

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

(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-OTC]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input 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)	3. Date of Earliest Transaction (Month/Day/Year) 01/04/2012			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		
6 BROOKLAWN DRIVE			4. If Amendment, Date Original Filed (Month/Day/Year)					
(Street)			WESTPORT, CT 06880					
(City)			(State)			(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, 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	01/04/2012		M		20,000	A	\$ 0.68	1,430,569	D	
Common Stock, \$.01 par value per share	01/04/2012		F		14,115 (1)	D	\$ 1.19	1,416,454	D	
Common Stock, \$.01 par value per share	01/04/2012		X		300,000	A	\$ 0.68	2,342,800	I	See footnote (2)
Common Stock, \$.01 par value per share	01/04/2012		J	(3)	171,428 (3)	D	\$ 1.19	2,171,372	I	See footnote (2)

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				
Option to purchase common stock (right to buy)	\$ 0.68	01/04/2012		M		20,000	10/20/1998	10/20/2014	Common Stock	20,000	\$ 0	0	D	
Option to purchase common stock (right to buy)	\$ 0.68	01/04/2012		X		300,000	07/11/2011	07/11/2014	Common Stock	300,000	\$ 0	0	I	See footnote (2)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOROWITZ COREY M 6 BROOKLAWN DRIVE WESTPORT, CT 06880	X	X	CEO and Chairman	

Signatures

By: /s/ Corey M. Horowitz

01/06/2012

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) 11,428 shares delivered in connection with cashless exercise of option and 2,687 shares to satisfy tax withholding.

(2) The securities are owned directly by CMH Capital Management Corp. and indirectly by Corey M. Horowitz. CMH Capital Management Corp. is an entity in which Corey Horowitz is the sole officer, director and shareholder.

(3) Delivered to the Issuer in connection with cashless exercise of warrant.

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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