeting to approve the proposal described above.

The foregoing items of business are more completely described in the proxy statement/prospectus accompanying this Notice. **The Virgin Mobile USA board of directors has determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and are fair to, and in the best interests of, Virgin Mobile USA and its stockholders and recommends that Virgin Mobile USA stockholders vote FOR the proposal to adopt the merger agreement.** In addition, the Virgin Mobile USA board of directors recommends that you vote FOR the proposal to adjourn the meeting, if necessary, to permit further solicitation of proxies for the adoption of the merger agreement.

The Virgin Mobile USA board of directors has chosen the close of business on October 22, 2009 as the record date that will determine the stockholders who are entitled to receive notice of, and to vote at, the meeting or at any adjournment or postponement of the meeting. A list of the names of Virgin Mobile USA stockholders of record will be available at the meeting and for 10 days prior to the meeting for any purpose germane to the meeting during regular business hours at Virgin Mobile USA's principal executive offices, 10 Independence Boulevard, Warren, New Jersey 07059.

All holders of record of outstanding shares of capital stock of Virgin Mobile USA at the close of business on the record date are entitled to receive notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Adoption of the merger agreement by Virgin Mobile USA's stockholders is a condition to the merger and requires the affirmative vote of holders of a majority of the combined voting power of all outstanding shares entitled to vote on the proposal, voting together as a single class.

As authorized by the board of directors,

Peter Lurie
General Counsel and Corporate Secretary

Warren, New Jersey

October 23, 2009

YOUR VOTE IS IMPORTANT!

WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING IN PERSON, WE URGE YOU TO SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE (1) THROUGH THE INTERNET, (2) BY TELEPHONE, OR (3) BY MARKING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED. You may revoke your proxy at any time before the meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished to you by the record holder.

The accompanying proxy statement/prospectus provides a detailed description of the merger and the merger agreement to be considered at the meeting. We urge you to read the accompanying proxy statement/prospectus, including any documents incorporated by reference into the accompanying proxy statement/prospectus, and its annexes carefully and in their entirety. If you have any questions concerning the merger or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need help voting your Virgin Mobile USA shares, please contact Virgin Mobile USA's proxy solicitor:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
Telephone: (888) 750-5834

Important Notice Regarding the Availability of Proxy Materials for Virgin Mobile USA's Special Meeting of Stockholders to Be Held on November 24, 2009: The accompanying proxy statement/prospectus is available at <http://investorrelations.virginmobileusa.com>.

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ADDITIONAL INFORMATION

This accompanying proxy statement/prospectus incorporates important business and financial information about Sprint Nextel and Virgin Mobile USA from other documents that are not included in or delivered with the proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into the proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Sprint Nextel Corporation
6200 Sprint Parkway
Overland Park, KS 66251
Attn: Investor Relations
Telephone: (800) 259-3755

Virgin Mobile USA, Inc.
10 Independence Boulevard
Warren, NJ 07059
Attn: General Counsel and
Corporate Secretary
Telephone: (908) 607-4000

In addition, if you have questions about the merger or the proxy statement/prospectus, would like additional copies of the proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Innisfree M&A Incorporated, Virgin Mobile USA's proxy solicitor, at the address and telephone number listed below. You will not be charged for any documents that you request.

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
Telephone: (888) 750-5834

In order to receive timely delivery of the documents in advance of the Special Meeting of Stockholders, you must request the information no later than November 17, 2009.

For more information, see Where You Can Find More Information beginning on page 141.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following are some questions that you, as a stockholder of Virgin Mobile USA, may have regarding the merger being considered at Virgin Mobile USA's Special Meeting of Stockholders, which we refer to as the meeting or the special meeting, and the answers to those questions. You are urged to carefully read this proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus in their entirety because the information in this section does not provide all of the information that might be important to you with respect to the merger and the special meeting. Additional important information is contained in the annexes to, and the documents incorporated by reference into, this proxy statement/prospectus. In evaluating the merger, the merger agreement and the Sprint Nextel common stock to be received in connection with the merger, you should carefully read this proxy statement/prospectus and especially consider the factors discussed in the section entitled Risk Factors.

In this proxy statement/prospectus, unless stated otherwise or the context otherwise requires, the terms the company, we, our, ours and us refer to Sprint Nextel and/or Virgin Mobile USA and their respective subsidiaries, as applicable in the context. Throughout this proxy statement/prospectus, we refer to Sprint Nextel's Series I common stock, par value \$2.00 per share, as Sprint Nextel common stock; Virgin Mobile USA's Class A common stock, par value \$0.01 per share, as Class A common stock; Virgin Mobile USA's Class B common stock, par value \$0.01 per share, as Class B common stock; Virgin Mobile USA's Class C common stock, par value \$0.01 per share, as Class C common stock; Virgin Mobile USA's Series A convertible preferred stock, par value \$0.01 per share, as preferred stock; and the shares of Class A common stock, Class B common stock, Class C common stock and preferred stock collectively as Virgin Mobile USA shares. In addition, we refer to Virgin Mobile USA, L.P. as the Operating Partnership; Corvina Holdings Limited and Cortaire Limited and any of their respective affiliates to which they transfer any Virgin Mobile USA shares collectively as the Virgin Group; and SK Telecom Co., Ltd. and any of its affiliates to which it transfers any Virgin Mobile USA shares collectively as SK Telecom.

Q: Why am I receiving this document?

A: Sprint Nextel and Virgin Mobile USA have agreed to a merger, pursuant to which Virgin Mobile USA will become a wholly-owned subsidiary of Sprint Nextel and will no longer be a publicly held corporation. In the merger, Sprint Nextel will issue shares of Sprint Nextel common stock as the consideration to be paid to holders of Class A common stock, Class C common stock and preferred stock. In order to complete the merger, Virgin Mobile USA stockholders must vote to adopt the merger agreement, which is attached to this proxy statement/prospectus as Annex A.

We are delivering this document to you as both a proxy statement of Virgin Mobile USA and a prospectus of Sprint Nextel. It is a proxy statement because the Virgin Mobile USA board of directors is soliciting proxies from its stockholders to vote on the adoption of the merger agreement at Virgin Mobile USA's special meeting of stockholders, and your proxy will be used at the meeting as scheduled or following any adjournment or postponement of the meeting. It is a prospectus because Sprint Nextel will issue shares of Sprint Nextel common stock to Virgin Mobile USA stockholders in connection with the merger.

Q: What am I being asked to vote on?

A: Virgin Mobile USA stockholders are being asked to vote on the following proposals:

to adopt the merger agreement among Virgin Mobile USA, Sprint Nextel and Sprint Mozart, Inc., a wholly-owned subsidiary of Sprint Nextel; and

to approve the adjournment of the meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes to adopt the merger agreement at the time of the meeting.

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Q: Are there any other matters to be addressed at the meeting?

A: We know of no other matters to be brought before the meeting, but if other matters are brought before the meeting or at any adjournment or postponement of the meeting, the officers named in your proxy intend to take any action as in their judgment is in the best interest of Virgin Mobile USA and its stockholders.

Q: What is a proxy and how do I vote?

A: A proxy is a legal designation of another person to vote your shares on your behalf. If you hold Virgin Mobile USA shares in your own name, you may submit a proxy for your shares by using the toll-free number or the Internet web site if your proxy card includes instructions for using these quick, cost-effective and easy methods for submitting proxies. You also may submit a proxy in writing by simply filling out, signing and dating your proxy card and mailing it in the prepaid envelope included with these proxy materials. If you submit a proxy by telephone or the Internet web site, please do not return your proxy card by mail. You will need to follow the instructions when you submit a proxy using any of these methods to make sure your shares will be voted at the meeting. You also may vote by submitting a ballot in person if you attend the meeting. However, we encourage you to submit a proxy by mail by completing your proxy card, by telephone or via the Internet even if you plan to attend the meeting.

If you hold Virgin Mobile USA shares through a broker or other nominee, you may instruct your broker or other nominee to vote your shares by following the instructions that the broker or nominee provides to you with these materials. Most brokers offer the ability for stockholders to submit voting instructions by mail by completing a voting instruction card, by telephone and via the Internet. If you hold shares through a broker or other nominee and wish to vote your shares at the meeting, you must obtain a legal proxy from your broker or nominee and present it to the inspector of election with your ballot when you vote at the meeting.

Q: When and where will the meeting be held?

A: The meeting will be held on November 24, 2009 at 9 a.m., local time, at the Courtyard by Marriott Basking Ridge, 595 Martinsville Road, Basking Ridge, New Jersey 07920.

Q: Who is entitled to vote at the meeting?

A: All holders of Virgin Mobile USA's outstanding shares (which includes all shares of Class A common stock, Class B common stock, Class C common stock and preferred stock) who hold shares at the close of business on the record date (October 22, 2009) are entitled to receive notice of, and to vote at, the meeting, provided that the shares remain outstanding on the date of the meeting.

Q: How will abstentions be counted?

A: **For the proposal to adopt the merger agreement, abstentions have the same effect as a vote against the merger.** For the proposal to adjourn the meeting to solicit additional proxies, abstentions are treated as present and entitled to vote at the meeting and therefore have the same effect as a vote against the matter.

Q: Why is my vote important?

A: If you do not submit a proxy or vote in person at the meeting, it will be more difficult for us to obtain the necessary quorum to hold the meeting. In addition, your failure to submit a proxy or to vote in person will have

the same effect as a vote against the adoption of the merger agreement. If you hold your shares through a broker, your broker will not be able to cast a vote on the adoption of the merger agreement without instructions from you.

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The Virgin Mobile USA board of directors recommends that you vote FOR the adoption of the merger agreement.

Q: Are votes confidential?

A: The votes of all stockholders will be held in confidence from directors, officers and employees of Virgin Mobile USA except:

as necessary to meet applicable legal requirements and to assert or defend claims for or against Virgin Mobile USA;

in the case of a contested proxy solicitation;

if a stockholder submits a written comment or otherwise communicates his or her vote to management; or

to allow the independent inspectors of election to certify the results of the vote.

Q: How will my shares be represented at the meeting?

A: At the meeting, the officers named in your proxy card will vote your shares in the manner you requested if you correctly submitted your proxy. If you sign your proxy card and return it without indicating how you would like to vote your shares, your proxy will be voted as the Virgin Mobile USA board of directors recommends, which is:

FOR the adoption of the merger agreement; and

FOR the approval of the adjournment of the meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes to adopt the merger agreement at the time of the meeting.

Q: What happens if I sell my shares after the record date but before the meeting?

A: The record date of the meeting is earlier than the date of the meeting and the date that the merger is expected to be completed. If you transfer your Virgin Mobile USA shares after the record date but before the date of the meeting, you will retain your right to vote at the meeting (provided that the shares remain outstanding on the date of the meeting), but you will not have the right to receive the merger consideration to be received by Virgin Mobile USA stockholders in the merger. In order to receive the merger consideration, you must hold your shares through the completion of the merger.

Q: What do I do if I receive more than one proxy statement/prospectus or set of voting instructions?

A: If you hold shares directly as a record holder and also in street name, or otherwise through a nominee, you may receive more than one proxy statement/prospectus and/or set of voting instructions relating to the meeting. These should each be voted and/or returned separately in order to ensure that all of your shares are voted.

Q: If my shares of Virgin Mobile USA common stock are held in street name by my broker, will my broker automatically vote my shares for me?

A:

No. If your shares are held in an account at a broker, you must instruct the broker on how to vote your shares. If you do not provide voting instructions to your broker, your shares will not be voted on any proposal on which your broker does not have discretionary authority to vote. This is called a broker non-vote. In these cases, the broker can register your shares as being present at the meeting for purposes of

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determining the presence of a quorum but will not be able to vote on those matters for which specific authorization is required. Under the current rules of the New York Stock Exchange, which we refer to as the NYSE, brokers do not have discretionary authority to vote on the proposal to adopt the merger agreement. A broker non-vote will have the same effect as a vote against adoption of the merger agreement.

Q: Can I change my vote after I have delivered my proxy?

