

SOKOLOW LEONARD J  
 Form 4  
 July 02, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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).

**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 \*  
**SOKOLOW LEONARD J**

2. Issuer Name and Ticker or Trading Symbol  
**VFINANCE INC [VFIN.OB]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**C/O VFINANCE, INC., 3010  
 NORTH MILITARY TRAIL,  
 SUITE 300**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**07/01/2008**

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

(Street)  
**BOCA RATON, FL 33431**

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

(City) (State) (Zip)

**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)
Common Stock, par value \$0.01 per share	07/01/2008		D	5,883,010	D 0	D	

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 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 Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Employee Stock Option (right to buy)	\$ 0.155	07/01/2008		D	1,500,000	(2) 12/29/2010	Common Stock	1,500,000	
Employee Stock Option (right to buy)	\$ 0.21	07/01/2008		D	2,000,000	(3) 12/28/2011	Common Stock	2,000,000	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SOKOLOW LEONARD J C/O VFINANCE, INC. 3010 NORTH MILITARY TRAIL, SUITE 300 BOCA RATON, FL 33431	X	X	CEO	

## Signatures

/s/ Leonard J. Sokolow 07/02/2008

\*\*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) Disposed of pursuant to the Agreement and Plan of Merger dated November 7, 2008, as amended, by and among the Issuer, National Holdings Corporation ("National") and National's wholly-owned subsidiary, vFin Acquisition Corporation ("MergerSub"), pursuant to which the Issuer was the surviving entity in a merger with MergerSub and became a wholly-owned subsidiary of National. In the merger, the Reporting Person received an aggregate of 823,622 shares of National common stock having a market value of \$1.75 per share, the closing price of National's common stock as quoted on the Over-the-Counter Bulletin Board on June 30, 2008, the date prior to the closing date of the merger.

(2) This option, which provided for vesting in four equal installments beginning December 30, 2006, was exchanged for an option having the same terms and conditions except that it is exercisable to purchase 210,000 shares of National common stock at \$1.11 per share

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- (3) This option, which provided for vesting in four equal installments beginning December 29, 2007, was exchanged for an option having the same terms and conditions except that it is exercisable to purchase 280,000 shares of National common stock at \$1.50 per share.

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