NETWORK 1 SECURITY SOLUTIONS INC
Form 5
January 16, 2008

FORM 5

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

ANNUAL 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

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).
Form 3 Holdings Reported
Form 4 Transactions Reported

1. Name and Address of Reporting Person *
HOROWITZ COREY M

(Last) (First) (Middle)

C/O CMH CAPITAL MANAGEMENT CORP.,Â 445 PARK AVENUE, SUITE 445

(Street)

NEW YORK,Â NYÂ 10022

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
NETWORK 1 SECURITY SOLUTIONS INC [NSSI.OB]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/21/2007

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director
__X__ Officer (give title below)
__X__ 10% Owner
_____ Other (specify below)
CEO and Chairman

6. Individual or Joint/Group Reporting
(check applicable line)
_X_ 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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock, $.01 par value per share	12/21/2007	Â	G	37,500	D	$ (1)	343,803	D (1)	Â
Common Stock,	12/21/2007	Â	G	12,500	A	$ (1)	55,000	I	By Custodian

$.01 par value per share									For Child (1)
Common Stock, $.01 par value per share	12/21/2007	Â	G	12,500	A	$ (1)	55,000	I	By Trust (1)
Common Stock, $.01 par value per share	12/21/2007	Â	G	12,500	A	$ (1)	55,000	I	By Trust (1)
Common Stock, $.01 par value per share	Â	Â	Â	Â	Â	Â	2,467,800	I	By Corporation
Common Stock, $.01 par value per share	Â	Â	Â	Â	Â	Â	67,471	I	By Spouse
Common Stock, $.01 par value per share	Â	Â	Â	Â	Â	Â	2,291	I	By General Partnership (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. of D Se B O E Is Fi (I
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number		

of
Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOROWITZ COREY M C/O CMH CAPITAL MANAGEMENT CORP. 445 PARK AVENUE, SUITE 445 NEW YORK,Â NYÂ 10022	Â X	Â X	Â CEO and Chairman	Â

Signatures

By: /s/ Corey M. Horowitz	01/16/2008
**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) On December 21, 2007, Mr. Horowitz transferred by gift an aggregate of 37,500 shares to two trusts and a custodian account for the benefit of his three children.

(2) The shares of Common Stock of the Issuer are held by Horowitz Partners, a general partnership of which Mr. Horowitz is a partner. Mr. Horowitz disclaims beneficial ownership of the shares held by Horowitz Partners except to the extent of his pecuniary interest therein.

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