

SONA MOBILE HOLDINGS CORP
 Form 5
 March 16, 2006

FORM 5

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
 FANZILLI FRANK J

2. Issuer Name and Ticker or Trading Symbol
 SONA MOBILE HOLDINGS CORP
 [SNMB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2005

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

5 OLD LANTERN PLACE

(Street)

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

6. Individual or Joint/Group Reporting

(check applicable line)

NORWALK, CT 06851

(City) (State) (Zip)

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	11/17/2005	Â	C4	Amount 527,977 (1)	A \$ (1) 527,977	D	Â
Common Stock	07/19/2005	Â	A4	40,000 (5)	A \$ (5) 567,977	D	Â

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

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SEC 2270 (9-02)

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

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 of Underlying Security (Instr. 3)
					(A)	(D)	Date Exercisable	Expiration Date	Title
STOCK OPTION (RIGHT TO BUY)	\$ 1.2	07/19/2005	^	A4	5,000	^	^ (2)	07/19/2010	Common Stock
SERIES A CONVERTIBLE PREFERRED STOCK (4) (8)	^	^	^	3	^	^	^ (7)	04/19/2010	Common Stock
SERIES A CONVERTIBLE PREFERRED STOCK	^	11/17/2005	^	C4	^	10,974 (1)	^ (7)	04/19/2010	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FANZILLI FRANK J 5 OLD LANTERN PLACE NORWALK, CT 06851	^ X	^	^	^

Signatures

Frank J.
Fanizilli, Jr. 03/16/2006

__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).

Issued upon the automatic conversion on 11/17/2005 of the Issuer's Series A Convertible Preferred Stock into shares of the Issuer's Common Stock at the ratio of 48.11159 shares of Common Stock for each share of Series A Convertible Preferred Stock held, as provided in the Certificate of Designation, as amended, for the Series A Preferred Stock.

(1) The stock option is exercisable as follows: (a) 2,500 shares currently exercisable; (b) 1,250 shares commencing 04/19/2006; and (d) 1,250 shares commencing 07/19/2006.

(3) Not Applicable.

(4) On July 19, 2005, the reporting person was appointed to the Issuer's Board of Directors.

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- Issued pursuant to a compensation plan for newly elected or appointed non-employee directors adopted by the Issuer's board of directors on 07/19/2005. Under the plan, the reporting person was awarded immediately 40,000 shares of common Stock upon his appointment to the board, of which 20,000 shares vested immediately and 20,000 shares vests on 07/19/2006, subject to forfeiture if the reporting person leaves the board for any reason prior to 07/19/06.
- (5)
 - (6) 1 for 48.11159.
 - (7) Immediately.
 - (8) 10,974 shares of Series A Preferred Stock was issued to the reporting person in connection with an issuer merger transaction in exchange for shares of common stock of the merged entity at the ratio of 1 share of Series A Preferred Stock for 10 shares of common stock.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.