

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

WHEATLEY PARTNERS II LP
Form SC 13D/A
May 07, 2004

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

Schedule 13D

Under the Securities Exchange Act of 1934
(Amendment No. 5) (1)

NETWORK - 1 SECURITY SOLUTIONS, INC.
(Name of Issuer)

Common Stock, \$0.01 Par Value Per Share
(Title of Class of Securities)

64121N109
(CUSIP Number)

Wheatley Partners II, L.P.
80 Cuttermill Road
Great Neck, NY 11021
Telephone: (516) 773-1024

With a copy to:

Morrison Cohen Singer & Weinstein, LLP
750 Lexington Avenue
New York, NY 10022
Telephone: (212) 735-8600
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

April 13, 2004
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See 13d-7(b) for other parties to whom copies are to be sent.

(Continued on following page(s))

- (1) The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

1 of 24

CUSIP No. 64121N109

13D

Page 2 of 24 Pages

1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

 Wheatley Partners II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

 (a)
 (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

 WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

 New York

	7	SOLE VOTING POWER	
		1,430,507 shares	9.5%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		0 shares	0%
	9	SOLE DISPOSITIVE POWER	
		1,430,507 shares	9.5%
	10	SHARED DISPOSITIVE POWER	
		0 shares	0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

 1,430,507 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

 9.5%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

14 TYPE OF REPORTING PERSON*

PN

 *SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 3 of 24 Pages

 1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Irwin Lieber

 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)
 (b)

 3 SEC USE ONLY

 4 SOURCE OF FUNDS*

PF, OO

 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) OR 2(e)

 6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

 7 SOLE VOTING POWER
 700,064 shares 4.6%

 NUMBER OF 8 SHARED VOTING POWER
 SHARES 1,666,355 shares 11.1%

 OWNED BY 9 SOLE DISPOSITIVE POWER
 EACH 700,064 shares 4.6%

 REPORTING 10 SHARED DISPOSITIVE POWER
 PERSON 1,666,355 shares 11.1%

 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,366,419 shares

 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

15.7%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 4 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Barry Rubenstein

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

	7	SOLE VOTING POWER	
		248,509 shares	1.6%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		4,095,644 shares	26.6%
	9	SOLE DISPOSITIVE POWER	
		248,509 shares	1.6%
	10	SHARED DISPOSITIVE POWER	
		4,095,644 shares	26.6%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,344,153 shares

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

28.1%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 5 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Barry Fingerhut

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

	7	SOLE VOTING POWER	
		610,660 shares	4.0%
NUMBER OF SHARES	8	SHARED VOTING POWER	
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		1,666,355 shares	11.1%
	9	SOLE DISPOSITIVE POWER	
		610,660 shares	4.0%
	10	SHARED DISPOSITIVE POWER	
		1,666,355 shares	11.1%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,277,015 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

15.1%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 6 of 24 Pages

1 NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Seth Lieber

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

PF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

34,136 shares

0.2%

NUMBER OF
SHARES

8 SHARED VOTING POWER

1,796,518 shares

11.9%

BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON

9 SOLE DISPOSITIVE POWER

34,136 shares

0.2%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

WITH -----
10 SHARED DISPOSITIVE POWER
1,796,518 shares 11.9%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,830,654 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.2%

14 TYPE OF REPORTING PERSON*
IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109 13D Page 7 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON
Jonathan Lieber

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
PF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

7 SOLE VOTING POWER
32,584 shares 0.2%

NUMBER OF SHARES BENEFICIALLY 8 SHARED VOTING POWER
1,796,518 shares 11.9%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

OWNED BY -----
EACH 9 SOLE DISPOSITIVE POWER
REPORTING
PERSON 32,584 shares 0.2%
WITH -----
10 SHARED DISPOSITIVE POWER
1,796,518 shares 11.9%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,829,102 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.2%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 8 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Woodland Venture Fund

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

7 SOLE VOTING POWER

1,016,064 shares

6.7%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER 0 shares 0%

9 SOLE DISPOSITIVE POWER 1,016,064 shares 6.7%

10 SHARED DISPOSITIVE POWER 0 shares 0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,016,064 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.7%

14 TYPE OF REPORTING PERSON*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109 13D Page 19 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON
Seneca Ventures