A: *Yes.* You may revoke your proxy and change your vote at any time before the meeting. If you are a stockholder of record, you can revoke your proxy before it is exercised by written notice to the Corporate Secretary of Virgin Mobile USA, by timely delivery of a valid, later-dated proxy card or a later-dated proxy submitted by telephone or via the Internet, or by voting by ballot in person if you attend the meeting. Simply attending the meeting will not revoke your proxy. If you hold shares through a broker or other nominee, you may submit new voting instructions by contacting your broker or other nominee.

Q: Who may attend the meeting?

A: Virgin Mobile USA stockholders (or their authorized representatives) and Virgin Mobile USA's invited guests may attend the meeting. Verification of stock ownership will be required at the meeting. If you hold your Virgin Mobile USA shares in your own name or hold them through a broker (and can provide documentation showing ownership such as a letter from your broker or a recent account statement) at the close of business on the record date, you will be permitted to attend the meeting. Stockholders may call Virgin Mobile USA's Corporate Secretary at (908) 607-4100 to obtain directions to the meeting.

Q: Will cameras and recording devices be permitted at the meeting?

A: *No.* Stockholders are not permitted to bring cameras or recording equipment into the meeting room.

Q: Will a proxy solicitor be used?

A: *Yes.* Virgin Mobile USA has engaged Innisfree M&A Incorporated, which we refer to as Innisfree, to assist in the solicitation of proxies for the meeting and Virgin Mobile USA estimates that it will pay Innisfree a fee of approximately \$20,000. Virgin Mobile USA has also agreed to reimburse Innisfree for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify Innisfree against certain losses, costs and expenses. In addition, our officers and employees may request the return of proxies by telephone or in person, but no additional compensation will be paid to them.

Q: Whom should I call with questions?

A: Virgin Mobile USA stockholders should call Innisfree, Virgin Mobile USA's proxy solicitor, toll-free at (888) 750-5834 or collect at (212) 750-5833 with any questions about the merger, or to obtain additional copies of this proxy statement/prospectus or additional proxy cards.

Q: Do I need to do anything now in order to exchange my Virgin Mobile USA shares for shares of Sprint Nextel common stock?

A: *No.* After the completion of the merger, Sprint Nextel will send you a letter indicating any documents that may be required from you and the number of shares of Sprint Nextel common stock and amount of cash in lieu of fractional shares, if any, that you will receive in exchange for your Virgin Mobile USA shares. Because Virgin Mobile USA does not have certificated shares, the exchange will occur electronically without any issuance or

delivery of physical stock certificates or any action by stockholders. The shares of Sprint Nextel common stock you receive in the merger will be issued in book-entry form. For further discussion, see The Merger Manner and Procedure for Exchanging Virgin Mobile USA Shares; No Fractional Shares.

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SUMMARY

*This summary highlights selected information contained in this proxy statement/prospectus. It may not contain all of the information that is important to you. You are urged to carefully read the entire proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus in their entirety because the information in this section does not provide all of the information that might be important to you with respect to the merger agreement and the merger. See *Where You Can Find More Information* beginning on page 141. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.*

Information about the Companies (page 31)

Sprint Nextel Corporation

Sprint Nextel Corporation, a Kansas corporation, is a global communications company offering a comprehensive range of wireless and wireline communications products and services that are designed to meet the needs of its targeted customer groups: individuals, small- to mid-sized businesses, large enterprises and government customers. Sprint Nextel has organized its operations to meet the needs of its targeted customer groups through focused communications solutions that incorporate the capabilities of its wireless and wireline services. Sprint Nextel is one of the three largest wireless companies in the United States based on the number of wireless subscribers. Sprint Nextel owns extensive wireless networks and a global long distance, Tier 1 Internet backbone.

The Sprint Nextel common stock is listed on the NYSE under the symbol S. The principal executive offices of Sprint Nextel are located at 6200 Sprint Parkway, Overland Park, Kansas 66251, and its telephone number is (800) 829-0965.

Additional information about Sprint Nextel is included in documents incorporated by reference into this proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 141.

Sprint Mozart, Inc.

Sprint Mozart, Inc., which we sometimes refer to as Merger Sub or Sprint Mozart, is a direct wholly-owned subsidiary of Sprint Nextel formed solely for the purpose of consummating the merger. Sprint Mozart has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. The principal executive offices of Sprint Mozart are located at 6200 Sprint Parkway, Overland Park, Kansas 66251, and its telephone number is (800) 829-0965.

Virgin Mobile USA, Inc.

Virgin Mobile USA, Inc., a Delaware corporation, through its subsidiary, the Operating Partnership, is a leading national provider of wireless communications services, offering prepaid and postpaid services. Customers are attracted to Virgin Mobile USA's products and services because of its flexible terms, easy to understand and value-oriented pricing structures, stylish handsets offered at affordable prices and relevant mobile data and entertainment content. Virgin Mobile USA's prepaid product and service offerings have no annual contract or credit check and they attract a wide range of customers, approximately half of whom are ages 35 and under. Virgin Mobile USA's voice and data plans allow customers to talk, use text messaging, picture messaging, email and instant messaging on a per usage basis or according to the terms of monthly hybrid plans.

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Virgin Mobile USA's Class A common stock is listed on the NYSE under the symbol VM. The principal executive offices of Virgin Mobile USA are located at 10 Independence Boulevard, Warren, New Jersey 07059, and its telephone number is (908) 607-4000.

Additional information about Virgin Mobile USA and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 141.

The Merger (page 35)

Sprint Nextel, Virgin Mobile USA and Merger Sub entered into the merger agreement on July 27, 2009. Subject to the terms and conditions of the merger agreement, Merger Sub will be merged with and into Virgin Mobile USA, with Virgin Mobile USA continuing as the surviving corporation. Upon the completion of the merger, Virgin Mobile USA will be a wholly-owned subsidiary of Sprint Nextel, and all shares of Virgin Mobile USA (comprised of shares of Class A common stock, Class B common stock, Class C common stock and preferred stock) will no longer be outstanding and Class A common stock will no longer be publicly traded.

A copy of the merger agreement is attached as [Annex A](#) to this proxy statement/prospectus. You are encouraged to read the merger agreement carefully in its entirety because it is the legal agreement that governs the merger.

Merger Consideration (page 81)

Subject to stockholder approval as described in this proxy statement/prospectus and satisfaction or waiver of the other conditions specified in the merger agreement, in connection with the merger:

all stockholders of Virgin Mobile USA, excluding the Virgin Group, SK Telecom and Sprint Nextel, will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Class A common stock that they own, and cash in lieu of fractional shares, based on the exchange ratio described below;

the Virgin Group will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Class A common stock and Class C common stock that it owns, and cash in lieu of fractional shares, based on the exchange ratio multiplied by 93.09%;

SK Telecom will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of Class A common stock that it owns, and cash in lieu of fractional shares, based on the exchange ratio multiplied by 89.84%;

the Virgin Group and SK Telecom will be entitled to receive a number of shares of Sprint Nextel common stock for each outstanding share of preferred stock that they own, and cash in lieu of fractional shares, equal to the number of shares of Class A common stock into which each share of preferred stock is convertible, multiplied by (1) in the case of the Virgin Group, the exchange ratio multiplied by 93.09%, and (2) in the case of SK Telecom, the exchange ratio multiplied by 89.84%; and

the Virgin Group and SK Telecom will be entitled to receive consideration in connection with certain contractual obligations of Virgin Mobile USA, which consideration will be payable in cash or Sprint Nextel common stock, at Sprint Nextel's election, as described in this proxy statement/prospectus.

The exchange ratio will be equal to the number determined by dividing \$5.50 by the average of the closing prices of Sprint Nextel common stock on the NYSE for the 10 trading days ending on the second

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trading day immediately preceding the effective time of the merger, which we refer to as the Average Parent Stock Price. However, in no event will the exchange ratio be less than 1.0630 or greater than 1.3668.

Sprint Nextel will not issue any fractional shares of Sprint Nextel common stock in the merger. Instead, a Virgin Mobile USA stockholder who otherwise would have received a fraction of a share of Sprint Nextel common stock will receive an amount in cash rather than a fractional share.

As described above, the Virgin Group and SK Telecom agreed to receive a number of shares of Sprint Nextel common stock in respect of each of their Virgin Mobile USA shares that is less than the number of shares of Sprint Nextel common stock that will be received by Virgin Mobile USA's unaffiliated stockholders with respect to each of their Virgin Mobile USA shares. This agreement was the result of a negotiation process in which a special committee of the board of directors of Virgin Mobile USA, which we refer to as the Transaction Committee, sought, and Sprint Nextel agreed to, an increase in the per share consideration to unaffiliated stockholders. Sprint Nextel's agreement with respect to that increase was based upon the agreement of the Virgin Group and SK Telecom to accept a reduction in the per share consideration applicable to their shares, as well as the Virgin Group's agreement to a reduction in the amount payable to it under a termination and mutual release agreement dated July 27, 2009, by and among Virgin Mobile USA, Sprint Nextel and the Virgin Group, which we refer to as the tax receivable termination agreement. See The Merger Voting Agreements and Other Transaction Agreements Tax Receivable Termination Agreement. For further discussion of these negotiations, see The Merger Background of the Merger.

The following table sets forth the number of shares of Sprint Nextel common stock that the stockholders of Virgin Mobile USA would receive for each outstanding Virgin Mobile USA share they own and that the Virgin Group and SK Telecom would receive with respect to the contractual obligations of Virgin Mobile USA, assuming that the merger had been completed as of October 22, 2009 (the latest practicable date prior to the date of this proxy statement/prospectus) and that Sprint Nextel had elected to pay in shares of Sprint Nextel common stock the obligations under the tax receivable termination agreement, a payoff and termination agreement dated July 27, 2009, by and among the Operating Partnership, Sprint Nextel, Virgin Entertainment and SK Telecom, which we refer to as the payoff agreement, and a second amended and restated trademark license agreement, dated July 27, 2009, by and among Virgin Enterprises Limited, an affiliate of the Virgin Group, which we refer to as Virgin Enterprises, and the Operating Partnership, which we refer to as the amended trademark license agreement (see The Merger Voting Agreements and Other Transaction Agreements Payoff Agreement and The Merger Voting Agreements and Other Transaction Agreements Amended Trademark License Agreement):

Stockholder	Number of Shares of Sprint Nextel Common Stock
Public stockholders ⁽¹⁾	
Per share of Class A common stock	1.3668
The Virgin Group	
Per share of Class A common stock	1.2724
Per share of Class C common stock	1.2724
Per share of preferred stock	149.6941
Contractual obligations ⁽²⁾	27,204,277
SK Telecom	
Per share of Class A common stock	1.2279
Per share of preferred stock	144.4588
Contractual obligations ⁽³⁾	3,423,539

Sprint Nextel

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- (1) Excludes the Virgin Group, SK Telecom and Sprint Nextel.
- (2) Consists of 9,781,540, 13,821,944 and 3,600,793 shares of Sprint Nextel common stock issuable to the Virgin Group by Sprint Nextel under the payoff agreement, tax receivable termination agreement and

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amended trademark license agreement, respectively. If Sprint Nextel had elected to pay these obligations in cash instead of stock, the amounts payable under the payoff agreement, tax receivable termination agreement and amended trademark license agreement would have been approximately \$34,499,494, \$48,750,000 and \$12,700,000, respectively.

- (3) Represents shares of Sprint Nextel common stock issuable to SK Telecom by Sprint Nextel under the payoff agreement. If Sprint Nextel had elected to pay this obligation in cash instead of stock, the amount payable under the payoff agreement would have been \$12,074,823.

As discussed above, the Average Parent Stock Price to be used to determine the actual merger consideration will be based on the period preceding the effective time of the merger. In addition, the amounts payable to the Virgin Group and SK Telecom under the payoff agreement and tax receivable termination agreement, as applicable, will be determined as of the closing date of the merger. **As a result, the actual amount of consideration, including the number of shares of Sprint Nextel common stock to be issued, will not be determined until immediately preceding the closing of the merger and may differ from the amounts specified above.**

Virgin Mobile USA's Reasons for the Merger; Recommendation of the Virgin Mobile USA Board of Directors (page 48)

The Virgin Mobile USA board of directors believes that the merger agreement and the merger are advisable and fair to, and in the best interests of, Virgin Mobile USA and its stockholders and has approved the merger and the merger agreement. **The Virgin Mobile USA board of directors recommends that Virgin Mobile USA stockholders vote FOR adoption of the merger agreement.**

For the factors considered by the Virgin Mobile USA board of directors in reaching its decision to approve the merger agreement, see The Merger Virgin Mobile USA's Reasons for the Merger; Recommendation of the Virgin Mobile USA Board of Directors.

