

NAVISTAR INTERNATIONAL CORP
Form SC 13D/A
October 26, 2012

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 13D

[Rule 13d-101]

INFORMATION TO BE INCLUDED IN STATEMENTS FILED

PURSUANT TO § 240.13d-1(a) AND AMENDMENTS

THERE TO FILED PURSUANT TO § 240.13d-2(a)

(Amendment No. 4)*

Navistar International Corporation

(Name of Issuer)

Common Stock, par value \$0.10 per share

(Title of Class of Securities)

63934E108

(CUSIP Number)

Janet Yeung

MHR Fund Management LLC

Edgar Filing: NAVISTAR INTERNATIONAL CORP - Form SC 13D/A

40 West 57th Street #24

New York, New York 10019

(212) 262-0005

(Name, Address and Telephone Number of Person Authorized to Receive Notices of Communication)

October 24, 2012

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the Schedule, including all exhibits. *See* §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (the Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

(Page 1 of 12 Pages)

CUSIP No. 63934E108

Page 2 of 12 Pages

(1) Name of reporting person

MHR INSTITUTIONAL PARTNERS III LP

(2) Check the appropriate box if a member of a group (see instructions)

(a) (b)

(3) SEC use only

(4) Source of funds (see instructions)

WC

(5) Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e)

..

(6) Citizenship or place of organization

Delaware

Number of (7) Sole voting power

shares

beneficially 10,844,670

(8) Shared voting power

owned by

each

reporting 0
(9) Sole dispositive power

person

with

10,844,670
(10) Shared dispositive power

Edgar Filing: NAVISTAR INTERNATIONAL CORP - Form SC 13D/A

0

(11) Aggregate amount beneficially owned by each reporting person

10,844,670

(12) Check box if the aggregate amount in Row (11) excludes certain shares (see instructions)

..

(13) Percent of class represented by amount in Row (11)

13.7%

(14) Type of reporting person (see instructions)

PN

CUSIP No. 63934E108

Page 3 of 12 Pages

(1) Name of reporting person

MHR INSTITUTIONAL ADVISORS III LLC

(2) Check the appropriate box if a member of a group (see instructions)

(a) (b)

(3) SEC use only

(4) Source of funds (see instructions)

AF

(5) Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e)

..

(6) Citizenship or place of organization

Delaware

Number of (7) Sole voting power

shares

beneficially 10,844,670

(8) Shared voting power

owned by

each

reporting 0
(9) Sole dispositive power

person

with 10,844,670

(10) Shared dispositive power

Edgar Filing: NAVISTAR INTERNATIONAL CORP - Form SC 13D/A

0

(11) Aggregate amount beneficially owned by each reporting person

10,844,670

(12) Check box if the aggregate amount in Row (11) excludes certain shares (see instructions)

..

(13) Percent of class represented by amount in Row (11)

13.7%

(14) Type of reporting person (see instructions)

OO

CUSIP No. 63934E108

Page 4 of 12 Pages

(1) Name of reporting person

MHR FUND MANAGEMENT LLC

(2) Check the appropriate box if a member of a group (see instructions)

(a) (b)

(3) SEC use only

(4) Source of funds (see instructions)

AF

(5) Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e)

..

(6) Citizenship or place of organization

Delaware

Number of (7) Sole voting power

shares

beneficially 11,873,000

(8) Shared voting power

owned by

each

reporting 0
(9) Sole dispositive power

person

with 11,873,000

(10) Shared dispositive power

0

(11) Aggregate amount beneficially owned by each reporting person

11,873,000

(12) Check box if the aggregate amount in Row (11) excludes certain shares (see instructions)

..

(13) Percent of class represented by amount in Row (11)

14.98%

(14) Type of reporting person (see instructions)

OO

CUSIP No. 63934E108

Page 5 of 12 Pages

(1) Name of reporting person

MHR HOLDINGS LLC

(2) Check the appropriate box if a member of a group (see instructions)

(a) (b)

(3) SEC use only

(4) Source of funds (see instructions)

AF

(5) Check box if disclosure of legal proceedings is required pursuant to Item 2(d) or 2(e)

..

(6) Citizenship or place of organization

Delaware

Number of (7) Sole voting power

shares

beneficially 11,873,000

(8) Shared voting power

owned by

each

reporting 0
(9) Sole dispositive power

person

with 11,873,000

(10) Shared dispositive power

0

(11) Aggregate amount beneficially owned by each reporting person

11,873,000

(12) Check box if the aggregate amount in Row (11) excludes certain shares (see instructions)

..

(13) Percent of class represented by amount in Row (11)

14.98%

(14) Type of reporting person (see instructions)

OO

(1) Name of reporting person

MARK H. RACHESKY, M.D.

