

# FORM 4

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

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person HOROWITZ COREY M		2. Issuer Name and Ticker or Trading Symbol NETWORK 1 SECURITY SOLUTIONS INC [NSSI.PK]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) CEO and Chairman	
(Last) (First) (Middle) C/O CMH CAPITAL MANAGEMENT CORP., 445 PARK AVENUE, SUITE 1028		3. Date of Earliest Transaction (Month/Day/Year) 04/13/2004		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(Street) NEW YORK, NY 10022		4. If Amendment, Date Original Filed (Month/Day/Year)			
(City) (State) (Zip)		<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>			

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, \$.01 par value per share	04/13/2004		J(1)		2,712,337 (2)	A	(1)	2,867,800	I	By Corporation (3)
Common Stock, \$.01 par value per share	04/13/2004		J(1)		88,442 (2)	A	(1)	89,970	I	By Spouse
Common Stock, \$.01 par value per share								486,303	D	
Common Stock, \$.01 par value per share								2,291	I	By General Partnership (4)

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 Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series E Convertible Preferred Stock	\$ 0 (5)	04/13/2004		J(1)		1,084,935	(6)	(7)	Common Stock, \$.01 par value per share	2,169,870	(1)	0	I	By Corporation
Series E Convertible Preferred Stock	\$ 0 (5)	04/13/2004		J(1)		35,377	(6)	(7)	Common Stock, \$.01 par value per share	70,754	(1)	0	I	By Spouse

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOROWITZ COREY M C/O CMH CAPITAL MANAGEMENT CORP. 445 PARK AVENUE, SUITE 1028 NEW YORK, NY 10022	X	X	CEO and Chairman	

## Signatures

/s/ Horowitz, Corey M.	04/15/2004
<small>Signature of Reporting Person</small>	<small>Date</small>

## 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).

Pursuant to an Exchange Agreement, dated April 13, 2004, by and among the Issuer and all the holders of the Issuer's outstanding Series D and Series E Preferred Stock, the holders of such Preferred Stock agreed to exchange their shares of Preferred Stock for shares of Common Stock. In accordance with the Exchange Agreement, holders of Preferred Stock received 1.25 times the number of shares of Common Stock for each share of Common Stock that they would have received based upon the conversion rate of their Preferred Stock.

(2) Issued in exchange for Series E Preferred Stock.

(3) These securities are owned directly by CMH Capital Management Corp. ("CMH"), a corporation whose sole stockholder is Corey M. Horowitz.

(4) These shares of Common Stock of the Issuer are held by Horowitz Partners, a general partnership of which Mr. Horowitz is a partner. Mr. Horowitz disclaims beneficial ownership of the shares held by Horowitz Partners except to the extent of his pecuniary interest therein.

(5) Under the terms of the Certificate of Designations, Preferences and Other Rights and Qualifications of Series E Convertible Preferred Stock of the Issuer, each share of Series E Convertible Preferred Stock was convertible at any time into two (2) shares of Common Stock.

(6) The Series E Convertible Preferred Shares were convertible upon issuance. No additional payment was required for the conversion.

(7) The Series E Convertible Preferred Shares did not have an expiration date.

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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