Opinion of Virgin Mobile USA's Financial Advisor (page 52)

In connection with the merger, the Transaction Committee received an opinion, dated July 27, 2009, from Deutsche Bank Securities Inc., which we refer to as Deutsche Bank, as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration to be received by holders of Class A common stock, excluding Sprint Nextel, the Virgin Group, SK Telecom and their affiliates. The full text of Deutsche Bank's written opinion, which sets forth, among other things, the procedures followed, assumptions made, matters considered, and limitations, qualifications and conditions of the review undertaken in rendering its opinion, is attached as Annex B to this proxy statement/prospectus. **The opinion was directed to the Transaction Committee and addresses only the fairness, from a financial point of view, of the merger consideration to be received by holders of Class A common stock, excluding Sprint Nextel, the Virgin Group, SK Telecom and their affiliates. The opinion does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how the stockholder should vote or act with respect to any matters relating to the merger agreement.**

Sprint Nextel's Reasons for the Merger (page 60)

After careful consideration, the Sprint Nextel board of directors approved the merger agreement and the merger. For the factors considered by the Sprint Nextel board of directors in reaching its decision to approve the merger agreement, see The Merger Sprint Nextel's Reasons for the Merger.

Board of Directors of Sprint Nextel Following Completion of the Merger (page 69)

There are no changes to the composition of the Sprint Nextel board of directors contemplated in connection with the merger. Information about the current Sprint Nextel directors and executive officers can be found in the documents listed under [Where You Can Find More Information](#).

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Interests of Certain Persons in the Merger (page 63)

In considering the recommendation of the Virgin Mobile USA board of directors with respect to the merger agreement, stockholders should be aware that members of the Virgin Mobile USA board of directors and Virgin Mobile USA's executive officers, as well as the strategic stockholders of Virgin Mobile USA, have interests in the merger that may be different from, or in addition to, the interests of Virgin Mobile USA stockholders generally. For the executive officers, the completion of the merger will result in, among other things, the conversion of certain outstanding and unexercised Virgin Mobile USA stock options and other equity-based awards into stock options and other equity-based awards of Sprint Nextel, the modification of certain performance-based vesting conditions and the payment of certain severance benefits in the event the executive officer were to be involuntarily terminated without cause or were to voluntarily terminate employment for good reason within a specified period of the transaction date. For Virgin Mobile USA's non-employee directors, the completion of the merger will result in the acceleration of all of their unvested and outstanding equity-based awards. For the approximate value of the potential benefits that could be received by the executive officers and the directors, see *The Merger Interests of Certain Persons in the Merger Effect on Equity-Based Awards Outstanding Under the Omnibus Plan*. The members of the Virgin Mobile USA board of directors were aware of these interests, and considered them, when they approved the merger agreement.

For further discussion, see *The Merger Interests of Certain Persons in the Merger*.

Treatment of Virgin Mobile USA Stock Options and Other Equity-Based Awards (pages 70 and 82)

Stock Options. Each Virgin Mobile USA stock option granted under Virgin Mobile USA's 2007 Omnibus Incentive Compensation Plan, which we refer to as the Omnibus Plan, outstanding as of the effective time of the merger under which the option price to purchase a share of Class A common stock exceeds the fair market value of a share of Class A common stock immediately prior to the effective time of the merger will be canceled without payment or consideration pursuant to the terms of the Omnibus Plan as a result of the merger. Each other outstanding option will cease to represent a right to acquire shares of Class A common stock and will be converted into an option to purchase a number of shares of Sprint Nextel common stock equal to the product of the number of shares of Class A common stock subject to the Virgin Mobile USA stock option and the exchange ratio. Any resulting fractional shares will be rounded down to the nearest whole share. The exercise price per share of Sprint Nextel common stock under each converted stock option will be equal to the exercise price per share under the Virgin Mobile USA stock option prior to conversion divided by the exchange ratio, rounded up to the nearest cent. The duration and other terms of each converted stock option, after giving effect to any rights resulting exclusively from the merger and pursuant to the Omnibus Plan, the award agreement under the plan and the applicable employment agreement, will be the same as the corresponding Virgin Mobile USA stock option.

Other Equity-Based Awards. Each Virgin Mobile USA stock-based right or award outstanding immediately prior to the effective time of the merger will be converted into a right or award with respect to a number of shares of Sprint Nextel common stock equal to the product of the number of shares of Virgin Mobile USA common stock subject to the stock-based award and the exchange ratio. Any resulting fractional shares will be rounded down to the nearest whole share. After giving effect to any rights resulting exclusively from the merger and pursuant to the Omnibus Plan, the award agreements under the plan and any applicable employment agreement, converted stock-based awards will otherwise remain subject to the terms of the Omnibus Plan and the agreements or letters evidencing grants under the plan.

Some of the outstanding Virgin Mobile USA stock-based awards are subject to performance-based vesting requirements based on Virgin Mobile USA's performance for 2009 and for 2010. The awards with performance-based

vesting requirements related to performance for 2009 will remain subject to those requirements, but the determination as to whether those requirements have been met will be based on actual performance through the end of the month, which ends on, or immediately precedes, the closing date of the

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merger and comparing this performance to the pro rata portion of the applicable annual performance target for the Virgin Mobile USA stock-based award based on the number of months in 2009 completed on or prior to the closing date of the merger. The performance requirements for 2010 will be deemed met on December 31, 2010 without regard to actual performance for 2010.

Regulatory Approvals Required for the Merger (page 75)

Sprint Nextel and Virgin Mobile USA have agreed to use their reasonable best efforts to obtain all regulatory approvals required to complete the transactions contemplated by the merger agreement. Sprint Nextel and Virgin Mobile USA have filed the required notification under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, which we refer to as the HSR Act, with the Federal Trade Commission, which we refer to as the FTC, and the Antitrust Division of the Department of Justice, which we refer to as the DOJ. Sprint Nextel and Virgin Mobile USA have received early termination of the waiting period under the HSR Act from the FTC and DOJ. Virgin Mobile USA and Sprint Nextel have also jointly filed transfer of control applications with the Federal Communications Commission, which we refer to as the FCC, with respect to the certificates of authority, which we refer to as the international Section 214 authorizations, under Section 214 of the U.S. Communications Act of 1934, as amended, which we refer to as the Communications Act, held by Virgin Mobile USA through its Operating Partnership and the operating subsidiaries of Helio LLC. The FCC approved these authorizations effective September 11, 2009.

Expected Timing of the Merger (page 76)

Virgin Mobile USA and Sprint Nextel currently expect to complete the merger in the fourth quarter of 2009 or the first quarter of 2010, subject to receipt of Virgin Mobile USA stockholder approval, governmental and regulatory approvals and the satisfaction or waiver of other closing conditions. However, no assurance can be given as to when, or if, the merger will occur. If the merger has not been completed by March 31, 2010, either Sprint Nextel or Virgin Mobile USA may terminate the merger agreement (so long as the party terminating is not in breach of its obligations under the merger agreement).

Risk Factors (page 23)

In evaluating the merger, the merger agreement and the Sprint Nextel common stock to be received in connection with the merger, you should carefully read this proxy statement/prospectus and especially consider the factors discussed in the section entitled Risk Factors.

Accounting Treatment (page 76)

As a result of the proposed merger, Sprint Nextel will own all outstanding Virgin Mobile USA shares. Consequently, Sprint Nextel's accounting for the purchase of Virgin Mobile USA will include adjusting each asset and liability of Virgin Mobile USA to fair value and consolidating Virgin Mobile USA's assets, liabilities and operations with those of Sprint Nextel.

Material U.S. Federal Income Tax Consequences of the Merger (page 76)

Virgin Mobile USA and Sprint Nextel intend for the merger to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the Code, for U.S. federal income tax purposes. Assuming the merger qualifies for this treatment, a holder of Virgin Mobile USA shares generally will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of the holder's Virgin Mobile USA shares for shares of Sprint Nextel common stock pursuant to the merger, except with respect to cash, if any, received in lieu of a fractional share of Sprint Nextel common stock. The completion of the merger is

conditioned on, among other things, the receipt by Virgin Mobile USA of a tax opinion from Simpson Thacher & Bartlett LLP, counsel to Virgin Mobile USA, dated as of the

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closing date of the merger, that the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code.

For a more complete description of the material U.S. federal income tax consequences of the merger, see [The Merger Material U.S. Federal Income Tax Consequences of the Merger](#).

The tax consequences of the merger to you may depend on your own situation. In addition, you may be subject to state, local or foreign tax laws that are not addressed in this proxy statement/prospectus. You are urged to consult with your own tax advisor for a full understanding of the tax consequences of the merger to you.

No Appraisal Rights (page 79)

Under Delaware law, stockholders of Virgin Mobile USA do not have any dissenters' rights or rights to an appraisal of the value of their shares in connection with the merger. Please see [The Merger No Appraisal Rights](#).

Listing of Sprint Nextel Common Stock (page 79)

Application will be made by Sprint Nextel to have the shares of Sprint Nextel common stock to be issued in connection with the merger approved for listing on the NYSE, where the Sprint Nextel common stock is currently traded. If the merger is consummated, the Virgin Mobile USA Class A common stock will no longer be listed on the NYSE and will be deregistered under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act.

Litigation Relating to the Merger (page 79)

Since the announcement on July 28, 2009 of the signing of the merger agreement, seven putative shareholder class action lawsuits related to the merger have been filed, two in federal court in the District of New Jersey and five in the Superior Court of New Jersey. Two of the state cases were filed by the same plaintiffs who filed the federal lawsuits. On August 13, 2009, one of the federal court lawsuits was dismissed for lack of jurisdiction and refiled on August 18, 2009 in the Superior Court of New Jersey (becoming the fourth state complaint). The state court complaints name as defendants Virgin Mobile USA and its directors, Sprint Nextel and Sprint Mozart. The lawsuits generally allege, among other things, that the consideration agreed to in the merger agreement is inadequate and unfair to Virgin Mobile USA stockholders and that the individual defendants (and, in some cases, Virgin Mobile USA) breached their fiduciary duties in approving the merger agreement and that those breaches were aided and abetted by Sprint Nextel, among others. The lawsuits seek, among other things, injunctive and monetary relief and attorneys' fees. On October 6, 2009, Virgin Mobile USA, the members of its board of directors, Sprint Nextel and Sprint Mozart entered into a memorandum of understanding with the plaintiffs in the state cases reflecting an agreement in principle to settle the cases based on their agreement to include in this proxy statement/prospectus certain additional disclosures relating to the transaction. The memorandum of understanding is subject to customary conditions including the completion of appropriate settlement documentation, completion of due diligence to confirm the fairness of the settlement, approval by the Superior Court of New Jersey, and consummation of the merger. If the settlement is consummated, the state cases will be dismissed with prejudice. Also on October 6, 2009, the parties to the memorandum of understanding agreed that the remaining federal lawsuit would be voluntarily dismissed by the plaintiffs in that case.

In addition, on September 10, 2009, a complaint was filed against Sprint Nextel by three subsidiaries of iPCS, Inc. claiming, among other things, that the merger would breach certain exclusivity provisions under iPCS' subsidiaries management agreements with Sprint Nextel. This lawsuit seeks declaratory and injunctive relief with respect to the merger. On October 19, 2009, Sprint Nextel and iPCS announced that they entered into an agreement for Sprint Nextel to acquire iPCS. In connection with this proposed acquisition, Sprint

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Nextel and iPCS, and certain of their subsidiaries, entered into a settlement agreement pursuant to which they have agreed to seek an immediate stay of all pending litigation between the parties, with a final resolution to become effective upon closing of the acquisition. On October 19, 2009, the Circuit Court of Cook County, Illinois, Chancery Division, entered a stay of the litigation. The acquisition is subject to the successful completion of a tender offer, receipt of customary regulatory approvals and other customary closing conditions, and is expected to be completed either late in the fourth quarter of 2009 or early 2010.

