

DATA SYSTEMS & SOFTWARE INC

Form 4

March 31, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).**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 *
MOORE JOHN A2. Issuer Name and Ticker or Trading
SymbolDATA SYSTEMS & SOFTWARE
INC [DSSI.OB]5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

403 MARSH LANE

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/27/2006☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below)

Chief Executive Officer

WILMINGTON, DE 19804

(City) (State) (Zip)

4. If Amendment, Date Original
Filed(Month/Day/Year)6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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	(D)	Price

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
number.**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 Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)							
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares	
Option	\$ 2	03/27/2006	A		200,000		09/30/2006	03/31/2011	Common Stock	200,000	
Option	\$ 2.25	03/27/2006	A		200,000		03/30/2009 ⁽¹⁾	03/31/2011	Common Stock	200,000	

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MOORE JOHN A 403 MARSH LANE WILMINGTON, DE 19804	Chief Executive Officer

Signatures

/s/ John A.
Moore 03/31/2006

__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).

Subject to accelerated vesting of: (a) 100,000 shares upon the Registrant's having raised \$1,000,000 in gross proceeds from the sale of equity, (b) 100,000 shares upon the Registrant's Common Stock achieving a five-day average closing market price of \$5.00 or greater per

(1) share or (c) accelerated vesting of all options upon the (i) termination of the Reporting Person's employment by the Registrant without Cause, (ii) termination of the Reporting Person's employment by the Reporting Person for Good Reason or (iii) a Change of Control of the Registrant (each as defined in the Reporting Person's Option Agreement with the Registrant).

(2) This amount does not include 380,877 shares of Common Stock beneficially owned by the Reporting Person (as previously reported).

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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