

Item. 5.03 Amendments to Atrticles of Incorporation or Bylaws; Change in Fiscal Year

Effective September 15, 2006, the Registrant changed its name from Data Systems & Software Inc. to Acorn Factor, Inc. The name change was effected pursuant to Section 253 of the General Corporation Law of the State of Delaware by the merger of a wholly-owned subsidiary of the Registrant into the Registrant. The Registrant was the surviving corporation and, in connection with the merger, the Registrant amended its Certificate of Incorporation to change its name to Acorn Factor, Inc. pursuant to the Certificate of Ownership and Merger filed with the Secretary of State of the State of Delaware. A copy of the Certificate of Ownership and Merger is attached hereto as Exhibit 3.1.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No. Description

3.1 Certificate of Ownership and Merger of Acorn Factor, Inc. into Data Systems & Software Inc., dated September 15, 2006.

SIGNATURES

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 on this 21st day of September, 2006.

DATA SYSTEMS & SOFTWARE INC.

By: /s/ Sheldon Krause
Name: Sheldon Krause
Title: Secretary and General Counsel