No Solicitation by Virgin Mobile USA (page 90)

Virgin Mobile USA has agreed that it and its representatives will not:

solicit any inquiries or make any proposal or offer with respect to a tender offer or exchange offer, merger, consolidation or other business combination involving Virgin Mobile USA and/or its subsidiaries;

solicit any inquiries or make any proposal or offer with respect to any acquisition proposal; or

participate in or knowingly encourage any negotiations or discussions concerning, or provide information or data to, any person relating to an acquisition proposal.

Virgin Mobile USA has agreed to, among other things, immediately cease and cause to be terminated any existing activities with respect to any acquisition proposal and to promptly notify Sprint Nextel in writing of the receipt of any acquisition proposal after the date of the execution of the merger agreement and to keep Sprint Nextel reasonably informed of the status and details of any proposal.

Prior to the adoption of the merger agreement by Virgin Mobile USA stockholders, Virgin Mobile USA may engage in certain activities in response to an unsolicited bona fide acquisition proposal. The merger agreement provides that if, at any time prior to the adoption of the merger agreement by Virgin Mobile USA stockholders, the Virgin Mobile USA board of directors determines, in response to an unsolicited acquisition proposal that did not otherwise result from a material breach of the applicable provisions of the merger agreement described above, that the acquisition proposal is a superior proposal, then Virgin Mobile USA or its board of directors may, among other things, terminate the merger agreement. Additionally, the voting agreements with the Virgin Group and SK Telecom will terminate upon termination of the merger agreement. See The Merger Voting Agreements and Other Transaction Agreements.

For a more complete description of the provisions, including what constitutes an acquisition proposal and a superior proposal, see The Merger Agreement Agreement Not to Solicit Other Offers.

Conditions to Completion of the Merger (page 98)

The obligations of each of Virgin Mobile USA, Sprint Nextel and/or Merger Sub to effect the merger are subject to the satisfaction or waiver, prior to the effective time of the merger, of the following conditions, among others:

adoption of the merger agreement by Virgin Mobile USA stockholders;

the registration statement on Form S-4, of which this proxy statement/prospectus forms a part, having been declared effective by the Securities and Exchange Commission, which we refer to as the SEC, and the absence of a stop order suspending the effectiveness of the Form S-4 or proceedings pending before, or threatened by, the SEC for that purpose;

approval for listing on the NYSE of the shares of Sprint Nextel common stock to be issued to Virgin Mobile USA's stockholders in connection with the merger, subject to official notice of issuance;

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the representations and warranties of Virgin Mobile USA, Sprint Nextel and Merger Sub being true and correct, subject to various materiality thresholds, and Virgin Mobile USA, Sprint Nextel and Merger Sub having performed or complied with, in all material respects, all of its obligations, agreements and covenants under the merger agreement;

absence of any instituted or pending action, investigation or proceeding by any governmental entity, or by any other person before any governmental entity, that would adversely affect the merger, Sprint Nextel or Virgin Mobile USA;

the other transaction agreements entered into in connection with the merger agreement being in force and effect at the effective time of the merger and Daniel H. Schulman, Virgin Mobile USA's Chief Executive Officer, not having rescinded his employment agreement with Sprint Nextel entered into at the time of the merger agreement or advised Sprint Nextel that he is unwilling to continue employment following the effective time of the merger;

receipt by Sprint Nextel of documentation evidencing that all outstanding indebtedness and all other obligations under Virgin Mobile USA's senior and subordinated credit agreements have been paid, discharged or otherwise terminated; and

receipt by Virgin Mobile USA of an opinion of its counsel relating to the U.S. federal income tax treatment of the merger.

Sprint Nextel and Virgin Mobile USA cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party, or that the merger will be completed. As of the date of this proxy statement/prospectus, Sprint Nextel and Virgin Mobile USA have no reason to believe that any of these conditions will not be satisfied.

Termination of the Merger Agreement (page 100)

The merger agreement may be terminated at any time prior to the effective time of the merger, even after the adoption by Virgin Mobile USA's stockholders, by:

the mutual written consent of Sprint Nextel, Merger Sub and Virgin Mobile USA;

Sprint Nextel or Virgin Mobile USA, provided that the party terminating is not in breach of its obligations under the merger agreement, if the effective time of the merger has not occurred on or before March 31, 2010;

Virgin Mobile USA if, prior to the merger agreement being adopted by its stockholders, Virgin Mobile USA receives an acquisition proposal that its board of directors determines constitutes a superior proposal, in which case Virgin Mobile USA would be obligated to pay the termination fee described below;

Sprint Nextel if, prior to the merger agreement being adopted by the Virgin Mobile USA stockholders, the Virgin Mobile USA board of directors has withdrawn, modified or qualified its recommendation to the Virgin Mobile USA stockholders to adopt the merger agreement, which we refer to as a change of recommendation, or has publicly proposed to recommend, adopt or approve another acquisition proposal;

Sprint Nextel or Virgin Mobile USA if the other party has breached its representations, warranties, covenants or agreements under the merger agreement such that the applicable closing conditions would not be satisfied

(and the breach is incapable of being cured prior to March 31, 2010); or

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Sprint Nextel or Virgin Mobile USA if the merger agreement is not adopted by the Virgin Mobile USA stockholders at the Virgin Mobile USA special meeting.

Termination Fees and Expenses (page 101)

Under the terms of the merger agreement, Virgin Mobile USA is obligated to pay Sprint Nextel a cash termination fee of \$14.2 million in the event that:

Virgin Mobile USA exercises its right to terminate the merger agreement upon the receipt of a superior proposal;

Sprint Nextel exercises its right to terminate the merger agreement upon the Virgin Mobile USA board of directors effecting a change of recommendation or having recommended, adopted or approved another acquisition proposal; or

Sprint Nextel or Virgin Mobile USA exercises its right to terminate the merger agreement (1) due to a failure of the merger to be consummated on or before March 31, 2010 or the failure of Virgin Mobile USA stockholders to adopt the merger agreement (other than following a change of recommendation or the recommendation by the Virgin Mobile USA board of directors of another acquisition proposal, as described above), (2) prior to the termination an acquisition proposal is made public or known to the Virgin Mobile USA board of directors and is not withdrawn, and (3) within twelve months after the termination, Virgin Mobile USA enters into a definitive agreement with respect to, or consummates, the acquisition proposal.

The term acquisition proposal with respect to any termination fee has the meaning described in The Merger Agreement Agreement Not to Solicit Other Offers, except that references to 10% or more are changed to more than 50%.

Rights of Virgin Mobile USA Stockholders Will Change as a Result of the Merger (page 121)

Virgin Mobile USA is a Delaware corporation. Sprint Nextel is a Kansas corporation. The shares of Sprint Nextel common stock that Virgin Mobile USA stockholders will receive in connection with the merger will be shares of a Kansas corporation. Stockholder rights under Delaware and Kansas law are different. In addition, Virgin Mobile USA stockholders receiving merger consideration will have different rights once they become Sprint Nextel stockholders due to differences between the governing documents of Sprint Nextel and Virgin Mobile USA. These differences are described in detail under Comparison of Rights of Sprint Nextel Stockholders and Virgin Mobile USA Stockholders.

Virgin Mobile USA Special Meeting (page 32)

The meeting will be held on November 24, 2009 at 9:00 a.m., local time, at the Courtyard by Marriott Basking Ridge, 595 Martinsville Road, Basking Ridge, New Jersey 07920. At the meeting, Virgin Mobile USA stockholders will be asked to vote on the following proposals:

to adopt the merger agreement; and

to approve the adjournment of the meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes to adopt the merger agreement at the time of the meeting.

Record Date. Only holders of record at the close of business on October 22, 2009 will be entitled to vote at the meeting, provided that the shares remain outstanding on the date of the meeting. As of the close of business on the record date, there were 67,354,173 shares of Class A common stock, one share of Class B common stock, 115,062 shares of Class C common stock and 53,000 shares of preferred stock outstanding and entitled to vote

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at the meeting. Each holder of Class A common stock and Class C common stock is entitled to one vote. Sprint Ventures, Inc., a wholly-owned subsidiary of Sprint Nextel, which is the only holder of Class B common stock, is entitled to a number of votes that is equal to the number of shares of Class A common stock for which the partnership units it holds in the Operating Partnership are exchangeable. As of the record date, the partnership units held by Sprint Ventures are exchangeable for 12,058,626 shares of Class A common stock and Sprint Ventures is therefore entitled to 12,058,626 votes with respect to its share of Class B common stock. Each holder of preferred stock is entitled to one vote for each share of Class A common stock into which the share of preferred stock is convertible as of the record date. As of the record date, each share of preferred stock was convertible into 117.64706 shares of Class A common stock and therefore entitled to 117.64706 votes per share of preferred stock.

Required Vote. To adopt the merger agreement, the holders of a majority of the combined voting power of outstanding Virgin Mobile USA shares entitled to vote on the proposal, voting together as a single class, must vote in favor of adoption of the merger agreement. Because approval is based on the affirmative vote of a majority of the combined voting power of the shares outstanding, a Virgin Mobile USA stockholder's failure to vote or an abstention will have the same effect as a vote against adoption of the merger agreement.

The proposal to adjourn the meeting to solicit additional proxies will be decided by the affirmative vote of the holders of a majority of the combined voting power of all outstanding shares present in person or represented by proxy at the meeting and entitled to vote on the proposal in accordance with Virgin Mobile USA's second amended and restated bylaws, which we refer to as Virgin Mobile USA's bylaws, regardless of whether a quorum is present. Because approval of this matter is based on the affirmative vote of the holders of a majority of the combined voting power of all outstanding shares present in person or by proxy and entitled to vote, abstentions will have the same effect as a vote against this matter, but failures to be present to vote will have no effect.

Under voting agreements entered into with Sprint Nextel, each of the Virgin Group and SK Telecom agreed that at the meeting it will vote a number of its Virgin Mobile USA shares (in the case of the Virgin Group, the number constituting not less than 14,362,279 shares, or approximately 16.8% of the total voting power of Virgin Mobile USA as of the record date, and in the case of SK Telecom, the number constituting not less than 7,735,790 shares, or approximately 9.0% of the total voting power of Virgin Mobile USA as of the record date) that are entitled to vote, in each case:

in favor of the adoption of the merger agreement, approval of the merger or any other action of the stockholders of Virgin Mobile USA reasonably requested by Sprint Nextel in furtherance thereof;

against any action or agreement that is in opposition to, or competitive or inconsistent with, the merger or that would result in a breach of any covenant, representation or warranty of the Virgin Group or SK Telecom contained in its respective voting agreement;

against any other acquisition proposal; and

against any other action, agreement or transaction that would otherwise materially interfere with, delay, postpone, discourage, frustrate the purposes of or adversely affect the merger or the other transactions contemplated by the merger agreement or each respective voting agreement or the performance by the Virgin Group or SK Telecom of its obligations under its respective voting agreement.

As of the close of business on the record date:

Sprint Nextel and its direct or indirect wholly-owned subsidiaries had the right to vote one share of Class B common stock entitled to an equivalent of 12,058,626 votes (and no shares of Class A common stock, Class C

common stock or preferred stock), or approximately 14.1% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting;

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the Virgin Group had the right to vote 22,904,055 shares of Class A common stock, 115,062 shares of Class C common stock and 26,500 shares of preferred stock, or approximately 30.5% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting;

SK Telecom had the right to vote 11,192,741 shares of Class A common stock and 26,500 shares of preferred stock (and no shares of Class C common stock), or approximately 16.7% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting; and

directors and executive officers of Virgin Mobile USA and their affiliates had the right to vote 971,872 shares of Class A common stock (and no shares of Class C common stock or preferred stock), or approximately 1.1% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting.

