

AIRGATE PCS INC /DE/
Form 4
February 16, 2005

FORM 4

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

OMB APPROVAL

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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 *
Loughman William J

(Last) (First) (Middle)

AIRGATE PCS, INC., 233
PEACHTREE STREET, NE, SUITE
1700

(Street)

ATLANTA, GA 30303

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AIRGATE PCS INC /DE/ [PCSA]

3. Date of Earliest Transaction
(Month/Day/Year)
02/15/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ 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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial 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.

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SEC 1474
(9-02)

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

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount Underlying Security |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|---|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|---|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | | | | |
|--|--|----------------------|-----------------|---|------------------|------------------|--------------|----------------------------|--|--|
| | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | |
| Non-qualified Employee Stock Options (right to buy) ⁽¹⁾ | \$ 14.24 | 02/15/2005 | D | 22,500 | ② | 08/11/2014 | Common Stock | 22,500 | | |
| Restricted Stock Units | ③ | 02/15/2005 | D | 15,000 | ④ | ⑤ | Common Stock | 15,000 | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|--|
| | Director 10% Owner Officer Other |
| Loughman William J AIRGATE PCS, INC. 233 PEACHTREE STREET, NE, SUITE 1700 ATLANTA, GA 30303 | CFO |

Signatures

/s/ William J. Loughman 02/15/2005

**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).
- (1) These Non-Qualified Stock Options were granted on August 11, 2004 pursuant to the terms of the AirGate PCS, Inc. Amended and Restated 2002 Long Term Incentive Plan (the "2002 LTIP").
- These options provided for vesting in the amount of 25% of the total grant on each anniversary of the grant date, beginning August 11, 2005. On February 7, 2005, the Company's board of directors approved the full acceleration of vesting of these options, effective immediately prior to the closing of the merger on February 15, 2005 between the issuer and A-Co. Merger Sub, Inc., a wholly-owned subsidiary of Alamosa Holdings, Inc. The options were cancelled pursuant to the merger agreement between the issuer, Alamosa Holdings, Inc. and A-Co. Merger Sub, Inc. in exchange for a cash payment of \$503,550.00, representing the number of shares subject to the option times the difference between the exercise price of the option and the average closing price of Alamosa common stock for the ten trading days prior to the merger multiplied by 2.87 (\$36.62 per share).
- (2) Convertible into the issuer's common stock on a 1-for-1 basis.
- (3) These Restricted Stock Units ("RSUs") were scheduled to vest on August 11, 2007, subject to the achievement of certain performance objectives as detailed in the 2002 LTIP. On February 7, 2005, the Company's board of directors approved the full acceleration of vesting of these RSUs, effective immediately prior to the closing of the merger on February 15, 2005. The RSUs were cancelled in the merger in exchange for a cash payment of \$549,300.00, representing the number of RSUs times the average closing price of Alamosa common

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stock for the ten trading days prior to the merger multiplied by 2.87 (\$36.62 per share).

(5) None.

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

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