

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 19, 2006

NOVATEL WIRELESS, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction or
incorporation or organization)

000-31659
COMMISSION FILE:

86-0824673
(I.R.S. Employer
Identification No.)

9645 Scranton Road, Suite 205
San Diego, CA 92121
(Address of principal executive offices)

Registrant's telephone number, including area code: (858) 320-8800

Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On October 19, 2006, the Board of Directors of Novatel Wireless, Inc. (the “Company”) elected Mr. Peter V. Leparulo, currently the Company’s Chief Executive Officer and a member of the Board of Directors, as Executive Chairman of the Board, effective November 17, 2006. Also on October 19, 2006, the Board of Directors of the Company elected Mr. Brad Weinert, currently the Company’s Chief Operating Officer, as the Company’s acting Chief Executive Officer effective November 17, 2006, replacing Mr. Leparulo who has submitted his resignation as Chief Executive Officer of the Company effective as of that date. Mr. Weinert will serve as acting Chief Executive Officer until a successor is appointed by the Board of Directors.

Mr. Weinert, 47, has served as Chief Operating Officer of the Company since April 2006. Prior to that time, he served as the Company’s Vice President of Business Development since April 2003. From January 2002 to February 2003, he worked as Chief Operating Officer for Okbridge, Inc., an internet gaming and software company. From February 1998 to November 2001, Mr. Weinert worked for Novatel Wireless in both product management and strategic planning capacities.

Item 1.01 Entry into a Material Definitive Agreement

On October 19, 2006, the Company and Mr. Leparulo entered into an Executive Chairman Agreement pursuant to which Mr. Leparulo has agreed to serve as Executive Chairman of the Board of Directors, effective November 17, 2006 (the “Agreement”). Pursuant to the Agreement, the Company will pay Mr. Leparulo a salary at the annual rate of \$420,000 and continue to provide him with the employee benefits accorded other senior executive officers of the Company. The Company also has agreed to pay Mr. Leparulo a pro rata amount of his cash bonus for the Company’s 2006 fiscal year attributable to his service as the Company’s Chief Executive Officer during that year. Pursuant to the Agreement, Mr. Leparulo has agreed to serve as Executive Chairman at least until March 31, 2007. Commencing January 1, 2007, however, either Mr. Leparulo or the Board can elect to terminate the Agreement and Mr. Leparulo’s service as Executive Chairman, upon at least 90 calendar days’ prior written notice. Mr. Leparulo’s outstanding stock options and restricted stock will continue to vest pursuant to the agreements under which they were awarded while he is serving the Company as Executive Chairman or as a member of the Board of Directors. Neither Mr. Leparulo’s resignation as Chief Executive Officer nor his appointment as Executive Chairman affects his continued service as a Class III Director whose term expires in the ordinary course at the Company’s 2009 annual meeting of stockholders.

The foregoing description of the Agreement is only a summary and is qualified in its entirety by reference to the complete text of the Agreement, a copy of which is attached to this report as Exhibit 99.3.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

- Exhibit 99.1 Press Release dated October 24, 2006
- Exhibit 99.2 Letter of Resignation dated October 23, 2006
- Exhibit 99.3 Executive Chairman Agreement dated October 19, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, hereunto duly authorized.

Novatel Wireless, Inc.

Date: October 24, 2006

By: /s/ Dan L. Halvorson

Dan L. Halvorson
Chief Financial Officer and Treasurer,
(Principal Financial and Accounting Officer)

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated October 24, 2006
99.2	Letter of Resignation dated October 23, 2006
99.3	Executive Chairman Agreement dated October 19, 2006

Novatel Wireless Board of Directors Elects Peter Leparulo**Executive Chairman***Brad Weinert to Assume Role of Acting Chief Executive Officer*

SAN DIEGO – October 24, 2006 – Novatel Wireless, Inc. (Nasdaq: NVTL), a leading provider of wireless broadband access solutions, today announced that the board of directors has elected Peter Leparulo, its current chief executive officer, to the newly created position of executive chairman of the board, effective November 17, 2006. In this capacity, Mr. Leparulo will focus on long term strategic growth opportunities for the company and building even stronger relationships with key customers and technology and industry partners. Simultaneously, Mr. Leparulo has decided to step down as chief executive officer.

Brad Weinert, Novatel Wireless COO, will assume the role of acting CEO, also effective November 17, 2006. The Novatel Wireless Board of Directors has initiated a CEO search, and will consider both internal and external candidates. Mr. Leparulo will participate with the board in the search process.