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

	7	SOLE VOTING POWER	
		713,400 shares	4.7%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		0 shares	0%
	9	SOLE DISPOSITIVE POWER	
		713,400 shares	4.7%
	10	SHARED DISPOSITIVE POWER	
		0 shares	0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
713,400 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
4.7%

14 TYPE OF REPORTING PERSON*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109 13D Page 10 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON
Marilyn Rubenstein

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
PF, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

	7	SOLE VOTING POWER	
		2,382 shares	0.02%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		2,426,907 shares	15.8%
	9	SOLE DISPOSITIVE POWER	
		2,382 shares	0.02%
	10	SHARED DISPOSITIVE POWER	
		2,426,907 shares	15.8%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,429,289 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

15.8%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 11 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Woodland Services Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

OO

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

	7	SOLE VOTING POWER	
		0 shares	0%
NUMBER OF	8	SHARED VOTING POWER	
SHARES			
BENEFICIALLY		1,729,364 shares	11.3%
OWNED BY			
EACH	9	SOLE DISPOSITIVE POWER	
REPORTING			
PERSON		0 shares	0%
WITH			
	10	SHARED DISPOSITIVE POWER	
		1,729,364 shares	11.3%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,729,364 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.3%

14 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 12 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Woodland Partners

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)
(b)

3 SEC USE ONLY

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

4 SOURCE OF FUNDS*

WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

	7	SOLE VOTING POWER	
		402,733 shares	2.7%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		0 shares	0%
	9	SOLE DISPOSITIVE POWER	
		402,733 shares	2.7%
	10	SHARED DISPOSITIVE POWER	
		0 shares	0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

402,733 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.7%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 13 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Brookwood Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, 00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

7 SOLE VOTING POWER

294,810 shares

2.0%

8 SHARED VOTING POWER

NUMBER OF SHARES
BENEFICIALLY OWNED BY

0 shares

0%

EACH REPORTING PERSON WITH

9 SOLE DISPOSITIVE POWER

294,810 shares

2.0%

10 SHARED DISPOSITIVE POWER

0 shares

0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

294,810 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.0%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 14 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Applegreen Partners

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

	7	SOLE VOTING POWER	
		130,163 shares	0.9%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		0 shares	0%
	9	SOLE DISPOSITIVE POWER	
		130,163 shares	0.9%
	10	SHARED DISPOSITIVE POWER	
		0 shares	0%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

130,163 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.9%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Wheatley Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7	SOLE VOTING POWER		
		216,980 shares		1.4%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER		
		18,868 shares		0.1%
	9	SOLE DISPOSITIVE POWER		
		216,980 shares		1.4%
	10	SHARED DISPOSITIVE POWER		
		18,868 shares		0.1%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

235,848 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.5%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

CUSIP No. 64121N109

13D

Page 16 of 24 Pages

 1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

 Wheatley Foreign Partners, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

 (a)
 (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

 WC, OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

 Delaware

	7	SOLE VOTING POWER	
		18,868 shares	0.1%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		216,980 shares	1.4%
	9	SOLE DISPOSITIVE POWER	
		18,868 shares	0.1%
	10	SHARED DISPOSITIVE POWER	
		216,980 shares	1.4%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

 235,848 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

 1.5%

14 TYPE OF REPORTING PERSON*

 PN

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 17 of 24 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON

Wheatley Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7	SOLE VOTING POWER	
		0 shares	0%
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		235,848 shares	1.5%
	9	SOLE DISPOSITIVE POWER	
		0 shares	0%
	10	SHARED DISPOSITIVE POWER	
		235,848 shares	1.5%

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

235,848 shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.5%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

14 TYPE OF REPORTING PERSON*

OO

 *SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 64121N109

13D

Page 18 of 24 Pages

This statement, dated April 13, 2004, constitutes Amendment No. 5 to the Schedule 13D, dated November 12, 1998, regarding the reporting persons' ownership of certain securities of Network-1 Security Solutions, Inc. All capitalized terms used herein and otherwise undefined shall have the meanings ascribed in the Schedule.

