

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

Date of Report (Date of earliest event reported): May 15, 2007

Network-1 Security Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware 1-14896 11-3027591

(State or other jurisdiction of incorporation) (Commission File Number) (IRS Employer Identification No.)

445 Park Avenue, Suite 1028, New York, New York 10022

(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 829-5700

N/A

(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 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 15, 2007, the Company issued a press release announcing its results of operations for the quarter ended March 31, 2007. A copy of the press release is furnished herewith as Exhibit 99.1.

The information contained in this Item 2.02, including Exhibit 99.1

attached hereto, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Furthermore, the information contained in this Item 2.02 or Exhibit 99.1 shall not be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 FINANCIAL STATEMENTS ARE EXHIBITS

Exhibit Number	Description
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99.1	Press Release, dated May 15, 2007

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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.

NETWORK-1 SECURITY SOLUTIONS, INC.

Dated: May 16, 2007 By: /s/ Corey M. Horowitz

Name: Corey M. Horowitz
Title: Chairman & Chief Executive Officer

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FOR IMMEDIATE RELEASE

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Corey M. Horowitz, Chairman and CEO
Network-1 Security Solutions, Inc.
(212) 829-5770

NETWORK-1 REPORTS FIRST QUARTER 2007 RESULTS

NEW YORK, NEW YORK MAY 15, 2007-- Network-1 Security Solutions, Inc. (OTC BB: NSSI) today announced financial results for the quarter ended March 31, 2007. Network-1 reported a net loss of \$(1,060,000) for the first quarter ended March 31, 2007 as compared to a net loss of \$(316,000) for the first quarter ended March 31, 2006. Included in net loss for the quarter ended March 31, 2007 was an expense of \$461,000 in non cash compensation expenses. Network-1 had no revenues during the quarter ended March 31, 2007.

Net loss attributable to common stockholders for the quarter ended March 31, 2007 was \$(1,060,000) or \$(0.05) per share as compared to a net loss attributable to common stockholders of \$(316,000) or \$(0.02) per share for the quarter ended March 31, 2006.

On April 16, 2007, the Company completed a private placement of its securities consisting of 3,333,333 shares of its common stock, at a purchase price of \$1.50 per share, and five year warrants to purchase an aggregate of 1,666,667 shares of common stock at an exercise price of \$2.00 per share resulting in gross proceeds to the Company of \$5,000,000. As of April 30, 2007, the Company had approximately \$5,450,000 of cash and cash equivalents which management believes will be sufficient to fund its operations until at least December 2008.

On April 25, 2007 the Company agreed to a settlement of its patent infringement litigation against D-Link Corporation and D-Link Systems, (collectively "D-Link") in the United States District Court for the Eastern District of Texas, Tyler Division, for infringement of the Company's Remote Power Patent (U.S. Patent No. 6,218,930). Under the terms of the settlement, D-Link has agreed to enter into a license agreement for the Remote Power Patent the terms of which include monthly royalty payments of 3.25% of the net sales of D-Link branded Power over Ethernet products, including those products which comply with the IEEE 802.3af and 802.3at Standards, for the full term of the Remote Power Patent, which expires in March 2020. The royalty rate is subject to adjustment beginning after the first quarter of 2008 to a rate consistent with other similarly situated licensees of the Remote Power Patent based on units of shipments of licensed products. In addition, D-Link has agreed to pay Network-1 \$100,000.

The Remote Power Patent relates to, among other things, the delivery of power over Ethernet cables in order to remotely power network connected devices including, among others, wireless switches, wireless access points, RFID card readers, VoIP telephones and network cameras. In June 2003, the Institute of Electrical and Electronic Engineers (IEEE) approved the 802.3af Power over Ethernet ("PoE") standard which has led to the rapid adoption of PoE. The IEEE is currently working on the 802.3at Power over Ethernet Plus (PoE Plus) Standard which will increase the maximum power delivered to devices to 60 watts from the current 13 watts under 802.3af.

ABOUT NETWORK-1 SECURITY SOLUTIONS, INC.

Network-1 Security Solutions, Inc. is engaged in the acquisition, development, licensing and protection of its intellectual property and proprietary technologies. It currently owns six patents covering various telecommunications and data networking technologies and is currently focusing its licensing efforts on its Remote Power Patent (U.S. Patent No. 6,218,930) covering the remote delivery of power over Ethernet networks. The Remote Power Patent was granted by the U.S. Office of Patents and Trademarks on April 17, 2001 and expires on March 7, 2020.

THIS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. THESE STATEMENTS ADDRESS FUTURE EVENTS AND CONDITIONS CONCERNING THE COMPANY'S BUSINESS PLANS. SUCH STATEMENTS ARE SUBJECT TO A NUMBER OF RISK FACTORS AND UNCERTAINTIES AS DISCLOSED IN THE COMPANY'S ANNUAL REPORT ON FORM 10-KSB FOR THE YEAR ENDED DECEMBER 31, 2006 INCLUDING, AMONG OTHERS, THE ABILITY OF NETWORK-1 TO OBTAIN LICENSE AGREEMENTS FROM THIRD PARTIES FOR ITS PATENT PORTFOLIO, UNCERTAINTY OF PATENT LITIGATION, THE COMPANY'S ABILITY TO ACHIEVE REVENUES AND PROFITS FROM ITS PATENT PORTFOLIO, THE COMPANY'S ABILITY TO RAISE CAPITAL WHEN NEEDED, FUTURE ECONOMIC CONDITIONS AND TECHNOLOGY CHANGES AND LEGISLATIVE, REGULATORY AND COMPETITIVE DEVELOPMENTS. EXCEPT AS OTHERWISE REQUIRED TO BE DISCLOSED IN PERIODIC REPORTS, THE COMPANY EXPRESSLY DISCLAIMS ANY FUTURE OBLIGATION OR UNDERTAKING TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN.

INVESTOR CONTACT:

Alliance Advisors, LLC
 Alan Sheinwald, 914-244-0062
 asheinwald@allianceadvisors.net

The condensed statements of operations and condensed balance sheets are attached.

NETWORK-1 SECURITY SOLUTIONS, INC.
 CONDENSED STATEMENTS OF OPERATIONS

	Quarter Ended March 31,	
	2007	2006
Total operating expenses		
General and administrative	\$ 614,000	\$ 280,000
Non-Cash Compensation	--	--
	461,000	48,000
Net loss	<u>\$ (1,060,000)</u>	<u>\$ (316,000)</u>
Net Loss attributable to common stockholders	<u>\$ (1,060,000)</u>	<u>\$ (316,000)</u>
Per Common Share - Basic and Diluted		
Net Loss available to common stockholders	<u>\$ (0.05)</u>	<u>\$ (0.02)</u>
Weighted average number of shares outstanding - basic and diluted	<u>19,784,724</u>	<u>17,832,787</u>

CONDENSED BALANCE SHEET AS OF 3/31/07

Cash and cash equivalents	<u>\$ 1,086,000</u>
Total current assets	<u>\$ 1,142,000</u>
Total assets	<u>\$ 1,235,000</u>

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Total current liabilities	\$ 421,000
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Total long term liabilities	\$ -0-
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Total stockholders' equity	\$ 814,000
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