(2) Check the appropriate box if a member of a group (see instructions)

(a) (b)

(3) Sec use only

(4) Source of funds (see instructions)

AF

(5) Check box if disclosure of legal proceedings is required pursuant to item 2(d) or 2(e)

..

(6) Citizenship or place of organization

United States of America

(7) Sole voting power

Number of

shares 11,873,000
(8) Shared voting power

beneficially

owned by 0
(9) Sole dispositive power
each

reporting

person 11,873,000
(10) Shared dispositive power

with

0

(11) Aggregate amount beneficially owned by each reporting person

11,873,000

(12) Check box if the aggregate amount in row (11) excludes certain shares (see instructions)

..

(13) Percent of class represented by amount in row (11)

14.98%

(14) Type of reporting person (see instructions)

IN; HC

Explanatory Note

This statement on Schedule 13D (this Statement) amends and supplements, as Amendment No. 4, the Schedule 13D filed on June 15, 2012 (the Initial Schedule 13D), which was amended on June 25, 2012 by Amendment No. 1 to the Initial Schedule 13D (Amendment No. 1), on July 10, 2012 by Amendment No. 2 to the Initial Schedule 13D (Amendment No. 2), on October 9, 2012 by Amendment No. 3 to the Initial Schedule 13D (Amendment No. 3) and, together with Amendment No. 2, Amendment No. 1 and the Initial Schedule 13D, the Schedule 13D) and relates to shares of common stock, par value \$0.10 per share (the Common Stock), of Navistar International Corporation (the Issuer). Capitalized terms used in this Statement but not defined herein shall have the respective meanings given to such terms in Amendment No. 3.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended by adding the following paragraph:

On October 24, 2012, Master Account, Capital Partners (100) and Institutional Partners III acquired an aggregate of 1,598,000 shares of Common Stock in an underwritten public offering by the Issuer (the Public Offering) for aggregate consideration (excluding commissions) of approximately \$29,962,500. All of the funds required to acquire such shares were obtained from the capital of Master Account, Capital Partners (100) and Institutional Partners III.

Item 4. Purpose of the Transaction

Item 4 is hereby amended by adding the following:

After conversations between representatives of the Reporting Persons and the Issuer, Mark H. Rachesky, M.D. entered into a Lock-up Agreement, dated October 23, 2012 (Lock-up Agreement) in connection with the Public Offering. A copy of the Lock-up Agreement is attached hereto as Exhibit 1 and incorporated herein by reference.

Item 5. Interests in Securities of the Issuer

Item 5 is hereby amended by deleting such item in its entirety and replacing it with the following:

The percentages set forth below are calculated based on information contained in the Issuer's Prospectus Supplement dated October 24, 2012, which disclosed that, after giving effect to the Public Offering there were 79,257,293 shares of Common Stock outstanding as of September 30, 2012.

(a) (i) Master Account may be deemed to be the beneficial owner of 907,167 shares of Common Stock held for its own account (approximately 1.1% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d-3(d)(1)(i) under the Act).

(ii) Capital Partners (100) may be deemed to be the beneficial owner of 121,163 shares of Common Stock held for its own account (approximately 0.2% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act).

(iii) Advisors may be deemed to be the beneficial owner of 1,028,330 shares of Common Stock (approximately 1.3% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act). This number consists of (A) 907,167 shares of Common Stock held for the account of Master Account and (B) 121,163 shares of Common Stock held for the account of Capital Partners (100).

(iv) Institutional Partners III may be deemed to be the beneficial owner of 10,844,670 shares of Common Stock held for its own account (approximately 13.7% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act).

(v) Institutional Advisors III may be deemed to be the beneficial owner of 10,844,670 shares of Common Stock (approximately 13.7% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act). This number consists of 10,844,670 shares of Common Stock held for the account of Institutional Partners III.

(vi) Fund Management may be deemed to be the beneficial owner of 11,873,000 shares of Common Stock (approximately 14.98% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act). This number consists of all of the shares of Common Stock otherwise described in this Item 5 by virtue of Fund Management's investment management agreement with Master Account, Capital Partners (100) and Institutional Partners III.

(vii) MHR Holdings may be deemed to be the beneficial owner of 11,873,000 shares of Common Stock (approximately 14.98% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act). This number consists of all of the shares of Common Stock otherwise described in this Item 5 by virtue of MHR Holdings' position as the managing member of Fund Management.

(viii) Dr. Rachesky may be deemed to be the beneficial owner of 11,873,000 shares of Common Stock (approximately 14.98% of the total number of shares of Common Stock outstanding, calculated in accordance with Rule 13d 3(d)(1)(i) under the Act). This number consists of all of the shares of Common Stock otherwise described in this Item 5 by virtue of Dr. Rachesky's position as the managing member of each of Advisors, Institutional Advisors III and MHR Holdings.