Mr. Leparulo's advancement from chief executive officer to executive chairman comes as the company reported record top-line results that exceeded expectations for both the second and third quarters of 2006. Throughout each quarter of 2006, the company has delivered double digit growth, driven by strong progress in its diversification strategy. The company has also achieved several major milestones, including:

- Third quarter sales reached the highest level in company history, driven by record order flow related to new product introductions,
- Significant revenue generated from each prong of the company's diversification strategy, with embedded products and fixed mobile convergence solutions contributing over 20% of revenue, and
- Record rates of introduction of new products on multiple technology platforms, which generated approximately 50% of third quarter revenue.

“It is with mixed emotions that I make this decision to transition day-to-day operations at Novatel Wireless,” commented Mr. Leparulo. “However, given the continued strength of our results and the solid execution by the company of the first stage of its diversification strategy, I’m even more excited about that what lies ahead as I move to a dedicated focus on long term strategic growth initiatives. As we undertake this natural evolution, Novatel has a strong and motivated team that will continue delivering results for customers, employees and shareholders. Moving to my new duties as executive chairman, I am very grateful first and foremost to the many talented employees with whom I work, and am privileged to be part of the leadership that has devoted enormous energy over the last three and a half years to creating and executing the vision that forms the foundation of the company’s future growth and success. Brad has been an integral part of the management team, and I am pleased he will assume this new role. He also has a deep knowledge of our business and a keen understanding of the industry and our customers.”

Mr. H. J. Pudwill, representing the board of directors, said, “We have been privileged to have had Peter serve as CEO for the last three and a half years. It is through Peter’s decisive leadership that Novatel secured its leading position in the marketplace, and we look forward to his building on that legacy by advancing to the role of the company’s first executive chairman of the board. In every instance where Peter had the opportunity to move the company ahead, he took up the challenge, placing the company on sound financial footing, overseeing revenue and profit growth, bringing innovation into the company’s product line, and establishing a strong strategic vision for the future. We know this was a very difficult decision for Peter to make, but we are confident that he will continue to focus his considerable expertise on Novatel’s growth and prosperity as executive chairman, and very much appreciate that he will continue to remain in service to the company in a leadership role on its board of directors.”

Mr. Leparulo was elected CEO of Novatel Wireless in January 2003. Under his leadership, the company dramatically shifted its operations and financial performance as he led the company from the brink of insolvency and a sub-\$10 million market capitalization to strong and sustained growth. Revenue increased 14 out of 15 straight quarters of his tenure as the company delivered record top-line results quarter after quarter and the company’s stock price increased by approximately 900%. During this

period, annual revenue grew by over 460% to over \$161 million in fiscal year 2005. Bottom line results moved from a net loss of approximately (\$10.47) per share for fiscal year 2002, the year before he became CEO, to net income of \$0.37 per share for fiscal year 2005. The company's balance sheet also increased from total assets of \$24 million to \$176 million as of fiscal year end 2005.

Operationally, during Mr. Leparulo's tenure as CEO, Novatel Wireless aggressively expanded from having one significant product and customer, to a broad and diversified product portfolio with distribution channels addressing multiple markets. Over the last three years, the company established long term relationships and now includes in its customer portfolio almost every major wireless telecommunications operator and notebook manufacturers worldwide.

Brad Weinert has been with Novatel Wireless for nine years, and has most recently served as chief operating officer. Prior to his promotion as COO, Mr. Weinert was vice president of business development. Mr. Weinert brings over 24 years of cross functional experience in operations, business development, and engineering, and previously held responsibilities for the Company's product management and business development.

"I am very pleased to take the leadership of a company with a solid foundation, well positioned to go to the next level", said Brad Weinert. "Novatel Wireless has a strong senior management team, best in class products and a clear vision of the future. Working together with Peter as chairman, we will continue to execute on the same strategic business plan and seamlessly ensure continuity through this transition."

ABOUT NOVATEL WIRELESS, INC.

Novatel Wireless, Inc. is a leading provider of wireless broadband access solutions. Novatel Wireless' Merlin™ PC Cards, Expedite™ Embedded Modems, Freedom Box™ Ruggedized Modems, MobiLink™ Communications Software Suite, Ovation™ 3G Multimedia Application Consoles and Conversa™ Software Suite enable high-speed wireless access to personal, corporate and public information. The company delivers innovative 3G solutions to operators, distributors and vertical markets worldwide. Headquartered in San Diego, California, Novatel Wireless is listed on NASDAQ: NVTL. For more information on Novatel Wireless visit www.novatelwireless.com (nvtlg)

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This release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995, as amended to date. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements contained herein. These factors include risks relating to technological changes, new product introductions, continued acceptance of Novatel Wireless' products and dependence on intellectual property rights. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Novatel Wireless' filings with the United States Securities and Exchange Commission (available at www.sec.gov) and other regulatory agencies.

