

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <b>NAZEM FRED F</b>  (Last) (First) (Middle) <b>44 EAST 73RD STREET</b>  (Street) <b>NEW YORK NY 10021</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>NETFABRIC HOLDINGS, INC [ NFBH.BB ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <b>06/08/2006</b>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/08/2006		A		300,000	A	(1)	15,307,477(3)	D	

**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 and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Convertible Debenture	\$0.5	04/19/2006		P		100,000		04/19/2006	09/15/2006	Common Stock	100,000	\$0.5	100,000	D	
Warrants	\$1.5	07/19/2006		P		100,000		07/19/2005	07/18/2008	Common Stock	100,000	\$1.5	100,000	D	
Convertible Debenture	\$0.5	06/08/2006		P		300,000		06/08/2006	08/04/2006	Common Stock	300,000	\$0.5(2)	300,000	D	

**Explanation of Responses:**

- The Reporting Person purchased a Convertible Debenture from the Company in the amount of \$150,000. The Company also issued 300,000 shares as additional consideration for the Convertible Debenture purchased.
- The Convertible Debenture can be converted into 300,000 shares of the Company's Common Stock at \$0.50 per share.
- These shares include 6,592,212 shares held by the Fred F. Nazem Childrens' Trust, whose trustees are Alexander Nazem, Farhad Nazem and Sohelya Gharib. These shares are held in a trust for the benefit of the Reporting Person's children.

/s/ Fred. F Nazem

06/28/2006

\*\* Signature of Reporting Person

Date

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

\* 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).

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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