No Sprint Nextel Stockholder Approval (page 76)

Sprint Nextel stockholders are not required to adopt the merger agreement or approve the merger or the issuance of shares of Sprint Nextel common stock in connection with the merger.

Table of Contents**Comparative Per Share Data**

The following table sets forth selected unaudited comparative historical per share data for Sprint Nextel and Virgin Mobile USA and selected unaudited pro forma combined per share data after giving effect to the proposed merger. The unaudited pro forma combined earnings per share data have been prepared assuming that the proposed transaction was consummated on January 1, 2008. The unaudited pro forma combined book value per share data are based on the assumption that the proposed merger was consummated as of the relevant balance sheet date.

The unaudited pro forma combined per share data include estimates to adjust assets and liabilities of Virgin Mobile USA to their respective fair values based on information available at this time. These estimates may vary from estimates at the time of closing as additional information becomes available. Pro forma amounts are not necessarily indicative of the results of operations or financial position that would have resulted had the proposed merger been consummated on the dates indicated and should not be construed as being indicative of future performance. The information below should be read in conjunction with the financial statements and accompanying notes of Sprint Nextel and Virgin Mobile USA, which are incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information](#). We urge you also to read [Selected Historical Consolidated Financial Data of Sprint Nextel](#) and [Selected Historical Consolidated Financial Data of Virgin Mobile USA](#).

	Historical		Pro Forma	
	Sprint	Virgin Mobile	Sprint Nextel Unaudited Pro Forma	Virgin Mobile USA Equivalent Unaudited Pro Forma ⁽¹⁾
As of and for the Six Months Ended June 30, 2009	Nextel	USA		
Income (loss) from continuing operations per common share:				
Basic	\$ (0.34)	\$ 0.47	\$ (0.33)	\$ (0.45)
Diluted	\$ (0.34)	\$ 0.42	\$ (0.33)	\$ (0.45)
Cash dividends per common share	\$	\$	\$	\$
Book value per common share ⁽²⁾	\$ 6.52	\$ (3.98)	\$ 6.47	\$ 8.85
As of and for the Year Ended December 31, 2008				
Income (loss) from continuing operations per common share:				
Basic	\$ (0.98)	\$ 0.13	\$ (0.98)	\$ (1.34)
Diluted	\$ (0.98)	\$ 0.13	\$ (0.98)	\$ (1.34)
Cash dividends per common share	\$	\$	\$	\$
Book value per common share ⁽²⁾	\$ 6.86	\$ (5.49)	\$ 6.80	\$ 9.30

(1) Virgin Mobile USA Equivalent Unaudited Pro Forma amounts are calculated by multiplying the Sprint Nextel per share amounts set forth under the column heading [Sprint Nextel Unaudited Pro Forma](#) by an assumed exchange ratio of 1.3668, which exchange ratio may vary as described under [The Merger Agreement](#) [Merger Consideration](#).

- (2) The Sprint Nextel unaudited pro forma book value per common share amounts set forth under the column heading Sprint Nextel Unaudited Pro Forma were calculated by dividing the total combined pro forma equity by the pro forma equivalent shares outstanding, which does not assume Sprint Nextel equity issuances for items that Sprint Nextel can elect to pay in cash or shares, as of the relevant balance sheet date. The number of pro forma shares to be issued as part of the proposed merger was calculated by using an assumed exchange ratio of 1.3668 and the closing price on the NYSE of a share of Sprint Nextel common stock of \$3.95 as of September 30, 2009.

Table of Contents**Market Prices and Dividend Information**

The Sprint Nextel common stock and Virgin Mobile USA Class A common stock are listed on the NYSE under the symbols S and VM, respectively. The following table shows the closing sale prices of the Sprint Nextel common stock and Virgin Mobile USA Class A common stock as reported on the NYSE on July 27, 2009, the last trading day before the merger agreement was announced, and on October 22, 2009, the last full trading day before the date of this proxy statement/prospectus. This table also shows the implied value of the merger consideration proposed for each share of Class A common stock, which was calculated by multiplying the closing price on the NYSE of a share of Sprint Nextel common stock as of the specified date by the exchange ratio applicable to the specified group of stockholders. For purposes of determining the exchange ratio, the Average Parent Stock Price was calculated using the 10 trading day period ending on the second trading day immediately preceding the specified date. As discussed in Merger Consideration above, the Average Parent Stock Price to be used to determine the actual merger consideration will be based on the corresponding period preceding the effective time of the merger.

	Closing Sale Price of Sprint Nextel Common Stock	Closing Sale Price of Virgin Mobile USA Class A Common Stock	Implied per Share Value of Merger Consideration to Public Stockholders⁽¹⁾	Implied per Share Value of Merger Consideration to the Virgin Group	Implied per Share Value of Merger Consideration to SK Telecom
July 27, 2009	\$ 4.55	\$ 4.21	\$ 5.50	\$ 5.12	\$ 4.94
October 22, 2009	\$ 3.38	\$ 4.50	\$ 4.62	\$ 4.30	\$ 4.15

(1) Excludes the Virgin Group, SK Telecom and Sprint Nextel.

The market price of the Sprint Nextel common stock and Virgin Mobile USA Class A common stock will fluctuate prior to the merger. You should obtain current market quotations for the shares.

Sprint Nextel declared and paid a dividend of \$0.025 per share on the Sprint Nextel common stock and its Series 2 common stock in each of the quarters of 2006 and 2007 and a dividend of \$0.025 per share on its non-voting common stock in each of the quarters of 2006. Sprint Nextel did not declare any dividends on its shares in 2008 and has not declared any dividend on its shares to date in 2009. In light of conditions in the business and financial markets, Sprint Nextel decided in early 2008 that it will not pay dividends for the foreseeable future. In addition, under its revolving bank credit facility, Sprint Nextel is currently restricted from paying any cash dividends as a result of its ratio of total indebtedness to trailing four quarters earnings before interest, taxes, depreciation and amortization and other non-cash gains or losses, such as goodwill impairment charges. Under its revolving bank credit facility, Sprint Nextel may not pay cash dividends unless this ratio is less than 2.5 to 1.0.

Virgin Mobile USA has never declared or paid a cash dividend on its common stock and does not anticipate paying any cash dividends on its common stock in the foreseeable future. Any future determination to pay dividends will be at the discretion of its board of directors and will be dependent upon then-existing conditions, including its financial condition and results of operations, contractual restrictions, business prospects and other factors that its board of

directors considers relevant. Its ability to pay dividends is also restricted by the terms of its credit agreements. Virgin Mobile USA's preferred stock carries a cumulative 6% annual dividend payable semi-annually. The preferred stock dividend is payable with additional shares of preferred stock at the stated value of \$1,000 per share. Virgin Mobile USA is currently restricted from declaring or paying any dividends on its shares under the terms of the merger agreement, except for the preferred stock dividends payable on September 30, 2009.

Table of Contents**Selected Historical Consolidated Financial Data of Sprint Nextel**

The following selected historical consolidated financial data of Sprint Nextel have been derived from the audited historical consolidated financial statements and related notes of Sprint Nextel as of and for each of the five years in the period ended December 31, 2008 and from the unaudited consolidated financial statements of Sprint Nextel as of and for the six-month periods ended June 30, 2009 and 2008. The selected historical consolidated financial data provide only a summary and should be read in conjunction with the audited consolidated financial statements and notes thereto, other financial information and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Sprint Nextel's filings with the SEC. See Where You Can Find More Information beginning on page 141. Historical results are not necessarily indicative of any results to be expected in the future.

	As of and for the Six Months Ended June 30, 2009 2008 (Unaudited)		As of and for the Year Ended December 31, 2008 2007 2006 2005 2004				
	<i>(In millions, except per share amounts)</i>						
Results of Operations							
Operating Data:							
Net operating revenues	\$ 16,350	\$ 18,389	\$ 35,635	\$ 40,146	\$ 41,003	\$ 28,771	\$ 21,647
(Loss) income from continuing operations ⁽¹⁾	(978)	(849)	(2,796)	(29,444)	995	821	(2,006)
Discontinued operations, net					334	980	994
Cumulative effect of change in accounting principle, net						(16)	
(Loss) Earnings per Share and Dividends:							
Basic and diluted (loss) earnings per common share from continuing operations ⁽¹⁾	\$ (0.34)	\$ (0.30)	\$ (0.98)	\$ (10.27)	\$ 0.34	\$ 0.40	\$ (1.40)
Discontinued operations					0.11	0.48	0.69
Cumulative effect of change in accounting principle						(0.01)	
Dividends per common share ⁽²⁾				0.10	0.10	0.30	See (2) below
Financial Position							
Operating Data:							
Total assets ⁽³⁾	\$ 55,885	\$ 62,805	\$ 58,252	\$ 64,295	\$ 97,161	\$ 102,760	\$ 41,321
Total debt and capital lease obligations including equity unit	19,618	22,358	21,610	22,130	22,154	25,014	16,425

otes)
 seventh series
 redeemable preferred
 shares

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- (1) For the six months ended June 30, 2009, Sprint Nextel recorded net charges of \$729 million primarily related to severance and exit costs and equity in losses of unconsolidated investments. For the six months ended June 30, 2008, Sprint Nextel recorded net charges of \$455 million related to severance and exit costs and merger and integration costs. In 2008, Sprint Nextel recorded net charges of \$1.910 billion primarily related to asset and goodwill impairments, severance and exit costs, and merger and integration costs. In 2007, Sprint Nextel recorded net charges of \$30.605 billion primarily related to merger and integration costs, asset and goodwill impairments, and severance and exit costs. In 2006, Sprint Nextel recorded net charges of \$620 million primarily related to merger and integration costs, asset impairments, and severance and exit costs. In 2005, Sprint Nextel recorded net charges of \$723 million primarily related to merger and integration costs, asset impairments, and severance and hurricane-related costs. In 2004, Sprint Nextel recorded net charges of \$3.7 billion primarily related to severance and the wireline network impairment, partially offset by recoveries of fully reserved receivables.

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- (2) Sprint Nextel did not declare any dividends on its shares in 2008 or, as of June 30, 2009, in 2009. In the first and second quarter of 2005, a dividend of \$0.125 per share was paid. In the third and fourth quarter of 2005 and for each quarter of 2006 and 2007, the dividend was \$0.025 per share. Before the recombination of its two tracking stocks, shares of PCS common stock did not receive dividends. For the year ended December 31, 2004, Sprint Nextel shares (before the conversion of shares of PCS common stock) received dividends of \$0.50 per share. In the first quarter of 2004, Sprint Nextel shares received a dividend of \$0.125 per share. In the second, third and fourth quarter of 2004, Sprint Nextel shares, which included shares resulting from the conversion of shares of PCS common stock, received quarterly dividends of \$0.125 per share.
- (3) During 2008 and 2007, Sprint Nextel performed its annual assessment of goodwill for impairment and recorded non-cash impairment charges of \$963 million and \$29.649 billion, respectively.

Table of Contents**Selected Historical Consolidated Financial Data of Virgin Mobile USA**

Virgin Mobile USA is a holding company formed in 2007 in connection with its initial public offering, which we refer to as the IPO, which occurred on October 16, 2007. Virgin Mobile USA accounted for its reorganization transactions, for periods prior to the IPO, using a carryover basis, similar to a pooling-of-interest as the reorganization transactions were premised on a non-substantive exchange in order to facilitate the IPO. This is consistent with Financial Accounting Standards Board Technical Bulletin 85-5, *Issues Relating to Accounting for Business Combinations, including Costs of Closing Duplicate Facilities of an Acquirer; Stock Transactions between Companies under Common Control; Down-Stream Mergers, Identical Common Shares for a Pooling of Interests; and Pooling of Interests by Mutual and Cooperative Enterprises*. Under this method of accounting, Virgin Mobile USA treated the companies as if they had always been combined for accounting and financial reporting purposes and, therefore, the consolidated financial statements for the years ended and as of December 31, 2006, 2005, and 2004 are presented on the same basis as that for the years ended and as of December 31, 2008 and 2007.

