SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No.1)1

NETWORK-1 SECURITY SOLUTIONS, INC.
- --
(Name of issuer)

COMMON STOCK, $.01 PAR VALUE
- --
(Title of class of securities)

64121N-10-9
- --
(CUSIP number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
505 Park Avenue
New York, New York 10022
(212) 753-7200
- --
(Name, address and telephone number of person
authorized to receive notices and communications)

November 18, 2003
- --
(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule
13G to report the acquisition which is the subject of this Schedule 13D, and is
filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box
|_|.

Note. six copies of this statement, including all exhibits, should
be filed with the Commission. See Rule 13d-1(a) for other parties to who copies
are to be sent.

(Continued on following pages)

(Page 1 of 4 pages)

- --------
1   The remainder of this cover page shall be filled out for a reporting
person's initial filing on this form with respect to the subject class of
securities, and for any subsequent amendment containing information which would
alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall
not be deemed to be "filed" for the purpose of Section 18 of the Securities
Exchange Act of 1934 or otherwise subject to the liabilities of that section of
the Act but shall be subject to all other provisions of the Act (however, see
the Notes).

==

1   NAME OF REPORTING PERSONS

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

FALCONSTOR SOFTWARE, INC.
- --
2   CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*   (a) |_|
                                                         (b) |_|
- --
3   SEC USE ONLY

- --
4   SOURCE OF FUNDS*
         WC
- --
5   CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
     PURSUANT TO ITEM 2(d) OR 2(e) |_|
- --
6   CITIZENSHIP OR PLACE OR ORGANIZATION
         UNITED STATES
- --
 NUMBER OF   7   SOLE VOTING POWER
  SHARES
BENEFICIALLY   500,000*
 OWNED BY
  EACH
 REPORTING
PERSON WITH   --
        8   SHARED VOTING POWER
                 -0-
        ----
        9   SOLE DISPOSITIVE POWER
                 500,000*
        ----
        10   SHARED DISPOSITIVE POWER
                 -0-
- --
11   AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
     PERSON
         500,000*
- --
12   CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
     CERTAIN SHARES* |_|
- --
13   PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
       5.7%
- --
14   TYPE OF REPORTING PERSON*
         CO
==

*   Assumes the exercise of Additional Warrants to purchase 500,000 shares of
    Common Stock held by the Reporting Person. Does not include the exercise or
    conversion of any other derivative security of the Issuer.

     This Amendment No. 1 amends the Schedule 13D dated October 12, 2001
(the "Schedule 13D"), filed by FalconStor Software, Inc. ("FalconStor"). This
Amendment No. 1 reflects (i) the sale of 1,084,935 shares of Series E Preferred
Stock of the Issuer by FalconStor in a privately negotiated transaction, (ii)
the expiration of Warrants to purchase 2,169,870 shares of Common Stock of the
Issuer and (iii) Additional Warrants to purchase 500,000 shares of Common Stock
becoming presently exercisable. All capitalized terms not otherwise defined
herein shall have the meanings ascribed thereto in the Schedule 13D. The items
specified below are hereby amended and supplemented as specified herein.

Item 5.   Interest in Securities of the Issuer.

(a) In calculating the aggregate percentage of shares of Common Stock reported owned by FalconStor, the denominator is based upon 8,314,458 shares of Common Stock outstanding, which is the total number of shares of Common Stock outstanding as of October 30, 2003 as reported in the Issuer's Quarterly Report on Form 10-QSB for the quarterly period ended September 30, 2003 and an additional 500,000 shares of Common Stock to reflect the exercise of all Additional Warrants held by FalconStor into Common Stock. FalconStor has sole voting power with respect to the shares of Common Stock that it will receive upon exercise of the Additional Warrants.

As of the close of business on November 18, 2003, FalconStor beneficially owns 500,000 shares of Common Stock of the Issuer, representing shares of Common Stock issuable upon the exercise of Additional Warrants which became presently exercisable in October 2002. Such amount constitutes approximately 5.7% of the shares of Common Stock outstanding which does not include the exercise or conversion of any derivative securities of the Issuer not held by FalconStor.

The only transactions in the last 60 days by FalconStor were (i) the sale of 1,084,935 shares of Series E Preferred Stock (which were convertible into 2,169,870 shares of Common Stock) on November 18, 2003 pursuant to a private transaction at an aggregate purchase price of $35,000 and (ii) the expiration of Warrants to purchase 2,169,870 shares of Common Stock on October 2, 2003.

- ----------------------   ------------------
CUSIP No. 64121N-10-9   13D   Page 4 of 4 Pages
- ----------------------   ------------------

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 19, 2003   FALCONSTOR SOFTWARE, INC.

By: /s/ Jacob Ferng

    Name: Jacob Ferng
    Title: Chief Financial Officer