FORM 4

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

rint or Type Responses)													
1. Name and Address of Reporting Person - FIRST NEW YORK SECURITIES LLC /NY	Issuer Name and Ticker or Trading Symbol NETWORK 1 SECURITY SOLUTIONS INC [NSSI]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director X 10% Owner						
(Last) (First) (M 850 THIRD AVENUE 17TH FLOOR	3. Date of Earliest Transaction (Month/Day/Year) 12/31/2003						Officer (give title below) Officer (give title below) Other (specify below)						
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)						6. Individual or Joint/Group Filing(Check Applicable Line)						
NEW YORK, NY 10022							X_ Form filed by One Reporting PersonForm filed by More than One Reporting Person						
	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned											
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year	2A. Deemed Execution Date, i ear) (Month/Day/Year	(Instr. 8)	n	4. Securities Acquire or Disposed of (D) (Instr. 3, 4 and 5)		ed (A)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Form:	7. Nature of Indirect Beneficial Ownership			
			Code	V	Amount	(A) or (D)	Price		or Indirect (I) (Instr. 4)	(Instr. 4)			
Common Stock	12/31/2003		P		41,000 (1)	A	\$ 0.2	607,700	D				
Common Stock	01/02/2004		P			A	\$ 0.19	608,000	D				
Common Stock	01/15/2004		P		30,000 (1)	A	\$ 0.27	638,000	D				
Common Stock	01/16/2004		P		40,000 (1)	A	\$ 0.29	678,000	D				
Common Stock	01/27/2004		P		50,500 (1)	A	\$ 0.37	728,500	D				
Common Stock	01/26/2004		P		2,500 (1)	A	\$ 0.4	731,000	D				
Common Stock	01/27/2004		P		19,700 (1)	A	\$ 0.42	750,700	D				
Common Stock	02/02/2004		P		7,300 (1)	A	\$ 0.48	758,000	D				
Common Stock	02/02/2004		P		20,000 (1)	A	\$ 0.45	778,000	D				
Common Stock	02/06/2004		P		1,000 (1)	A	\$ 0.42	779,000	D				
Common Stock	02/09/2004		P		10,000 (1)	A	\$ 0.45	789,000	D				
Common Stock	02/13/2004		P		1,000 (1)	A	\$ 0.45	790,000	D				
Common Stock	02/13/2004		P		1,000 (1)	A	\$ 0.49	791,000	D				
Common Stock	02/17/2004		P		1,000 (1)	A	\$ 0.44	792,000	D				
Common Stock	02/17/2004		P		3,500 (1)	A	\$ 0.43	795,500	D				
Common Stock	02/18/2004		P		5,500 (1)	A	\$ 0.43	801,000	D				
Common Stock	02/19/2004		P		500 (1)	A	\$ 0.47	801,500	D				
Common Stock	02/19/2004		P		2,000 (1)	A	\$ 0.46	803,500	D				
Common Stock	02/20/2004		P		1,000 (1)	A	\$ 0.47	804,500	D				
Common Stock	02/20/2004		P		1,500 (1)	A	\$ 0.45	806,000	D				
Common Stock	02/26/2004		P		1,000 (1)	A	\$ 0.4	807,000	D				
Common Stock	02/26/2004		P		8,000 (1)	A	\$ 0.42	815,000	D				
Common Stock	02/26/2004		P		12,000 (1)	A	\$ 0.43	827,000	D				
Common Stock	02/26/2004		P		20,000 (2)	A	\$ 0.41	70,000 (3)	D				
Common Stock	02/26/2004		P		47,000 (1)	A	\$ 0.40	874,000	D				
Common Stock	03/05/2004		P		5,000 (2)	A	\$ 0.22	75,000	D				
Common Stock	03/08/2004		P		25,600 (2)	A	\$ 0.25	100,600	D				
Reminder: Report on a separate line for each class of securiti	es beneficially	owned directly or indir	ectly.										
			F					llection of information contained in this for		1474 (9-02)			
are not required to respond ur control number.								ess the form displays a currently valid OMB					

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) 9. Number of Derivative Securities Beneficially 10. 11. Nature
Ownership
Form of Beneficial
Derivative Ownership 3A. Deemed 4. Transaction Execution Date, if any (Instr. 8) 1. Title of Derivative 2. Conversion 3. Transaction 6. Date Exercisable 7. Title and Amount of 8. Price of or Exercise
Price of
Derivative
Security Date (Month/Day/Year) any (Month/Day/Year) Derivative Security (Instr. 5) Security (Instr. 3) and Expiration Date (Month/Day/Year) Underlying Securities (Instr. 3 and 4) Owned Following Security: Direct (D)

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							Date	Expiration	Title	Amount or Number of	Reported	or Indirect	
							Exercisable	Date	THE	Shares		m .	
			Code	37	(A)	(D)	Literensuoie	Duic		Shares	(-)	(Instr. 4)	
			Code	v	(A)	(1)					(111511. 4)	(111511.4)	

Reporting Owners

Booting Constitution (Addition	Relationships							
Reporting Owner Name / Address		10% Owner	Officer	Other				
FIRST NEW YORK SECURITIES LLC /NY 850 THIRD AVENUE 17TH FLOOR NEW YORK, NY 10022		X						

Signatures

/s/ Mario Maugeri	03/22/2004
Signature of Reporting Person	Date

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).
- (1) Securities owned by First New York Securities L.L.C.
- (2) Securities owned by Douglas Lipton
- (3) Mr. Lipton is also an indirect beneficial owner of 32,200 shares owned by his wife.

Remarks:

The reporting persons and others have filed a joint Schedule 13G indicating ownership in the aggregate of more than 10% of the outstanding shares of common stock of the Issuer. Pursuant to Rule 10 (4), the filing of this report shall not be deemed an admission that the reporting persons are the beneficial owners of more than 10% of the outstanding shares of common stock of the Issuer for purpos

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Joint Filer Information

Name Douglas Lipton

1255 Park Avenue, Apt. 2A New York, New York 10128 Address:

Designated Filter: First New York Securities L.L.C.

Issuer (Ticker symbol): Network-1 Security Solutions, Inc. (NSSI)

Date of Event

Requiring Statement: Deember 31, 2003

Signature: /s/ Douglas Lipton

Match 22, 2004 Date: