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

OMB APPROVAL OMB Number: 3235-0287 Estimated average burden 0.5 hours per response..

Ву

L.P.

Ву

L.P. Ву

 $I^{(2)}$ 

 $I^{(2)}$ 

Wheatley

Wheatley

Partners,

Partners II,

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

Preferred

Convertible

Preferred

Stock

Series E

Convertible

Preferred

Series E

Stock

<u>(1)</u>

<u>(1)</u>

04/13/2004

04/13/2004

Stock Series E

#### 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 — LIEBER JONATHAN			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)  Director Officer (give title below) Other (specify below)						
(Last) (First) (Middle) 80 CUTTERMILL ROAD, SUITE 302			3. Date of Earliest Transaction (Month/Day/Year) 04/13/2004													
(Street) GREAT NECK, NY 11021				4. If Amendment, Date Original Filed(Month/Day/Year)							6. Individual or Joint/Group Filing(Check Applicable Line)  X_Form filed by One Reporting Person  Form filed by More than One Reporting Person					
(City)	CK, NT I	(State)	(Zip)			Tabla I - 1	Non-D	Varivati	vo Socur	itios	Acqui	rad Dienase	d of or Ro	noficially ()	hwnod	
1 Title of Sam	it.		2 Transpostion							5. Amount of Securities Beneficially 6.				7. Nature of		
1.Title of Security (Instr. 3) 2. Transaction Date (Month/Day/Year		Execution Date, if		Code (Instr. 8)		(A) or Disposed of (Instr. 3, 4 and 5)		d of (	(D) O T	Owned Following Reported  Γransaction(s)  Tinstr. 3 and 4)		Ownership Form:				
					,	Code	V	Amou	ant (A)		Price	(msu. 3 and 4)			or Indirect (I) (Instr. 4)	(Instr. 4)
Common St	tock		04/13/2004			<u>J(1)</u>		29,48	0 A	C	1) 3:	2,584			D	
Common St	tock		04/13/2004			J <u>(1)</u>		235,8	448 A	C	1	,430,507			I (2)	By Wheatley Partners II, L.P.
Common St	tock		04/13/2004			<u>J(1)</u>		216,9	980 A	C	2	16,980			I (2)	By Wheatley Partners, L.P.
Common St	tock		04/13/2004			J(1)		18,86	68 A	C	1) 1	8,868			I <sup>(2)</sup>	By Wheatley Foreign Partners, L.P.
Common St	tock		04/13/2004			<u>J(1)</u>		18,36	66 A	C	1) 1	8,366			I (2)	By Applegreen Partners
Common Stock 04/13/2004				<u>J(1)</u>		88,44	-3 A	C	1) 10	06,809			I (2)	By Applegreen Partners		
Reminder: Re	port on a sep	varate line for each	h class of securities	beneficially  - Derivative 5			Per in ti disp	sons whis for plays a	m are no	ot re	quired alid O	d to respor MB contro	nd unless	the form	ntained SE	CC 1474 (9-02)
		1		(e.g., puts, c	alls, w	arrants, o	ptions	s, conve	rtible se	curit	ties)		1			
Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Ye:	3A. Deemed Execution Date ar) (Month/Day/Ye	Code	ion of De Se Ac (A Di (D (In	Number crivative curities equired ) or sposed of ) str. 3, 4, d 5)	and E	tte Exerc Expiration ath/Day/	on Date	of Se	Underle curities	3 and 4) (Instr. 5) Beneficially Owned Following Reported Transaction (Instr. 4)		Owners Form of Derivat Security Direct ( or Indir	Ownership (Instr. 4)  Ownership (Instr. 4)	
				Code	V (A	) (D)	Date Exerc	cisable l	Expiratio Date	n Tit	tle	Amount or Number of Shares				
Series E Convertible	(1)	04/13/2004		<u>J(1)</u>		11,792		(3)	<u>(4)</u>	Co	ommo	29,480	<u>(1)</u>	0	D	

<u>J(1)</u>

<u>J(1)</u>

Stock

Common

Stock

Stock

Common 216,980

235,848

(1)

<u>(1)</u>

0

0

<u>(4)</u>

<u>(4)</u>

<u>(3)</u>

<u>(3)</u>

94,339

86,792

Convertible Preferred Stock	<u>(1)</u>	04/13/2004	<u>J<sup>(1)</sup></u>	7,547	(3)	<u>(4)</u>	Common Stock	18,868	<u>(1)</u>	0	I (2)	Wheatley Foreign Partners,
Series D Convertible Preferred Stock	<u>(1)</u>	04/13/2004	J <u>(1)</u>	8,672	(3)	<u>(4)</u>	Common Stock	18,366	<u>(1)</u>	0	I (2)	L.P. By Applegreen Partners
Series E Convertible Preferred Stock	<u>(1)</u>	04/13/2004	<u>J(1)</u>	35,377	(3)	<u>(4)</u>	Common Stock	88,443	<u>(1)</u>	0	I (2)	By Applegreen Partners

# **Reporting Owners**

Barrantina Orana Nama / Addusa	Relationships						
Reporting Owner Name / Address	Director	10% Owner	Officer	Other			
LIEBER JONATHAN							
80 CUTTERMILL ROAD, SUITE 302		X					
GREAT NECK, NY 11021							

# **Signatures**

/s/ Jonathan Lieber	04/14/2004
**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) Pursuant to an Exchange Agreement by and among the Company and the holders of the Company's Series D Convertible Preferred Stock and Series E Convertible Preferred Stock, the Series D Convertible Preferred Stock and Series E Convertible Preferred Stock owned by the Reporting Person were exchanged for shares of Common Stock.
- (2) The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein.
- (3) The Series D Convertible Preferred Stock and the Series E Convertible Preferred Stock became convertible upon issuance.
- (4) The Series D Convertible Preferred Stock and the Series E Convertible Preferred Stock do 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.

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.