The selected financial data of Virgin Mobile USA as of December 31, 2008 and 2007 and for each of the years ended December 31, 2008, 2007 and 2006 are derived from Virgin Mobile USA's audited consolidated financial statements and related notes contained in its Annual Report on Form 10-K for the year ended December 31, 2008, which is incorporated by reference into this proxy statement/prospectus. The selected financial data as of December 31, 2006 have been derived from Virgin Mobile USA's audited consolidated financial statements for such year, which have not been incorporated by reference into this proxy statement/prospectus, and the selected financial data for the years ended and as of December 31, 2005 and 2004 have been derived from Virgin Mobile USA's accounting records. The selected financial data of Virgin Mobile USA as of and for the six months ended June 30, 2009 and June 30, 2008 have been derived from Virgin Mobile USA's unaudited condensed consolidated financial statements and related notes contained in its Quarterly Reports on Form 10-Q for the quarters ended June 30, 2009 and June 30, 2008, respectively. Virgin Mobile USA's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 is incorporated by reference into this proxy statement/prospectus. The information set forth below is only a summary and is not necessarily indicative of the results of operations for the full year ending December 31, 2009 or other future periods of Virgin Mobile USA, and you should read the following information together with Virgin Mobile USA's consolidated financial statements, the notes related thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Virgin Mobile USA's Annual Report on Form 10-K for the year ended December 31, 2008 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2009.

Effective October 1, 2008, Virgin Mobile USA elected to change the method of accounting for regulatory fees and tax surcharges, primarily the Universal Service Fund, or USF, contributions from a net basis to a gross basis in the statement of operations. As originally reported, Virgin Mobile USA accounted for USF contributions on a net basis so that USF remittances to government agencies were recorded as cost of service and the surcharge for USF collected from customers was recorded as a reduction of cost of service. Virgin Mobile USA changed its accounting policy to account for USF contributions on a gross basis so that the surcharge for USF collected from customers is recorded in net service revenue and remittances to government agencies are recorded in cost of service. This change in accounting policy, which was applied retroactively, increased both net service revenue and cost of service by \$13.3 million, \$12.5 million, \$2.9 million, and \$0.3 million during the years ended December 31, 2008, 2007, 2006, and 2005, respectively. Virgin Mobile USA did not collect any surcharges for USF contributions from its customers during the year ended December 31, 2004. This change in accounting policy does not change previously reported operating income (loss) or net income (loss).

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	As of and for the Six Months Ended June 30, 2009 2008 (Unaudited)		As of and for the Year Ended December 31, 2008 2007 2006 2005 2004				
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*(In thousands, except per share amounts)***Results of****Operations Data:**

Operating revenue:

Net service revenue	\$ 608,064	\$ 600,814	\$ 1,235,870	\$ 1,239,533	\$ 1,022,927	\$ 884,116	\$ 567,006
Net equipment and other revenue	36,789	49,067	87,623	85,890	90,524	106,116	123,632

Total operating
revenue

	644,853	649,881	1,323,493	1,325,423	1,113,451	990,232	690,638
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Net income⁽¹⁾⁽²⁾

	40,885	10,255	10,309	4,218	(36,941)	(108,665)	(176,236)
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Earnings (loss) per
weighted average
common share
basic⁽²⁾

	\$ 0.47	\$ 0.16	\$ 0.13	\$ 0.13	\$ (1.45)	\$ (4.49)	\$ (7.36)
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Earnings (loss) per
weighted average
common share
diluted⁽²⁾

	\$ 0.42	\$ 0.16	\$ 0.13	\$ 0.08	\$ (1.45)	\$ (4.49)	\$ (7.36)
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Financial Position Data:

Total assets	\$ 320,687	\$ 255,159	\$ 367,068	\$ 282,039	\$ 276,947	\$ 221,232	\$ 165,394
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Total debt and
capital lease
obligations

	257,094	300,372	267,174	323,751	553,298	497,527	98,965
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Redeemable

preferred stock ⁽³⁾			50,000				
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(1) Net income for the year ended December 31, 2008 has been recast to reflect the adoption of Statement of Financial Accounting Standards No. 160, Noncontrolling Interests in Consolidated Financial Statements on January 1, 2009, which removed the impact of net income attributable to the noncontrolling interest from the calculation of net income.

(2) Virgin Mobile USA recorded charges of \$1 million and \$9 million for the six months ended June 30, 2009 and the year ended December 31, 2008, respectively, for restructuring activities related to outsourcing of information technology services to IBM, employee reductions associated with the acquisition of Helio LLC, and a reduction in force to reduce operating costs. For the year ended December 31, 2005, Virgin Mobile USA recorded charges for an estimated loss of \$30 million related to patent infringement litigation. During the year ended December 31, 2006, Virgin Mobile USA entered into a settlement agreement with the patent holder that resulted in a release from all prior claims related to those patents in exchange for cash payments. Also during 2006, Virgin Mobile USA reached a settlement agreement with a provider of a billing solution regarding that vendor's obligation to indemnify Virgin Mobile USA for certain claims arising from the use of its products and services. As a result of

these settlements and agreements, in 2006 Virgin Mobile USA reversed \$15 million of the estimated loss that had been accrued in 2005.

- (3) On August 22, 2008, in connection with the acquisition of Helio LLC, Virgin Mobile USA issued 50,000 shares of preferred stock with a stated value of \$1,000 per share. As of February 23, 2009, each share of the preferred stock became mandatorily convertible into 117.64706 shares of Class A common stock, at the earlier of (1) August 22, 2012 and (2) such time as the market price of Class A common stock exceeds \$8.50 per share for a specified period. The preferred stock is also convertible at the option of the holder on or after February 22, 2010. Following the approval of the conversion feature by Virgin Mobile USA stockholders on February 23, 2009, the preferred stock is no longer potentially redeemable for cash and is reflected as stockholders' equity in Virgin Mobile USA's balance sheet.

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RISK FACTORS

In addition to the other information included and incorporated by reference in this proxy statement/prospectus, including the matters addressed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements," you should carefully consider the following risks before deciding whether to vote for adoption of the merger agreement.

Risk Factors Relating to Sprint Nextel and Virgin Mobile USA

Sprint Nextel's and Virgin Mobile USA's businesses are subject to the risks described below relating to the merger. In addition, Sprint Nextel and Virgin Mobile USA are and will continue to be subject to the risks described in Part 1, Item 1A of their respective Annual Reports on Form 10-K for the year ended December 31, 2008 and Sprint Nextel is and will continue to be subject to the risks described in Part II, Item 1A of its Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, which reports have been filed with the SEC. If any of the risks described in this proxy statement/prospectus or in the annual reports and quarterly reports incorporated by reference into this proxy statement/prospectus actually occurs, the respective businesses, financial results, financial condition or stock prices of Sprint Nextel or Virgin Mobile USA could be materially adversely affected. The following risks should be considered along with the other risks described in the reports incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 141 for the location of information incorporated by reference into this proxy statement/prospectus.

Risk Factors Relating to the Merger

Because the market price of Sprint Nextel common stock will fluctuate, Virgin Mobile USA stockholders cannot be sure of the precise value of the merger consideration they will receive.

Under the terms of the merger agreement, each share of Class A common stock, Class C common stock and preferred stock (on an as-converted basis) outstanding immediately prior to the merger will be converted into the right to receive a number of shares of Sprint Nextel common stock based on an exchange ratio determined by reference to the average of the closing prices of Sprint Nextel common stock in a period prior to the completion of the merger. The Virgin Group and SK Telecom will receive shares of Sprint Nextel common stock based on the applicable percentages of the exchange ratio. The exchange ratio is subject to a maximum and a minimum, but between these amounts it will fluctuate based on the Average Parent Stock Price. The average share price of Sprint Nextel common stock may differ from the closing price per share of the Sprint Nextel common stock on the date that the parties entered into the merger agreement, on the date that the parties announced the merger, on the date that this proxy statement/prospectus was mailed, at the effective time of the merger, and on the date that you receive the merger consideration. In addition, because the merger agreement provides that the exchange ratio may not exceed a specified maximum, the number of shares of Sprint Nextel common stock to be received by Virgin Mobile USA stockholders will be limited by the ceiling of the exchange ratio of 1.3668 if the Average Parent Stock Price were to be lower than \$4.02.

Accordingly, at the time of the special meeting, Virgin Mobile USA stockholders will not be able to calculate the precise value of the merger consideration that they would receive upon completion of the merger. From January 2, 2009 to October 22, 2009, the trading price of Sprint Nextel common stock on the NYSE ranged from a high of \$5.94 to a low of \$1.83. If the merger had been completed on October 22, 2009, the Average Parent Stock Price would have been \$3.527. Changes in the average share price of Sprint Nextel common stock and the share price of Sprint Nextel common stock generally may result from a variety of factors, including general market, economic and political conditions; changes in Sprint Nextel's business, operations and prospects; regulatory considerations; legal proceedings

and developments; market assessments of the benefits of the merger, likelihood the merger will be consummated and timing of consummation; the prospects of post-merger operations; and other factors. A majority of these factors is beyond the parties' control and could negatively impact the value of the merger consideration you receive.

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Sprint Nextel may fail to realize all of the anticipated benefits of the merger, which may adversely affect the value of the Sprint Nextel common stock that you receive in the merger.

Sprint Nextel and Virgin Mobile USA entered into the merger agreement with the expectation that the merger would result in various benefits including, among other things, strengthening Sprint Nextel's position in the prepaid segment; enhancing cross-selling of the full suite of Sprint Nextel products and services across a larger target audience; free cash flow accretion before synergies; synergies to be derived from general and administrative cost reductions, operational efficiencies, and streamlined distribution; and Sprint Nextel gaining deeper managerial talent with particular expertise in the prepaid segment of the wireless market.

Achieving the anticipated benefits of the merger will depend, in part, on Sprint Nextel's ability to realize the strategic advantages and cost savings from integrating the business and operations of Virgin Mobile USA into Sprint Nextel. If Sprint Nextel is not able to achieve its objectives within the anticipated time frame, or at all, the anticipated benefits of the merger may not be realized fully or at all, or may take longer to realize than expected. If such a result occurs, the value of Sprint Nextel common stock could be adversely affected.

Sprint Nextel and Virgin Mobile USA have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees, result in the disruption of each company's ongoing businesses or identify inconsistencies in standards, controls, procedures and policies that adversely affect Sprint Nextel's ability to maintain relationships with customers, suppliers, distributors, creditors or lessors, or to achieve the anticipated benefits of the merger.

Specifically, issues that must be addressed in integrating the operations of Virgin Mobile USA into Sprint Nextel's operations in order to realize the anticipated benefits of the merger include, among other things:

- managing diverse product and service offerings, subscriber plans, and sales and marketing approaches;

- preserving subscriber, supplier and other important relationships and resolving potential conflicts that may arise as a result of the merger;

- consolidating and integrating duplicative operations, including back-office systems; and

- addressing differences in business cultures, preserving employee morale and retaining key employees, while maintaining focus on providing consistent, high quality customer service and meeting the operational and financial goals of Sprint Nextel after the merger.

Integration efforts between the two companies could also divert management attention and resources. An inability to realize the full extent of, or any of, the anticipated benefits of the merger, as well as any delays encountered in the integration process, could have an adverse effect on Sprint Nextel's business and results of operations, which may affect the value of Sprint Nextel common stock after the completion of the merger.

In addition, the actual integration may result in additional and unforeseen expenses, and the anticipated benefits of the integration plan may not be realized. Actual cost and sales synergies, if achieved at all, may be lower than Sprint Nextel expects and may take longer to achieve than anticipated. If Sprint Nextel is not able to adequately address these challenges, it may be unable to successfully integrate Virgin Mobile USA's operations into its own, or to realize some or all of the anticipated benefits of the integration of the two companies, which could negatively impact Sprint Nextel's future results of operations and the value of Sprint Nextel common stock.

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The market price of Sprint Nextel common stock after the merger may be affected by factors different from those affecting the shares of Virgin Mobile USA or Sprint Nextel currently.

Upon completion of the merger, holders of Virgin Mobile USA shares will become holders of Sprint Nextel common stock. The businesses of Sprint Nextel differ from those of Virgin Mobile USA in important respects and, accordingly, the results of operations of Sprint Nextel and the market price of Sprint Nextel common stock following the merger may be affected by factors different from those currently affecting the independent results of operations of Virgin Mobile USA. For a discussion of the businesses of Sprint Nextel and Virgin Mobile USA and of some factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus referred to under "Where You Can Find More Information" beginning on page 141.