(b) (i) Master Account may be deemed to have (x) the sole power to direct the disposition of 907,167 shares of Common Stock which may be deemed to be beneficially owned by Master Account as described above, and (y) the sole power to direct the voting of 907,167 shares of Common Stock which may be deemed to be beneficially owned by Master Account as described above.

(ii) Capital Partners (100) may be deemed to have (x) the sole power to direct the disposition of 121,163 shares of Common Stock which may be deemed to be beneficially owned by Capital Partners (100) as described above, and (y) the sole power to direct the voting of 121,163 shares of Common Stock which may be deemed to be beneficially owned by Capital Partners (100) as described above.

(iii) Advisors may be deemed to have (x) the sole power to direct the disposition of 1,028,330 shares of Common Stock which may be deemed to be beneficially owned by Advisors as described above, and (y) the sole power to direct the voting of 1,028,330 shares of Common Stock which may be deemed to be beneficially owned by Advisors as described above.

(iv) Institutional Partners III may be deemed to have (x) the sole power to direct the disposition of 10,844,670 shares of Common Stock which may be deemed to be beneficially owned by Institutional Partners III as described above, and (y) the sole power to direct the voting of 10,844,670 shares of Common Stock which may be deemed to be beneficially owned by Institutional Partners III as described above.

(v) Institutional Advisors III may be deemed to have (x) the sole power to direct the disposition of 10,844,670 shares of Common Stock which may be deemed to be beneficially owned by Institutional Advisors III as described above, and (y) the sole power to direct the voting of 10,844,670 shares of Common Stock which may be deemed to be beneficially owned by Institutional Advisors III as described above.

(vi) Fund Management may be deemed to have (x) the sole power to direct the disposition of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by Fund Management as described above, and (y) the sole power to direct the voting of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by Fund Management as described above.

(vii) MHR Holdings may be deemed to have (x) the sole power to direct the disposition of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by MHR Holdings as described above, and (y) the sole power to direct the voting of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by MHR Holdings as described above.

(viii) Dr. Rachesky may be deemed to have (x) the sole power to direct the disposition of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by Dr. Rachesky as described above, and (y) the sole power to direct the voting of 11,873,000 shares of Common Stock which may be deemed to be beneficially owned by Dr. Rachesky as described above.

(c) See Annex A.

(d) (i) The partners of Master Account, including Advisors, have the right to participate in the receipt of dividends from, or proceeds from the sale of, Common Stock held for the account of Master Account in accordance with their partnership interests in Master Account.

(ii) The partners of Capital Partners (100), including Advisors, have the right to participate in the receipt of dividends from, or proceeds from the sale of, Common Stock held for the account of Capital Partners (100) in accordance with their partnership interests in Capital Partners (100).

(iii) The partners of Institutional Partners III, including Institutional Advisors III, have the right to participate in the receipt of dividends from, or proceeds from the sale of, Common Stock held for the account of Institutional Partners III in accordance with their partnership interests in Institutional Partners III.

(e) Not Applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with respect to the Securities of the Issuer.

Item 6 is hereby amended by adding the following:

The information set forth in Item 4 above and Exhibit 1 to this Statement are incorporated into this Item 6 by reference.

Item 7. Material to be filed as Exhibits.

Exhibit No.	Description
1	Lock-up Agreement, dated October 23, 2012, by Mark H. Rachesky, M.D.

SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

Dated: October 26, 2012

MHR INSTITUTIONAL PARTNERS III, LP

By: MHR Institutional Advisors III LLC, its General Partner

By: /s/ Janet Yeung
Name: Janet Yeung
Title: Authorized Signatory

MHR INSTITUTIONAL ADVISORS III, LLC

By: /s/ Janet Yeung
Name: Janet Yeung
Title: Authorized Signatory

MHR FUND MANAGEMENT LLC

By: /s/ Janet Yeung
Name: Janet Yeung
Title: Authorized Signatory

MHR HOLDINGS LLC

By: /s/ Janet Yeung
Name: Janet Yeung
Title: Authorized Signatory

MARK H. RACHESKY, M.D.

By: /s/ Janet Yeung, Attorney in Fact

Annex A

Transaction Date	Person Named in Item 5(a)	Common Stock Acquired	Price	Description of Transaction
October 24, 2012	Master Account	130,563	18.75	Underwritten Primary Public Offering
October 24, 2012	Capital Partners (100)	17,368	18.75	Underwritten Primary Public Offering
October 24, 2012	Institutional Partners III	1,450,069	18.75	Underwritten Primary Public Offering