

KAHN DAVID C
Form 4
November 01, 2011

FORM 4

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

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,
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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(Print or Type Responses)

1. Name and Address of Reporting Person *
KAHN DAVID C

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)
380 HEMPSTEAD AVENUE
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
09/14/2011

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Chief Financial Officer

WEST HEMPSTEAD, NY 11552
(City) (State) (Zip)

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

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	(D)	Price

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	(A) or Disposed of (D) (Instr. 3, 4, and 5)							
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock option (right to buy)	\$ 0.54	09/14/2011	G ⁽¹⁾			51,000	⁽²⁾	12/18/2013	Common Stock	51,000	
Stock option (right to buy)	\$ 0.54	09/14/2011	G ⁽¹⁾	V	34,000		⁽²⁾	12/18/2013	Common Stock	34,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KAHN DAVID C 380 HEMPSTEAD AVENUE WEST HEMPSTEAD, NY 11552			Chief Financial Officer	

Signatures

/s/ David C. Kahn 10/31/2011

 **Signature of Date
Reporting Person

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) The Reporting Person transferred 17,000 of these options as gifts to each of three of his children, two of whom share his household.
- (2) 40,000 of the total 100,000 options were exercisable on December 18, 2008. The remaining 60,000 vested quarterly (7,500 per quarter) beginning March 30, 2009.
- (3) The Reporting Person disclaims beneficial ownership of the securities held by these daughters, and this report should not be deemed an admission that the Reporting Person is the beneficial owner of such securities for the purpose of Section 16 or any other purpose.

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.