Failure to complete the merger could negatively impact the stock price and the future business and financial results of Sprint Nextel and Virgin Mobile USA.

If the merger is not completed, the ongoing businesses of Sprint Nextel and Virgin Mobile USA may be adversely affected and, without realizing any of the benefits of having completed the merger, Sprint Nextel and Virgin Mobile USA will be subject to a number of risks, including the following:

the current market price of each company's common stock may reflect a market assumption that the merger will occur and a failure to complete the merger could result in a negative perception of either or both companies by equity investors and result in a decline in the market price of the common stock of that company;

Virgin Mobile USA may be required to pay Sprint Nextel a termination fee of \$14.2 million if the merger is terminated under circumstances as described in the merger agreement and summarized in this proxy statement/prospectus;

Sprint Nextel and Virgin Mobile USA will be required to pay transaction costs relating to the merger, whether or not the merger is completed;

under the merger agreement, Virgin Mobile USA is subject to restrictions on the conduct of its business prior to completing the merger which may affect its ability to execute some of its business strategies; and

matters relating to the merger (including integration planning) may require substantial commitments of time and resources by Sprint Nextel and Virgin Mobile USA management, which could otherwise have been devoted to other opportunities that may have been beneficial to Sprint Nextel and Virgin Mobile USA as separate companies.

Sprint Nextel and Virgin Mobile USA also may be subject to litigation related to any failure to complete the merger or related to any enforcement proceeding commenced against Sprint Nextel or Virgin Mobile USA to perform their respective obligations under the merger agreement. If the merger is not completed, these risks may materialize and may adversely affect Sprint Nextel's and Virgin Mobile USA's business, financial results and stock price.

The completion of the merger is subject to various requirements, including the receipt of consents and approvals from various government agencies and the continued employment of Daniel H. Schulman, which may jeopardize or delay completion of the merger or reduce the anticipated benefits of the merger.

Completion of the merger is conditioned upon filings with, and the receipt of required consents, clearances and approvals from, various governmental agencies. Although Sprint Nextel and Virgin Mobile

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USA have agreed in the merger agreement to use their reasonable best efforts to obtain the requisite governmental approvals, there can be no assurance that these approvals will be obtained.

Additionally, contemporaneously with the execution of the merger agreement, Daniel H. Schulman, Virgin Mobile USA's Chief Executive Officer, entered into an employment agreement with Sprint Nextel which will become effective upon the completion of the merger. Under the merger agreement, if Mr. Schulman rescinds his employment agreement with Sprint Nextel or advises Sprint Nextel that he is unwilling to continue employment with Sprint Nextel after the effective time of the merger, Sprint Nextel will not be obligated to complete the merger. If the merger is not completed, Virgin Mobile USA and Sprint Nextel may be negatively impacted, as described above.

Virgin Mobile USA, its board of directors and Sprint Nextel are defendants in lawsuits challenging the merger that could delay or prevent completion of the merger, and Virgin Mobile USA and Sprint Nextel may incur substantial costs in defending against the litigation, all of which could adversely affect the respective businesses, financial results or stock prices of Virgin Mobile USA and Sprint Nextel.

Since the announcement on July 28, 2009 of the signing of the merger agreement, seven putative shareholder class action lawsuits related to the merger have been filed, two in federal court in the District of New Jersey and five in the Superior Court of New Jersey. On August 13, 2009, one of the federal cases was dismissed. The five state cases, which are purported class action lawsuits brought by Virgin Mobile USA non-affiliated stockholders, name as defendants Virgin Mobile USA, the members of its board of directors, Sprint Nextel and Sprint Mozart and challenge the proposed merger, seeking, among other things, to enjoin the defendants from consummating the merger on the agreed-upon terms. On October 6, 2009, Virgin Mobile USA, the members of its board of directors, Sprint Nextel and Sprint Mozart entered into a memorandum of understanding with the plaintiffs in the state cases reflecting an agreement in principle to settle the cases based on their agreement to include in this proxy statement/prospectus certain additional disclosures relating to the transaction. The memorandum of understanding is subject to customary conditions including the completion of appropriate settlement documentation, completion of due diligence to confirm the fairness of the settlement, approval by the Superior Court of New Jersey, and consummation of the merger. If the settlement is consummated, the state cases will be dismissed with prejudice. Also on October 6, 2009, the parties to the memorandum of understanding agreed that the remaining federal lawsuit would be voluntarily dismissed by the plaintiffs in that case.

In addition, on September 10, 2009, a complaint was filed against Sprint Nextel by three subsidiaries of iPCS claiming, among other things, that the merger would breach certain exclusivity provisions under iPCS subsidiaries management agreements with Sprint Nextel. This lawsuit seeks declaratory and injunctive relief with respect to the merger. On October 19, 2009, Sprint Nextel and iPCS announced that they entered into an agreement for Sprint Nextel to acquire iPCS. In connection with this proposed acquisition, Sprint Nextel and iPCS, and certain of their subsidiaries, entered into a settlement agreement pursuant to which they have agreed to seek an immediate stay of all pending litigation between the parties, with a final resolution to become effective upon closing of the acquisition. On October 19, 2009, the Circuit Court of Cook County, Illinois, Chancery Division, entered a stay of the litigation. The acquisition is subject to the successful completion of a tender offer, receipt of customary regulatory approvals and other customary closing conditions, and is expected to be completed either late in the fourth quarter of 2009 or early 2010.

A delay in the merger as a result of the litigation may cause the attention of management of Sprint Nextel and Virgin Mobile USA to be focused on the litigation and the delayed merger rather than on their respective businesses and operations, which could have an adverse affect on the business, financial results and stock price of Sprint Nextel and Virgin Mobile USA. A failure to complete the merger as a result of the litigation could disrupt the operations of Sprint Nextel and Virgin Mobile USA and cause their respective ongoing and future business to suffer. In addition, Sprint Nextel and Virgin Mobile USA will have incurred costs associated with the merger without realizing the benefits of

having the merger completed. For a more complete discussion of the possible adverse affects of not completing the merger, see the risk factor entitled

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Failure to complete the merger could negatively impact the stock price and the future business and financial results of Sprint Nextel and Virgin Mobile USA beginning on page 25.

If the merger is completed, Sprint Nextel and Virgin Mobile USA may have incurred substantial costs in defending against the litigation which could have an adverse effect on the business and financial results of Sprint Nextel and Virgin Mobile USA. Moreover, there could be ongoing litigation that could result in significant monetary damages and, in the case of iPCS, if the closing of the acquisition of iPCS by Sprint Nextel does not occur, a possible future injunction against the use of the Virgin Mobile brand in certain geographic areas. In the event that the acquisition of iPCS by Sprint Nextel does not occur and the injunction is denied, the court may nevertheless consider whether Sprint Nextel's ownership and operation of Virgin Mobile USA, in iPCS's territory, is a breach of the management agreements between Sprint Nextel and iPCS. If the court concluded that there was a breach, Sprint Nextel may not be able to sell products and services under the Virgin Mobile brand in certain geographic locations. For a description of the legal proceedings, see the section entitled "The Merger – Litigation Relating to the Merger" beginning on page 79.

Sprint Nextel and Virgin Mobile USA must continue to retain, motivate and recruit executives and other key employees, which may be difficult in light of uncertainty regarding the merger, and failure to do so could negatively affect the combined company.

For the merger to be successful, during the period before the merger is completed, both Sprint Nextel and Virgin Mobile USA must continue to retain, motivate and recruit executives and other key employees. Sprint Nextel also must be successful at retaining key employees following the completion of the merger. Experienced employees in the telecommunications industry are in high demand and competition for their talents can be intense. Employees of both Sprint Nextel and Virgin Mobile USA may experience uncertainty about their future role with Sprint Nextel until, or even after, strategies with regard to the combined company are announced or executed. These potential distractions of the merger may adversely affect the ability of Sprint Nextel or Virgin Mobile USA to attract, motivate and retain executives and other key employees and keep them focused on applicable strategies and goals. A failure by Sprint Nextel or Virgin Mobile USA to retain and motivate executives and other key employees during the period prior to or after the completion of the merger could have a negative impact on the business of Sprint Nextel or Virgin Mobile USA and the ability of Sprint Nextel to achieve the benefits of the merger.

The shares of Sprint Nextel common stock to be received by Virgin Mobile USA stockholders in connection with the merger will have different rights from the shares of Class A common stock.

Upon completion of the merger, Virgin Mobile USA stockholders will become Sprint Nextel stockholders and their rights as stockholders will be governed by Sprint Nextel's amended and restated articles of incorporation and bylaws, as well as by Kansas law. The rights associated with Virgin Mobile USA shares are different from the rights associated with Sprint Nextel common stock and could be perceived as less beneficial to you or negatively impact the value of your Class A common stock and/or the consideration you receive in the merger. See "Comparison of Rights of Sprint Nextel Stockholders and Virgin Mobile USA Stockholders" beginning on page 121 for a discussion of the different rights associated with Sprint Nextel common stock.

The merger agreement limits Virgin Mobile USA's ability to pursue an alternative acquisition proposal and requires Virgin Mobile USA to pay a termination fee of \$14.2 million if it does.

The merger agreement prohibits Virgin Mobile USA from soliciting, initiating, encouraging or facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the merger agreement. See "The Merger Agreement – Agreement Not to Solicit Other Offers" beginning on page 90. The merger agreement also provides for the payment by Virgin Mobile USA of a termination fee of \$14.2 million if the merger agreement is terminated in certain circumstances. See "The Merger Agreement – Termination Fee Payable by Virgin Mobile USA." These

provisions limit Virgin Mobile USA's ability to pursue offers from third parties that could result in greater value to Virgin Mobile USA stockholders. The

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obligation to make the termination fee payment also may discourage a third party from pursuing an alternative acquisition proposal. In addition, each of the Virgin Group, SK Telecom and Sprint Nextel has a contractual consent right to certain alternative acquisition proposals, which may discourage a third party from pursuing an acquisition proposal or prevent Virgin Mobile USA from consummating an alternative acquisition proposal. See The Merger Background of the Merger.

Some of the directors and executive officers of Virgin Mobile USA, as well as the strategic stockholders of Virgin Mobile USA, have interests in the merger that are different from other Virgin Mobile USA stockholders.

When considering the recommendation of the Virgin Mobile USA board of directors with respect to the merger proposal, Virgin Mobile USA stockholders should be aware that some directors and executive officers of Virgin Mobile USA have interests in the merger that are different from, or are in addition to, the interests of the unaffiliated holders of Class A common stock. In addition, Virgin Mobile USA has engaged in various related party transactions with affiliates of the Virgin Group and SK Telecom. As a result, the Virgin Group and SK Telecom may have interests that are different from, or in addition to, the interests of the unaffiliated holders of Class A common stock. The Virgin Group and SK Telecom, which together have five designees on the Virgin Mobile USA board of directors, have significant equity interests in Virgin Mobile USA and will receive additional consideration in connection with certain agreements with Virgin Mobile USA, as described in The Merger Voting Agreements and Other Transaction Agreements. In addition, four of Virgin Mobile USA's current executive officers, including Daniel H. Schulman, have executed employment agreements with Sprint Nextel providing for their employment after the completion of the merger. These interests also include, among others, the fact that the completion of the merger will result in the conversion of in-the-money options to purchase Virgin Mobile USA shares into corresponding options to purchase Sprint Nextel common stock, the conversion of other equity-based awards into corresponding awards with respect to Sprint Nextel common stock, the deemed satisfaction of the performance-based vesting requirements for 2010 for the Virgin Mobile USA stock-based awards that are subject to the requirements for 2010, the continuance of Virgin Mobile USA's annual and mid-term incentive plans for 2009, and the continuance of indemnification of Virgin Mobile USA directors and executive officers. See The Merger Interests of Certain Persons in the Merger and The Merger Treatment of Virgin Mobile USA Stock Options and Other Equity-Based Awards.

