

VONAGE HOLDINGS CORP  
 Form 3  
 May 24, 2006

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0104  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

**INITIAL STATEMENT OF 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)

<p>1. Name and Address of Reporting Person *</p> <p>Â LAVINE JONATHAN S</p> <p>(Last) (First) (Middle)</p> <p>C/O SANKATY ADVISORS, LLC, Â 111 HUNTINGTON AVENUE</p> <p>(Street)</p> <p>BOSTON, Â MA Â 02199</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>05/23/2006</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>VONAGE HOLDINGS CORP [VG]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p>___ Director    <input checked="" type="checkbox"/> 10% Owner                  ___ Officer    ___ Other                  (give title below) (specify below)</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p>___ Form filed by One Reporting Person  <input checked="" type="checkbox"/> Form filed by More than One Reporting Person</p>
--	---	---	--	---	---

**Table I - Non-Derivative Securities Beneficially Owned**

<p>1. Title of Security (Instr. 4)</p>	<p>2. Amount of Securities Beneficially Owned (Instr. 4)</p>	<p>3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)</p>	<p>4. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
--	--	---	--

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

**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.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

<p>1. Title of Derivative Security (Instr. 4)</p>	<p>2. Date Exercisable and Expiration Date (Month/Day/Year)</p> <p>Date Exercisable      Expiration Date</p>	<p>3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)</p> <p>Title      Amount or Number of</p>	<p>4. Conversion or Exercise Price of Derivative Security</p>	<p>5. Ownership Form of Derivative Security: Direct (D)</p>	<p>6. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
---	--	--	---	---	--

			Shares		or Indirect (1) (Instr. 5)	
1) Series E Convertible Preferred Stock	Â (1)	Â (1)	Common stock, par value \$0.001 per share 2,695,824	\$ (1)	I	See Footnotes (2) (3) (4)
2) Senior Unsecured Convertible Notes	12/16/2005	12/01/2010	Common stock, par value \$0.001 per share 1,604,899 (5)	\$ 14.22	I	See Footnotes (2) (3) (4)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAVINE JONATHAN S C/O SANKATY ADVISORS, LLC 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
SANKATY CREDIT OPPORTUNITIES LP 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
Sankaty Credit Opportunities Investors, LLC 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
SANKATY CREDIT MEMBER, LLC 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
PROSPECT HARBOR CREDIT PARTNERS LP 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
PROSPECT HARBOR INVESTORS, LLC 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
SANKATY HIGH YIELD PARTNERS III L P 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
Sankaty High Yield Asset Investors III, LLC 111 HUNTINGTON AVENUE BOSTON, MA 02199	Â	Â X	Â	Â
SANKATY INVESTORS III, LLC 111 HUNTINGTON AVENUE	Â	Â X	Â	Â

BOSTON, MA 02199

SANKATY HIGH YIELD PARTNERS II L P  
111 HUNTINGTON AVENUE  
BOSTON, MA 02199

Â Â X Â Â

## Signatures

/s/ Jonathan S.  
Lavine

05/23/2006

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) The convertible preferred stock is immediately convertible on a 1:2.86 basis and has no expiration date. The convertible preferred stock automatically converts to Common Stock upon the closing of the offering.
- Shares include (i) (a) 673,957 shares issuable upon conversion of preferred stock, and (b) 241,091 shares issuable upon conversion of convertible notes owned by Sankaty Credit Opportunities, L.P. ("SCO"), whose sole general partner is Sankaty Credit Opportunities Investors, LLC ("SCI"), whose managing member is Sankaty Credit Member, LLC ("SCM"), (ii) (a) 1,752,285 shares issuable upon conversion of preferred stock, and (b) 505,009 shares issuable upon conversion of convertible notes owned by Sankaty Credit Opportunities II, L.P. ("SCO II"), whose sole general partner is Sankaty Credit Opportunities Investors II, LLC ("SCI II"), whose managing member is SCM, (iii) (a) 269,582 shares issuable upon conversion of preferred stock, and (b) 472,197 shares issuable upon conversion of convertible notes owned by Prospect Harbor Credit Partners, L.P. ("PH"), whose sole general partner is Prospect Harbor Investors, LLC ("PHI"), (Continued to Footnote 3)
- whose managing member is SCM; (iv) 235,385 shares issuable upon conversion of convertible notes owned by Sankaty High Yield Partners II, L.P., whose sole general partner is Sankaty High Yield Asset Investors II, LLC ("SHYA II"), whose sole managing member is Sankaty Investors II, LLC ("SI II"); and (v) 151,217 shares issuable upon conversion of convertible notes owned by Sankaty High Yield Partners III, L.P, whose sole general partner is Sankaty High Yield Asset Investors III, LLC ("SYHA III"), whose sole managing member is Sankaty Investors III, LLC ("SI III"). Jonathan S. Lavine is the managing member of each of SCM, SI II and SI III. Mr. Lavine and the entities listed above other than record holders of the shares listed above may each be deemed to share voting and dispositive power with respect to these shares, but each disclaims beneficial ownership of such shares except to the extent of their pecuniary interests therein.
- (3) Following consummation of the Issuer's initial public offering, the reporting persons herein will cease to hold, directly or indirectly, more than 10% of any class of any equity security of the issuer (determined in accordance with the rules for determining beneficial ownership under Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) and therefore will no longer be subject to the disclosure and other requirements of Section 16 of the Exchange Act.
- (5) Additional shares may be issuable upon conversion of the notes if the Issuer elects to pay interest on the notes in kind by increasing the principal outstanding under the notes.

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.