

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

November 2, 2005

NetFabric Holdings, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware ----- (State or other jurisdiction of incorporation)	0-21419 ----- (Commission File Number)	76-307819 ----- (IRS Employer Identification No.)
Three Stewart Court, Denville, New Jersey 07834 ----- (Address of principal executive offices)		06804 ----- (Zip code)
Registrant's telephone number, including area code:		(973) 887-2785

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:

- 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))

Item 1.02 Termination of a Material Definitive Agreement.

On October 27, 2005, NetFabric Holdings, Inc. (the "Company") entered into a Termination Agreement with Cornell Capital Partners, LP, whereby that certain Standby Equity Distribution Agreement, dated July 5, 2005, and the related Registration Rights Agreement, Placement Agent Agreement and Escrow Agreement of even date therewith were terminated.

Item 9.01. Financial Statements and Exhibits.

- (a) Not applicable
- (b) Not applicable
- (c) Exhibits

----- Exhibit -----	----- Description -----	----- Location -----
Exhibit 99.1	Termination Agreement, dated as of October 27, 2005 by and between the NetFabric Holdings, Inc. and Cornell Capital Partners, LP	Provided herewith

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: November 2, 2005

NetFabric Holdings, Inc

By: /s/ Jeff Robinson

Name: Jeff Robinson

Title: Chief Executive Officer

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT (the "Agreement") is made and entered into effective as of October 27, 2005, by and between NETFABRIC HOLDINGS, INC., a Delaware corporation (the "Company"), and CORNELL CAPITAL PARTNERS, LP, a Delaware limited partnership (the "Investor").

Recitals:

WHEREAS, the Company and the Investor entered into an Standby Equity Distribution Agreement (the "Standby Equity Distribution"); a Registration Rights Agreement (the "Registration Rights Agreement"); an Escrow Agreement (the "Escrow Agreement"); and a Placement Agent Agreement (the "Placement Agent Agreement"), all of which are dated July 5, 2005 (collectively, the Standby Equity Distribution Agreement, the Registration Rights Agreement, the Escrow Agreement and Placement Agent Agreement are referred to as the "Transaction Documents").

NOW, THEREFORE, in consideration of the promises and the mutual promises, conditions and covenants contained herein and in the Transaction Documents and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Termination. Each of the parties to this Agreement hereby terminate the Transaction Documents and the respective rights and obligations contained therein. As a result of this provision, none of the parties shall have any rights or obligations under or with respect to the Transaction Documents.
2. Structuring Fees. The Investor shall retain all structuring fees.
3. Commitment Fees. The Investor shall retain the portion of the commitment fee consisting of Two Hundred Forty Two Thousand Eight Hundred Fifty Seven (242,857) shares of common stock of the Company, which shall have "piggy-back" registration rights. The Investor shall return to the Company the stock certificate representing Four Hundred Thirty Seven Thousand One Hundred Forty Three (437,143) shares of the common stock of the Company within ten (10) business days of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have signed and delivered this Termination Agreement on the date first set forth above.

NETFABRIC HOLDINGS, INC.

By: /s/ Jeff Robinson

Name: Jeff Robinson
Title: Chairman and Chief Executive Officer

CORNELL CAPITAL PARTNERS, LP

By: Yorkville Advisors, LLC
Its: General Partner

By: /s/ Mark A. Angelo

Name: Mark A. Angelo
Title: Portfolio Manager