

NET2PHONE INC  
Form 4  
January 24, 2006

**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 \*  
IDT CORP

(Last) (First) (Middle)  
520 BROAD STREET  
(Street)  
NEWARK, NJ 07102  
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
NET2PHONE INC [NTP]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/20/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ 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 Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value \$0.01 per share	01/20/2006		P		2,798 (1)	A	\$ 2.05	30,646,173 (2)	I	See Footnote (1)
Common Stock, par value \$0.01 per share	01/20/2006		P		99,408 (1)	A	\$ 2.05	30,745,581 (2)	I	See Footnote (1)
Common Stock, par value \$0.01 per share								1,250,000	I	See Footnote (3)

Common  
Stock, par  
value \$0.01  
per share

1,523,798 D

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

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**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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
IDT CORP 520 BROAD STREET NEWARK, NJ 07102		X		

## Signatures

Joyce J. Mason, by Power of Attorney  
Date: 01/24/2006

\*\*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).

Represents shares of common stock, par value \$0.01 per share ("Common Stock"), of Net2Phone, Inc. ("Net2Phone") acquired by NTOP Acquisition, Inc. ("NTOP Acquisition"), a wholly-owned subsidiary of the Reporting Person, pursuant to an Offer to Purchase dated November 10, 2005, as amended (the "Tender Offer"), on the transaction date indicated.

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- (2) Represents the shares of Common Stock acquired by NTOP Acquisition in the Tender Offer through the transaction date indicated.
- (3) Represents 1,250,000 shares of Common Stock held by IDT LMC-NTP Acquisition III, Inc., a wholly-owned subsidiary of the Reporting Person.

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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