
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

August 15, 2005

Date of Report (Date of earliest event reported)

SONUS NETWORKS, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE 000-30229 04-3387074

(State or Other Jurisdiction (Commission File Number) of Incorporation)

(IRS Employer Identification No.)

250 APOLLO DRIVE, CHELMSFORD, MASSACHUSETTS 01824 (Address of Principal Executive Offices) (Zip Code)

(978) 614-8100

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- [] 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 1.01. Entry into a Material Definitive Agreement.

Effective August 15, 2005, Paul K. McDermott commenced employment as Vice President, Finance and Corporate Controller of Sonus Networks, Inc. (the "Company"). A copy of the press release dated August 15, 2005 announcing the employment of Mr. McDermott is attached as Exhibit 99.1 hereto and incorporated herein by reference.

Pursuant to a written offer letter dated August 11, 2005, a copy of which is attached as Exhibit 10.1 hereto and incorporated herein by reference, Mr. McDermott will receive annual base compensation of \$190,000. He is eligible for an "on target bonus" of 20% of his annual base salary subject to the achievement of specific objectives. Mr. McDermott will receive an option to purchase 150,000 shares of the Company's common stock at an exercise price of the closing price of the Company's common stock on the NASDAQ National Market on the date of grant, with 25% of the number of options vesting on the first anniversary of his commencement date and the remaining 75% vesting in equal monthly increments through the fourth anniversary of the commencement date. Mr. McDermott is an employee-at-will.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Effective August 15, 2005, Paul K. McDermott commenced employment as Vice

President, Finance and Corporate Controller of the Company. Mr. McDermott will serve as the Company's principal accounting officer and as an executive officer reporting under Section 16(a) of the Securities Exchange Act of 1934.

Mr. McDermott served as Chief Financial Officer, Treasurer and Secretary of Network Intelligence Corporation, a supplier of appliance-based security event management products, from June 2002 until March 2005. Prior to serving in that role, Mr. McDermott served as Chief Financial Officer, Vice President of Finance & Administration, Treasurer and Secretary of Firepond, Inc., a global provider of integrated sales and e-services software solutions from January 1999 to January 2002. Mr. McDermott is 43 years old.

Exhibits 10.1 and 99.1 and the disclosure in Item 1.01 of this Current Report on Form 8-K are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

- 10.1 Offer Letter between Sonus Networks, Inc. and Paul K. McDermott dated August 9, 2005.
- 99.1 Press release of Sonus Networks, Inc. dated August 15, 2005 announcing employment of Vice President, Finance and Corporate Controller.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 15, 2005 SONUS NETWORKS, INC.

By:

/s/ Ellen Richstone Ellen Richstone

Chief Financial Officer

EXHIBIT INDEX

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250 Apollo Drive, Chelmsford, MA 01824

August 9, 2005

Mr. Paul McDermott 18 Nipmuck Drive Westborough, MA 01581

Dear Paul:

I am pleased to provide you with the terms and conditions of our offer of employment to you by Sonus Networks, Inc. (the "Company").

1. Position. Your initial position will be VP, Corporate Controller and VP, Finance, reporting to Ellen Richstone, Chief Financial Officer. In addition to performing duties and responsibilities associated with the position of VP, Controller from time to time the Company may assign you other duties and responsibilities.

As a full-time employee of the Company, you will be expected to devote your full business time and energies to the business and affairs of the Company.

2. Starting Date/Nature of Relationship. It is expected that your employment will start on or within 1 week from August 29, 2005. No provision of this letter shall be construed to create an express or implied employment contract for a specific period of time. Employment at Sonus Networks, Inc. is considered "at will" and either you or the Company may terminate the employment relationship at any time and for any reason.

Compensation.

- (a) Your initial salary will be annualized at \$190,000. You will be eligible to participate in the Bonus Program for 2005 (pro-rated) with a target of 20% of annual base salary. Objectives will be agreed upon within the first ninety days of your employment.
- (b) You will be granted an option to purchase 150,000 shares of common stock under the Company's Incentive Stock Plan, subject to the terms of the Plan and approval of the Stock Option Committee. Should the Company implement a change of control provision for corporate officers, this position will be included.
- 4. Employment Eligibility. In compliance with the Immigration Reform and Control Act of 1986, you are required to establish your identity and employment eligibility. Therefore, on your first day of employment you will be required to fill out an Employment Verification Form and present documents in accordance with this form.
- 5. Benefits. You will be entitled as an employee of the Company to receive such benefits as are generally provided its employees in accordance with Company policy as in effect from time to time. Company benefits include group health, life and dental insurance, and liberal holidays, vacation and 401K programs. All employees begin accruing three (3) weeks of vacation upon date of hire. The Company is committed to providing a healthy work environment for every employee. Therefore, we provide a smoke free environment and require all employees to comply.

