

NETWORK 1 SECURITY SOLUTIONS INC  
 Form 4  
 February 29, 2012

**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, Section 17(a) of the Public Utility Holding Company Act of 1935 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)

(Last) (First) (Middle)  
**6 BROOKLAWN DRIVE**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**02/27/2012**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**CEO & Chairman**

**WESTPORT, CT 06880**  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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 Ownership (Instr. 4) |           |   |                  |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|-----------|---|------------------|
|   |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                                      |           |   |                  |
| Common Stock, \$.01 par value per share | 02/27/2012                           |  | M                              |   | 375,000   | A  | \$ 0.68                                    | 1,791,454 | D |                  |
| Common Stock, \$.01 par value per share | 02/27/2012                           |  | F                              |   | 246,951<br>(1)  | D  | \$ 1.39                                    | 1,544,503 | D |                  |
| Common Stock, \$.01 par value per share |                                      |  |                                |   |   |  |  | 2,171,372 | I | See footnote (2) |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**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) |         |                      |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------|----------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title   | Amount Number Shares |
| Option to purchase common stock (right to buy) | \$ 0.68  | 02/27/2012                           |  | M                              | 375,000   | 02/28/2007 02/28/2012                                    | Common Stock  | 375,000 |                      |

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships |           |                |       |
|---|---------------|-----------|----------------|-------|
|   | Director      | 10% Owner | Officer        | Other |
| HOROWITZ COREY M<br>6 BROOKLAWN DRIVE<br>WESTPORT, CT 06880 | X             | X         | CEO & Chairman |       |

## Signatures

By: /s/ Corey M. Horowitz  
Date: 02/29/2012

\*\*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).

- 183,453 shares delivered in connection with cashless exercise of option and 63,498 shares to satisfy tax withholding.
- 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.

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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