

FALCONE PHILIP
Form 4
December 31, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.

(Last) (First) (Middle)

C/O INTERNATIONAL FUND SERVICES LIMITED, THIRD FL, BISHOP'S SQUARE REDMOND'S HILL

(Street)

DUBLIN, L2 00000

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
12/29/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___X___ Other (specify below)

* See Remarks

6. Individual or Joint/Group Filing(Check Applicable Line)

___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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

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

SEC 1474 (9-02)

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

Edgar Filing: FALCONE PHILIP - Form 4

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Pr Deriv Secur (Instr | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | (A) | (D) | | |
| Equity Swap | (5) | 12/29/2008 ⁽⁹⁾ | | J | 53,000 | (5)(9) | (5)(9) | Common Stock | 0 |
| Equity Swap | (6) | 12/29/2008 ⁽⁹⁾ | | J | 18,150 | (6)(9) | (6)(9) | Common Stock | 0 |
| Equity Swap | (7) | 12/29/2008 ⁽⁹⁾ | | J | 10,450 | (7)(9) | (7)(9) | Common Stock | 90,550 |
| Equity Swap | (7) | 12/30/2008 ⁽⁹⁾ | | J | 90,550 | (7)(9) | (7)(9) | Common Stock | 0 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------|---------|---------------|
| | Director | 10% Owner | Officer | Other |
| HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD. C/O INTERNATIONAL FUND SERVICES LIMITED THIRD FL, BISHOP'S SQUARE REDMOND'S HILL DUBLIN, L2 00000 | | X | | * See Remarks |
| HARBINGER CAPITAL PARTNERS OFFSHORE MANAGER, L.L.C. 2100 THIRD AVENUE NORTH SUITE 600 BIRMINGHAM, AL 35203 | | X | | * See Remarks |
| HMC INVESTORS, L.L.C. 2100 THIRD AVENUE NORTH SUITE 600 BIRMINGHAM, AL 35203 | | X | | * See Remarks |
| FALCONE PHILIP 555 MADISON AVE 16TH FLOOR NEW YORK, NY 10022 | | X | | * See Remarks |
| HARBERT RAYMOND J 2100 THIRD AVENUE NORTH SUITE 600 BIRMINGHAM, AL 35203 | | X | | * See Remarks |

LUCE MICHAEL D
2100 THIRD AVENUE NORTH
SUITE 600
BIRMINGHAM, AL 35203

X

* See Remarks

Signatures

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Harbinger Capital Partners Master Fund I, Ltd., By: Harbinger Capital Partners Offshore Manager, L.L.C., By: HMC Investors, L.L.C., Managing Member, By: /s/ Joel B. Piassick | 12/31/2008 |
| __Signature of Reporting Person | Date |
| Harbinger Capital Partners Offshore Manager, L.L.C., By: HMC Investors, L.L.C., Managing Member, By: /s/ Joel B. Piassick | 12/31/2008 |
| __Signature of Reporting Person | Date |
| HMC Investors, L.L.C., By: /s/ Joel B. Piassick | 12/31/2008 |
| __Signature of Reporting Person | Date |
| /s/ Philip Falcone | 12/31/2008 |
| __Signature of Reporting Person | Date |
| /s/ Raymond J. Harbert | 12/31/2008 |
| __Signature of Reporting Person | Date |
| /s/ Michael D. Luce | 12/31/2008 |
| __Signature of Reporting Person | Date |

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

IMPORTANT NOTE: THE SECURITIES SET FORTH IN THIS REPORT ARE DIRECTLY BENEFICIALLY OWNED BY

(1) HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD. (THE "MASTER FUND"). ALL OTHER REPORTING PERSONS ARE INCLUDED WITHIN THIS REPORT DUE TO THEIR AFFILIATION WITH THE MASTER FUND.

(2) These securities are owned by the Master Fund, which is a Reporting Person.

(3) These securities may be deemed to be indirectly beneficially owned by the following, each of whom is a Reporting Person: Harbinger Capital Partners Offshore Manager, L.L.C. ("Harbinger Management"), the investment manager of the Master Fund, HMC Investors, L.L.C., its managing member ("HMC Investors"), Philip Falcone, a member of HMC Investors and the portfolio manager of the Master Fund, Raymond J. Harbert, a member of HMC Investors, and Michael D. Luce, a member of HMC Investors.

(4) Each Reporting Person listed in Footnotes 2 and 3 disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

(5) On July 30, 2008, the Master Fund entered into an equity swap transaction with Monecor (London) Limited (t/a TradIndex) ("TradIndex"), under which TradIndex agreed to pay the Master Fund an amount equal to any increase, and the Master Fund agreed to pay TradIndex an amount equal to any decrease, in the official market price of 53,000 notional shares above or below an initial reference price of US\$54.1044 per share upon close-out of any transaction.

(6) On July 31, 2008, the Master Fund entered into an equity swap transaction with TradIndex, under which TradIndex agreed to pay the Master Fund an amount equal to any increase, and the Master Fund agreed to pay TradIndex an amount equal to any decrease, in the official market price of 18,150 notional shares above or below an initial reference price of US\$56.2567 per share upon close-out of any transaction.

(7) On August 1, 2008, the Master Fund entered into an equity swap transaction with TradIndex, under which TradIndex agreed to pay the Master Fund an amount equal to any increase, and the Master Fund agreed to pay TradIndex an amount equal to any decrease, in the official market price of 101,000 notional shares above or below an initial reference price of US\$56.4026 per share upon close-out of any transaction.

Edgar Filing: FALCONE PHILIP - Form 4

- The equity swap transactions do not contemplate interim payments of appreciation or depreciation of the shares, and the Master Fund is not entitled to any dividends on the shares or equivalent thereof. All balances will be cash settled, and neither party shall acquire any ownership interest, voting or similar rights, or dispositive power over any Share under the equity swap transactions. Each equity swap transaction may be closed out by the Master Fund at any time.
- (8) On December 29, 2008 and December 30, 2008, the Master Fund closed out certain equity swap transactions with DB in the amount of 81,600 and 90,550 notional shares, respectively, at a price of US\$19.0529 and US\$19.2615, respectively.

Remarks:

- (+) The Reporting Persons may be deemed to be members of a "group" for purposes of the Securities Exchange Act of 1934, as amended. Each Reporting Person disclaims beneficial ownership of any securities deemed to be owned by the group that are not directly owned by the Reporting Person. This report shall not be deemed an admission that such Reporting Person is a member of a group or the beneficial owner of any securities not directly owned by such Reporting Person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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