The Company retains the right to change, add or cease any particular benefit.

6. Confidentiality. The Company considers the protection of its confidential information and proprietary materials to be very important. Therefore, as a condition of your employment, you and the Company will become parties to a Noncompetition and Confidentiality Agreement. Two copies of this agreement are sent with this offer letter. Both copies must be signed and returned to the Company prior to the first day of employment.

7. General.

- (a) This letter will constitute our entire agreement as to your employment by the Company and will supercede any prior agreements or understandings, whether in writing or oral.
- (b) This letter shall be governed by the law of the Commonwealth of Massachusetts.
- (c) Sonus Networks is an equal opportunity employer.

You may accept this offer of employment and the terms and conditions thereof by confirming your acceptance by August 17, 2005. Please send your signed letter to

the Company, or via e-mail to Nancy Forte at nforte@sonusnet.com which execution will evidence your agreement with the terms and conditions set forth herein and therein. You may retain the enclosed copy of this letter for your records. We are enthusiastic about you joining us, and believe that our technical and business goals will provide every opportunity for you to achieve you personal and professional objectives.

Very truly yours,

/s/Colleen Humphrey
----Colleen Humphrey
Director, Human Resources

Sonus Networks Appoints Controller and Principal Accounting Officer

CHELMSFORD, Mass.--(BUSINESS WIRE)--Aug. 15, 2005--Sonus Networks (Nasdaq: SONS), a leading supplier of service provider voice over IP (VoIP) infrastructure solutions, today announced that Paul McDermott has been appointed vice president of finance, corporate controller and principal accounting officer. In this role, McDermott will direct the Company's worldwide finance organization.

"Paul brings to Sonus a broad range of experience having led the financial operations of several technology companies," said Ellen Richstone, chief financial officer, Sonus Networks. "He has the right mix of finance and accounting experience to help drive the next phase of Sonus' global growth. I look forward to Paul's contributions as we all work toward extending Sonus' leadership position."

McDermott has over 20 years of experience and a successful background leading the finance operations of several high-technology companies. Prior to joining Sonus, he was the chief financial officer (CFO), treasurer and secretary at Network Intelligence Corporation, a provider of appliance-based security event management products. Previous to Network Intelligence Corporation, McDermott served as the CFO of Firepond where he led the successful initial public offering of the company. He has also held executive finance positions with Serviceware Technologies, and Legent Corporation (acquired by Computer Associates).

"Sonus has established a preeminent position in the rapidly growing VoIP market," commented McDermott. "I look forward to working with the great team that Sonus has assembled, and contributing to the Company's efforts to expand its global market leadership in such an important and dynamic industry."

About Sonus Networks

Sonus Networks, Inc. is a leading provider of voice over IP (VoIP) infrastructure solutions for wireline and wireless service providers. With its comprehensive IP Multimedia Subsystem (IMS) solution, Sonus addresses the full range of carrier applications, including residential and business voice services, wireless voice and multimedia, trunking and tandem switching, carrier interconnection and enhanced services. Sonus' voice infrastructure solutions are deployed in service provider networks worldwide. Founded in 1997, Sonus is headquartered in Chelmsford, Massachusetts of U.S. Additional information on Sonus is available at http://www.sonusnet.com.

This release may contain forward-looking statements regarding future events that involve risks and uncertainties. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results. Readers are referred to the "Risk Factors" section of Sonus' Annual Report on Form 10-K, dated March 15, 2005, and the "Cautionary Statements" section of Sonus' Quarterly Report on Form 10-Q, dated August 8, 2005, both filed with the SEC, which identify important risk factors that could cause actual results to differ from those contained $\frac{1}{2}$ in the forward-looking statements. Risk factors include among others: the impact of material weaknesses in our disclosure controls and procedures and our internal control over financial reporting on our ability to report our financial results timely and accurately; the unpredictability of our quarterly financial results; risks associated with our international expansion and growth; consolidation in the telecommunications industry; and potential costs resulting from pending securities litigation against the company. Any forward-looking statements represent Sonus' views only as of today and should not be relied upon as representing Sonus' views as of any subsequent date. While Sonus may elect to update forward-looking statements at some point, Sonus specifically disclaims any obligation to do so.

Sonus is a registered trademark of Sonus Networks. Open Services Architecture is a trademark of Sonus Networks. All other company and product names may be trademarks of the respective companies with which they are associated.