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Board of Directors
Novatel Wireless, Inc.
9645 Scranton Road, Suite 205
San Diego, CA 92121

October 23, 2006

To the Board of Directors of
Novatel Wireless, Inc. (the "Company"):

Re: Resignation as Chief Executive Officer of the Company

I am hereby informing you of my decision to resign in my capacity as Chief Executive Officer of Novatel Wireless, Inc., to become effective at the close of business on Friday, November 17, 2006.

I want to thank each of you for all your support, expressions of confidence, and kind words over the last several weeks encouraging me to continue to lead the Company into the future as Chief Executive Officer. Nevertheless, I believe this is the right decision for me.

I also very much appreciate the confidence of the Board in electing me as Executive Chairman of the Board of Directors, and look forward to continuing to serve the Company in that capacity.

Please note that I am not resigning in my capacity as a member of the Board of Directors of the Company, and I look forward to serving the Company as both Executive Chairman and a director.

Very truly yours,

/s/ Peter V. Leparulo
Peter V. Leparulo

EXECUTIVE CHAIRMAN AGREEMENT

THIS AGREEMENT (the "Agreement"), dated as of October 19, 2006, is made and entered into by and between Peter V. Leparulo ("Leparulo") and Novatel Wireless, Inc., a Delaware corporation (the "Company").

WITNESSETH:

WHEREAS, on October 19, 2006, the Board of Directors elected Leparulo as Executive Chairman of the Company to become effective November 17, 2006;

WHEREAS, Leparulo shall resign from his position as chief executive officer with the Company effective November 17, 2006, (the "Resignation Date") but shall remain and continue in service of the Company as a member of the Company's Board of Directors and as Executive Chairman of the Board of Directors; and

WHEREAS, the Company wishes to retain Leparulo's services for a period until at least March 31, 2007 as Executive Chairman of the Board;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

TERMS

1. Time Period. Commencing November 17, 2006, Leparulo shall serve as Executive Chairman of the Board of Directors under the terms specified herein, and employment in this capacity shall continue at least through and including March 31, 2007. Commencing January 1, 2007, this Agreement may be terminated by Leparulo or the Board of Directors for any reason upon ninety (90) days prior written notice to the other party. The period of time in which Leparulo serves as Executive Chairman of the Board of Directors of the Company shall be referred to as the "Term". Leparulo's compensation and benefits during the Term shall be as specified in this Agreement. Termination of this Agreement and Leparulo's role as Executive Chairman shall have no effect on Leparulo's role as a member of the Board of Directors.

2. Executive Chairman Role. In his rendering of services for the benefit of the Company, Leparulo shall provide the Company, the Company's Board of Directors, and the Company's executive officers with such advice as any of them may reasonably request in connection with the business and operations of the Company consistent with his position as Executive Chairman of the Board of Directors, including but not limited to the following:

- (1) participate in the search for a chief executive officer of the Company;
- (2) facilitate the transition of the position of chief executive officer with customers, shareholders and employees;

(3) develop and advise the Board of Directors on strategic growth initiatives for the Company, including merger or acquisitions;

(4) make himself available as reasonably requested by the Board of Directors or executive officers of the Company to fulfill such other duties as may be reasonably requested, consistent with his status as the current Executive Chairman of the Board of Directors and the former chief executive officer of the Company and other applicable provisions of this Agreement.

3. Consideration for Services. During the Term, the Company agrees to continue to pay Leparulo an annual base salary of \$420,000 (the "Salary") paid in periodic installments in accordance with the Company's regular payroll practices.

4. Expenses. The Company will reimburse Leparulo, pursuant to Company policy and regular business practice, for all reasonable business expenses he incurs during the Term. For purposes of this paragraph, "reasonable business expenses" shall include, without limitation, travel, telephone, hotel and meal expenses. Leparulo will submit written detailed invoices for any reimbursable expenses incurred under this Agreement. Such invoices are to be submitted to the Company's financial department.

5. Continuation of Benefits. During the Term, Leparulo shall be entitled to participate in all benefits of the Company as accorded other senior executive officers of the Company (excluding annual cash bonus, which is instead addressed in other paragraphs of the Agreement). Leparulo shall also be entitled to participate in all employee benefit plans or programs of the Company on the same basis as the other senior executives of the Company (including, without limitation, the Company's group health and dental insurance plans, insurance, or providers, as applicable) and at least to the same extent Leparulo and they currently participate, and the Company will pay the premium cost of such participation, to the same extent currently paid.