Stockholders should consider these interests in conjunction with the recommendation of the directors of Virgin Mobile USA for the adoption of the merger agreement.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents that are incorporated by reference into this proxy statement/prospectus contain certain estimates, projections and other forward-looking statements. Statements regarding expectations, including performance assumptions and estimates relating to capital requirements, as well as other statements that are not historical facts, are forward-looking statements. Specifically, forward looking statements include:

statements relating to the benefits of the merger, including anticipated synergies and cost savings estimated to result from the merger;

statements relating to future business prospects, revenue, income and financial condition; and

statements preceded by, followed by or that include the words estimate, plan, project, forecast, intend, e anticipate, believe, seek, target or similar expressions.

These statements reflect judgments of the management of Sprint Nextel and Virgin Mobile USA based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. With respect to these forward-looking statements, the management of Sprint Nextel and Virgin Mobile USA have made assumptions regarding, among other things, the rate of growth in the prepaid wireless segment, expected synergies from the merger, and whether and when the transactions contemplated by the merger agreement will be consummated.

Future performance cannot be assured. Actual results may differ materially from those in the forward-looking statements. Some factors that could cause actual results to differ include:

the failure to realize synergies from the merger in the timeframe expected or at all;

unexpected costs or liabilities;

the result of the review of the proposed merger by various regulatory agencies and any conditions imposed in connection with the consummation of the merger;

approval of the merger agreement by the stockholders of Virgin Mobile USA and satisfaction of various other conditions to the closing of the merger;

Sprint Nextel's ability to attract and retain subscribers;

the effects of vigorous competition in a highly penetrated market;

the effect of limiting capital and operating expenditures on Sprint Nextel's ability to improve and enhance its networks and service offerings, implement its business strategies and provide competitive new technologies;

volatility in the trading price of Sprint Nextel common stock, current economic conditions and Sprint Nextel's ability to access capital;

the impact of third parties, such as suppliers and vendors, not meeting Sprint Nextel's contractual requirements with Sprint Nextel due to disruptions in their business;

the costs and business risks associated with providing new services and entering new geographic markets;

the financial performance of Clearwire Corporation and its deployment of a WiMAX network;

unexpected results of litigation filed against Sprint Nextel or its suppliers or vendors;

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the impact of adverse network performance;

the costs and/or potential customer impacts of compliance with regulatory mandates;

equipment failure, natural disasters, terrorist acts, or other breaches of network or information technology security;

changes in political, economic or other factors such as monetary policy, legal and regulatory changes or other external factors over which Sprint Nextel has no control; and

other risks referenced from time to time in filings by Sprint Nextel and Virgin Mobile USA with the SEC and those factors listed in this proxy statement/prospectus under **Risk Factors** beginning on page 23.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this proxy statement/prospectus, or in the case of a document incorporated by reference, as of the date of that document. Except as required by law, neither Sprint Nextel nor Virgin Mobile USA undertakes any obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in reports filed with the SEC by Sprint Nextel and Virgin Mobile USA. See **Where You Can Find More Information** beginning on page 141 for a list of the documents incorporated by reference into this proxy statement/prospectus.

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INFORMATION ABOUT THE COMPANIES

Sprint Nextel Corporation

Sprint Nextel Corporation, a Kansas corporation, is a global communications company offering a comprehensive range of wireless and wireline communications products and services that are designed to meet the needs of its targeted customer groups: individuals, small- to mid-sized businesses, large enterprises and government customers. Sprint Nextel has organized its operations to meet the needs of its targeted customer groups through focused communications solutions that incorporate the capabilities of its wireless and wireline services. Sprint Nextel is one of the three largest wireless companies in the United States based on the number of wireless subscribers. Sprint Nextel owns extensive wireless networks and a global long distance, Tier 1 Internet backbone.

Sprint Nextel offers digital wireless service to subscribers in all 50 states, Puerto Rico and the U.S. Virgin Islands under the Sprint® brand name utilizing wireless code division multiple access, or CDMA, technology. Sprint Nextel also provides CDMA wireless services on a wholesale basis to many of the largest resellers in the nation on the CDMA network. Sprint Nextel offers digital wireless services under its Nextel® brand name using integrated Digital Enhanced Network, or iDEN®, technology. Sprint Nextel is a reseller of Worldwide Interoperability for Microwave Access, or WiMAX, fourth generation, or 4G, wireless services as provided by Clearwire Corporation.

Sprint Nextel offers its direct wireless services on a post-paid payment basis, as well as on a prepaid payment basis under the Boost Mobile® brand. Sprint Nextel is one of the largest providers of long distance services and one of the largest carriers of Internet traffic in the nation.

The Sprint Nextel common stock trades on the NYSE under the symbol S. The principal executive offices of Sprint Nextel are located at 6200 Sprint Parkway, Overland Park, Kansas 66251, and its telephone number is (800) 829-0965.

Additional information about Sprint Nextel is included in documents incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 141.

Sprint Mozart, Inc.

Sprint Mozart is a direct wholly-owned subsidiary of Sprint Nextel formed solely for the purpose of consummating the merger. Sprint Mozart has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. The principal executive offices of Sprint Mozart are located at 6200 Sprint Parkway, Overland Park, Kansas 66251, and its telephone number is (800) 829-0965.

Virgin Mobile USA, Inc.

Virgin Mobile USA, Inc., a Delaware corporation, through its subsidiary, the Operating Partnership, is a leading national provider of wireless communications services, offering prepaid and postpaid services. Customers are attracted to Virgin Mobile USA's products and services because of its flexible terms, easy to understand and value-oriented pricing structures, stylish handsets offered at affordable prices and relevant mobile data and entertainment content. Virgin Mobile USA's prepaid product and service offerings have no annual contract or credit check and they attract a wide range of customers, approximately half of whom are ages 35 and under. Virgin Mobile USA's voice and data plans allow customers to talk, use text messaging, picture messaging, email and instant messaging on a per usage basis

or according to the terms of monthly hybrid plans.

Virgin Mobile USA's Class A common stock is listed on the NYSE under the symbol VM. The principal executive offices of Virgin Mobile USA are located at 10 Independence Boulevard, Warren, New Jersey 07059, and its telephone number is (908) 607-4000.

Additional information about Virgin Mobile USA and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 141.

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THE VIRGIN MOBILE USA SPECIAL MEETING

Date, Time and Place

The special meeting will be held on November 24, 2009 at 9:00 a.m., local time, at the Courtyard by Marriott Basking Ridge, 595 Martinsville Road, Basking Ridge, New Jersey 07920.

Purpose

At the special meeting, Virgin Mobile USA stockholders will be asked to vote on the following proposals:

to adopt the merger agreement; and

to approve the adjournment of the meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes to adopt the merger agreement at the time of the meeting.

Virgin Mobile USA Record Date; Stock Entitled to Vote

Only holders of record at the close of business on October 22, 2009 will be entitled to vote at the meeting, provided that the shares remain outstanding on the date of the meeting.

As of the close of business on the record date, there were 67,354,173 shares of Class A common stock, one share of Class B common stock, 115,062 shares of Class C common stock and 53,000 shares of preferred stock outstanding and entitled to vote at the meeting. Each holder of Class A common stock and Class C common stock is entitled to one vote. Sprint Ventures, which is the only holder of Class B common stock, is entitled to a number of votes that is equal to the number of shares of Class A common stock for which the partnership units it holds in the Operating Partnership are exchangeable. As of the record date, the partnership units held by Sprint Ventures were exchangeable for 12,058,626 shares of Class A common stock, and Sprint Ventures is therefore entitled to 12,058,626 votes with respect to its share of Class B common stock. Each holder of preferred stock is entitled to one vote for each share of Class A common stock into which the share of preferred stock is convertible as of the record date. As of the record date, each share of preferred stock was convertible into 117.64706 shares of Class A common stock and therefore entitled to 117.64706 votes per share of preferred stock.

Quorum

A majority of the outstanding shares having voting power being present in person or represented by proxy constitutes a quorum for the meeting.

Required Vote; Voting Agreements; Stock Ownership of Virgin Mobile USA Directors and Executive Officers

To adopt the merger agreement, the holders of a majority of the combined voting power of the outstanding Virgin Mobile USA shares entitled to vote on the proposal, voting together as a single class, must vote in favor of adoption of the merger agreement. **Because approval is based on the affirmative vote of a majority of the combined voting power of all shares outstanding, a Virgin Mobile USA stockholder's failure to vote or an abstention will have the same effect as a vote against adoption of the merger agreement.**

A proposal to adjourn the meeting to solicit additional proxies, if necessary or appropriate, will be decided by the affirmative vote of the holders of a majority of the combined voting power of all outstanding shares present in person or represented by proxy at the meeting and entitled to vote on the proposal in accordance with Virgin Mobile USA's bylaws. Because approval of this matter is based on the affirmative vote of the holders of a majority of the combined voting power of all outstanding shares present in person or by proxy and entitled to vote, abstentions will have the same effect as a vote against this matter, but failures to be present to vote will have no effect.

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Under voting agreements entered into with Sprint Nextel, each of the Virgin Group and SK Telecom agreed that at the meeting it will vote a number of its Virgin Mobile USA shares (in the case of the Virgin Group, the number constituting not less than 14,362,279 shares, or approximately 16.8% of the total voting power of Virgin Mobile USA as of the record date, and in the case of SK Telecom, the number constituting not less than 7,735,790 shares, or approximately 9.0% of the total voting power of Virgin Mobile USA as of the record date) that are entitled to vote, in each case:

in favor of the adoption of the merger agreement, approval of the merger or any other action of the stockholders of Virgin Mobile USA reasonably requested by Sprint Nextel in furtherance thereof;

against any action or agreement that is in opposition to, or competitive to or inconsistent with, the merger or that would result in a breach of any covenant, representation or warranty of the Virgin Group or SK Telecom contained in its respective voting agreement;

against any other acquisition proposal; and

against any other action, agreement or transaction that would otherwise materially interfere with, delay, postpone, discourage, frustrate the purposes of or adversely affect the merger or the other transactions contemplated by the merger agreement or each respective voting agreement or the performance by the Virgin Group or SK Telecom of its obligations under its respective voting agreement.

As of the close of business on the record date:

Sprint Nextel and its direct or indirect wholly-owned subsidiaries had the right to vote one share of Class B common stock entitled to 12,058,626 votes (and no shares of Class A common stock, Class C common stock or preferred stock), or approximately 14.1% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting;

the Virgin Group had the right to vote 22,904,055 shares of Class A common stock, 115,062 shares of Class C common stock and 26,500 shares of preferred stock (and no shares of Class B common stock), or approximately 30.5% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting;

SK Telecom had the right to vote 11,192,741 shares of Class A common stock and 26,500 shares of preferred stock (and no shares of Class B common stock or Class C common stock), or approximately 16.7% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting; and

directors and executive officers of Virgin Mobile USA and their affiliates had the right to vote 971,872 shares of Class A common stock (and no shares of Class B common stock, Class C common stock or preferred stock), or approximately 1.1% of the combined voting power of the outstanding shares of Virgin Mobile USA entitled to be voted at the meeting.

Abstentions

Abstentions are counted as present and entitled to vote for purposes of determining a quorum. For the proposal to adopt the merger agreement, abstentions have the same effect as a vote against adoption of the merger agreement. For a proposal to adjourn the meeting to solicit additional proxies, if necessary or appropriate, abstentions are treated as present and entitled to vote at the meeting and therefore have the same effect as a vote against these proposals.

Voting of Proxies by Holders of Record

If you hold shares in your own name you may submit a proxy for your shares by using the toll-free number or the Internet web site if your proxy card includes instructions for using these quick, cost-effective and easy

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methods for submitting proxies. You also may submit a proxy in writing by simply filling out, signing and dating your proxy card and mailing it in the prepaid envelope included with these proxy materials. If you submit a proxy by telephone or the Internet web site, please do not return your proxy card by mail. You will need to follow the instructions when you submit a proxy using any of these methods to make sure your shares will be voted at the meeting. You also may vote by submitting a ballot in person if you attend the meeting. However, we en