

FIRST NEW YORK SECURITIES LLC /NY
Form SC 13G/A
February 13, 2007

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Under the Securities Exchange Act of 1934

SCHEDULE 13G

AMENDMENT NO. 3

INFORMATION STATEMENT PURSUANT TO RULES 13d-1 AND 13d-2
UNDER THE SECURITIES EXCHANGE ACT OF 1934

Network-1 Security Solutions, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

64121N109

(CUSIP Number)

December 31, 2006

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

SCHEDULE 13G

CUSIP No. 98975L108

- 1) **NAME OF REPORTING PERSON**
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

First New York Securities L.L.C.

- 2) **CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a)
(b)

- 3) **SEC USE ONLY**

- 4) **CITIZENSHIP OR PLACE OF ORGANIZATION**

New York

	5)	SOLE VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH			637,596
	6)	SHARED VOTING POWER	
			0
	7)	SOLE DISPOSITIVE POWER	
			637,596
	8)	SHARED DISPOSITIVE POWER	
			0

- 9) **AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON**

637,596

- 10) **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES**

- 11) **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)**

3.2%

- 12) **TYPE OF REPORTING PERSON**

BD

2

SCHEDULE 13G

CUSIP No. 98975L108

- 1) **NAME OF REPORTING PERSON**
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Steve Heinemann

- 2) **CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a)
(b)

- 3) **SEC USE ONLY**

- 4) **CITIZENSHIP OR PLACE OF ORGANIZATION**

United States

	5)	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		793,341
	6)	SHARED VOTING POWER
		0
	7)	SOLE DISPOSITIVE POWER
		793,341
	8)	SHARED DISPOSITIVE POWER
		278,596

- 9) **AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON**

1,071,937

- 10) **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES**

- 11) **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)**

5.4%

- 12) **TYPE OF REPORTING PERSON**

IN

SCHEDULE 13G

CUSIP No. 98975L108

- 1) **NAME OF REPORTING PERSON**
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Doug Lipton

- 2) **CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a)
(b)

- 3) **SEC USE ONLY**

- 4) **CITIZENSHIP OR PLACE OF ORGANIZATION**

United States

	5)	SOLE VOTING POWER
NUMBER		182,200
OF		
SHARES	6)	SHARED VOTING POWER
BENEFICIALLY		0
OWNED BY		
EACH	7)	SOLE DISPOSITIVE POWER
REPORTING		182,200
PERSON		
WITH	8)	SHARED DISPOSITIVE POWER
		278,596

- 9) **AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON**

460,796

- 10) **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES**

- 11) **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)**

2.3%

- 12) **TYPE OF REPORTING PERSON**

IN

SCHEDULE 13G

CUSIP No. 98975L108

- 1) **NAME OF REPORTING PERSON**
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Jay Goldstein

- 2) **CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP** (a)
(b)

- 3) **SEC USE ONLY**

- 4) **CITIZENSHIP OR PLACE OF ORGANIZATION**

United States

	5)	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		96,500
	6)	SHARED VOTING POWER
		0
	7)	SOLE DISPOSITIVE POWER
		96,500
	8)	SHARED DISPOSITIVE POWER
		359,000

- 9) **AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON**

455,500

- 10) **CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES**

- 11) **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)**

2.3%

- 12) **TYPE OF REPORTING PERSON**

IN

Schedule 13G

Item 1(a). Name of Issuer:

Network-1 Security Solutions, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices:

445 Park Avenue, Suite 1028
New York, New York 10022

Item 2(a). Name of Person Filing:

(1) First New York Securities L.L.C. ("FNYS")

(2) Steve Heinemann. Mr. Heinemann is employed by and trades securities of the issuer for the proprietary account of FNYS.

(3) Doug Lipton. Mr. Lipton is a Partner of FNYS.

(4) Jay Goldstein. Mr. Goldstein is a Partner of FNYS.

Item 2(b). Address of Principal Business Office or, if None, Residence:

(1) First New York Securities L.L.C. 850 Third Avenue, 17th Floor
New York, NY 10022

(2) Steve Heinemann c/o First New York Securities L.L.C.
850 Third Avenue, 8th Floor
New York, NY 10022

(3) Doug Lipton c/o First New York Securities L.L.C.
850 Third Avenue, 8th Floor
New York, NY 10022

(4) Jay Goldstein c/o First New York Securities L.L.C.
850 Third Avenue, 8th Floor
New York, NY 10022

Item 2(c). Citizenship:

(1) First New York Securities L.L.C. New York

(2) Steve Heinemann United States

(3) Doug Lipton United States

(4) Jay Goldstein United States

Item 2(d). Title of Class of Securities:

Common Stock, par value \$.01 per share

Item 2(e). CUSIP Number:

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64121N-10-9

Item 3. If this statement is filed pursuant to §§ 240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:

(a) Broker or Dealer Registered Under Section 15 of the Act (15 U.S.C. 78o)

(b)