6. Bonus. Leparulo shall be entitled to a pro rata amount of his bonus for the 2006 fiscal year, which shall be an amount equal to seventy-five percent (75%) of his Salary ("Target Amount") in the same proportion of such Target Amount as the highest percentage of the respective target amount accorded to another executive of the Company. For example, if the highest percentage of an executive's 2006 targeted bonus amount that is paid for fiscal year 2006 is 90% of the targeted bonus amount for such executive, Leparulo shall be entitled to receive for 2006 90% of his Target Amount (75% of his Salary multiplied by 0.9), pro rated for the length of time in 2006 that Leparulo served as chief executive officer of the Company. Such bonus shall be paid to Leparulo in a single installment at such time as bonuses are paid to the Company's senior executives.

7. Continued Vesting of Equity Awards. Any outstanding stock options, restricted stock and other equity awards granted to Leparulo under the Novatel Wireless 1997 Employee Stock Option Plan (the "1997 Plan"), 2000 Stock Incentive Plan (the "2000 Plan"), whether in his former capacity as chief executive officer or otherwise and whether awarded before or after the date of this Agreement, shall continue to vest while

he remains in "Service" to the Company (as defined in the 1997 Plan and the 2000 Plan), and as to his stock options and restricted stock, shall not expire until the period prescribed in the applicable award agreements (as listed on Exhibit A hereto and as currently in effect) following the end of his Service with the Company in all capacities. For the avoidance of doubt, notwithstanding Leparulo's resignation as chief executive officer of the Company, the parties agree that Leparulo remains in the continuous "Service" of the Company for purposes of the 1997 Plan, the 2000 Plan, and each of these equity awards while he is either Executive Chairman as provided hereunder, or while he is a member of the Board of Directors, or while he is serving in any similar capacity.

8. Office Space. During the time Leparulo serves as Executive Chairman of the Board of the Company, the Company shall make office space available for Leparulo to use at the Company's headquarters in San Diego, California.

9. Covenant. Leparulo undertakes to maintain confidentiality on all confidential information relating to the business of the Company and at the end of the Term to return all documents and other property of the Company. Leparulo's obligations pursuant to this Paragraph 9 shall survive the term of this Agreement.

10. No Other Authority. Leparulo shall have no responsibility or duties to the Company other than as provided herein.

11. Legal Expenses. Leparulo shall be entitled to prompt reimbursement by the Company for all reasonable legal fees incurred by Leparulo in connection with the negotiation and completion of this Agreement; provided, however, that Leparulo shall properly account for such expenses in accordance with the Company's policies and procedures. The Company's obligation pursuant to this Paragraph 11 shall survive the term of this Agreement.

12. Entire Agreement. This Agreement, together with the agreements listed on Exhibit A and any other agreements relating to stock options or equity awards or agreements, represents the final, complete and exclusive embodiment of the entire agreement and understanding between the Company and Leparulo concerning his services to the Company as Executive Chairman, and supersedes and replaces any and all agreements and understandings (other than the agreements listed on Exhibit A and any other agreements relating to stock options or equity awards or agreements) concerning Leparulo's role as Executive Chairman of the Board. This Agreement may only be amended in a writing signed by Leparulo and the Board of Directors.

13. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement.

14. Notices. All notices required or permitted to be given under this Agreement must be in writing and may be given by any method of delivery which

provides evidence or confirmation of receipt including but not limited to personal delivery, express courier (such as Federal Express) and prepaid certified or registered mail with return receipt requested. Notices shall be deemed to have been given and received on the date of actual receipt or, if either of the following dates is applicable and is earlier, then on such earlier date: one (1) business day after sending, if sent by or express courier; or three (3) business days after deposit in the U.S. mail, if sent by certified or registered mail. Notices shall be given and/or addressed to the respective parties at the following addresses:

To the Company: Novatel Wireless, Inc.
 Attn: General Counsel
 9645 Scranton Road, Suite 205
 San Diego, California 92121-1764

To Leparulo: At the address set forth in the corporate
 records of the Company

Any party may change its address for the purpose of this paragraph by giving written notice of such change to the other party in the manner herein provided.

15. Applicable Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws, and not the choice of law rules, of the State of California.

16. Binding Effect. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto; provided, however, that Leparulo shall not delegate or assign any of his duties hereunder.

17. Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the respective dates written below.

LEPARULO:

/s/ Peter V. Leparulo

Peter V. Leparulo

Date: October 19, 2006

NOVATEL WIRELESS, INC.

By: /s/ Robert Getz

Name: Robert Getz
Title: Director

Date: October 19, 2006

By: /s/ David Werner

Name: David Werner
Title: Director

Date: October 19, 2006

EXHIBIT A

LIST OF STOCK OPTION AGREEMENTS AND RESTRICTED STOCK AGREEMENT

[On file with the Company]