

**UNITED STATES
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): December 6, 2013

NOVATEL WIRELESS, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

COMMISSION FILE:
000-31659

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

**9645 Scranton Road
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 (see General Instruction A.2. below):

- 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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[Table of Contents](#)

TABLE OF CONTENTS

ITEM 1.01. Entry into a Material Definitive Agreement

ITEM 3.02. Unregistered Sales of Equity Securities

SIGNATURE

[Table of Contents](#)

Item 1.01. Entry into a Material Definitive Agreement

As previously disclosed, on September 15, 2008 and September 18, 2008, two putative securities class action lawsuits were filed in the United States District Court for the Southern District of California (the “Court”) on behalf of alleged stockholders of Novatel Wireless, Inc. (the “Company”). On December 11, 2008, these lawsuits were consolidated into a single action and, in May 2010, the consolidated lawsuits were captioned *In re Novatel Wireless Securities Litigation* (the “Litigation”). The Litigation is being pursued on behalf of persons who purchased the Company’s common stock between February 27, 2007 and September 15, 2008. The consolidated complaint names the Company and five of its current and former officers as defendants.

On December 6, 2013, to avoid the costs, disruption and distraction of further litigation, legal counsel for the defendants entered into a binding Memorandum of Understanding (“MOU”) with legal counsel for the lead plaintiffs, reflecting a proposed agreement to settle the Litigation. This proposed agreement does not admit any liability and the Company and the individual defendants continue to deny any and all liability. The MOU obligates the parties to use their best efforts to consummate the settlement.

Under the terms of the proposed settlement in the MOU, the Company would pay \$6 million in cash, issue shares of the Company’s common stock with a value of \$5 million and issue a \$5 million secured promissory note to resolve all claims asserted in the Litigation on behalf of class members. A portion of the \$6 million in cash would be funded by insurers for the Company. The \$5 million in shares of the Company’s common stock would be unrestricted and freely tradable shares and either registered or exempt from registration at the time of issuance and distribution to class members, which would occur within 10 business days after the entry of a final order of approval by the Court. The \$5 million secured note, with a 5% interest rate, would have a 30 month maturity and be secured by the Company’s accounts receivables. The Company has the right, at its sole option, to substitute cash for the note prior to the entry of final approval by the Court.

The settlement is subject to the following conditions:

- the funding by the Company of the settlement;
- the Company’s right to terminate the settlement if a portion of the class members, to be agreed upon by the settling parties, delivers timely and valid requests for exclusion from the class;
- approval of the settlement by the Court and entry of final judgment approving the settlement; and
- satisfaction or waiver of all covenants in the MOU.

Item 3.02. Unregistered Sales of Equity Securities

The information set forth in Item 1.01 above is incorporated by reference into this Item 3.02.

The Company’s common stock to be issued in the settlement pursuant to the entry of a final order of approval by the Court will be issued in a transaction exempt from the registration requirement of the Securities Act of 1933, as amended (the “Securities Act”), under Section 3(a)(10) of the Securities Act as a transaction by an issuer approved by a court of the United States.

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.

Date: December 11, 2013

Novatel Wireless, Inc.

By: /s/ Catherine F. Ratcliffe
Catherine F. Ratcliffe
*Senior Vice President of Business Affairs,
General Counsel and Corporate Secretary*