ITEM 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended as follows:

On April 13, 2004, pursuant to the provisions of an exchange agreement with the Issuer, each of Wheatley Partners II, L.P., Wheatley Partners, L.P., Wheatley Foreign Partners, L.P., Barry Rubenstein, Irwin Lieber, Barry Fingerhut, Seth Lieber, Jonathan Lieber, Woodland Venture Fund, Seneca Ventures, Woodland Partners, Brookwood Partners, L.P., Applegreen Partners and Marilyn Rubenstein exchanged the number of shares of Series D Preferred Stock and/or Series E Preferred Stock reflected in Item 5(c) below for shares of Common Stock of the Issuer. Holders of the Series D Preferred Stock and the Series E Preferred Stock received 1.25 shares of Common Stock for each share of Common Stock such holder would have received based upon the prior conversion rates for each share of preferred stock.

ITEM 5. Interests in Securities of the Issuer.

Item 5 is hereby amended and restated as follows:

(a) The following list sets forth the aggregate number and percentage (based on 15,012,576 shares of Common Stock outstanding as reported in the Issuer's Form 10-KSB for the year ended December 31, 2003), of outstanding shares of Common Stock owned beneficially by each reporting person named in Item 2, as of April 13, 2004:

Name -----	Shares of Common Stock Beneficially Owned(2) -----	Percentage of Shares of Common Stock Beneficially Owned(2) -----
Wheatley Partners II, L.P.	1,430,507	9.5%
Barry Rubenstein	4,344,153 (3) (4) (5) (6) (7) (8) (9) (10) (11) (12)	28.1%
Irwin Lieber	2,366,419 (3) (4) (11) (12) (13)	15.7%
Barry Fingerhut	2,277,015 (3) (4) (11) (12) (14)	15.1%
Seth Lieber	1,830,654 (3) (4) (11) (12) (15) (16)	12.2%
Jonathan Lieber	1,829,102 (3) (4) (11) (12) (16) (17)	12.2%

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

Woodland Venture Fund	1,016,064 (6)	6.7%
Seneca Ventures	713,400 (7)	4.7%
Marilyn Rubenstein	2,429,289 (4) (6) (7) (8) (9) (10)	15.8%
Woodland Services Corp.	1,729,364 (4) (6) (7)	11.3%
Woodland Partners	402,733 (8)	2.7%
Brookwood Partners, L.P.	294,810 (10)	2.0%

CUSIP No. 64121N109

13D

Page 19 of 24 Pages

Name	Shares of Common Stock Beneficially Owned (2)	Percentage of Shares of Common Stock Beneficially Owned (2)
----	-----	-----
Applegreen Partners	130,163 (16)	0.9%
Wheatley Partners, L.P.	235,848 (4) (11) (12)	1.5%
Wheatley Foreign Partners, L.P.	235,848 (4) (11) (12)	1.5%
Wheatley Partners, LLC	235,848 (4) (11) (12)	1.5%

-
- (2) Includes shares of Common Stock issuable upon the exercise of the Advisory Option, the 1996 Advisory Option, the 1998 Directors Option, the June 1999 Directors Option, the October 1999 Directors Option, the December 1999 Directors Option, shares of Common Stock issued upon the exchange of the Series D Preferred Stock, shares of Common Stock issuable upon the exercise of the Series D Warrants and shares of Common Stock issued upon the exchange of the Series E Preferred Stock.
- (3) Includes 1,430,507 shares of Common Stock owned by Wheatley Partners II, L.P.
- (4) The reporting person disclaims beneficial ownership of these securities, except to the extent of his/her/its equity interest therein.
- (5) Includes 150,012 shares of Common Stock owned individually by Barry Rubenstein, 31,040 shares of Common Stock issuable upon the exercise of the Advisory Option, 18,624 shares of Common Stock issuable upon the exercise of the 1996 Advisory Option, 20,000 shares of Common Stock issuable upon the exercise of the 1998 Directors Option, 10,000 shares of Common Stock issuable upon the exercise of the June 1999 Directors Option, 7,500 shares of Common Stock issuable upon the exercise of the October 1999 Directors Option, 10,000 shares of Common Stock issuable upon the exercise of the December 1999 Directors Option and 1,333 shares issuable upon the exercise of the

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

Series D Warrants.

- (6) Includes 829,226 shares of Common Stock owned by Woodland Venture and 186,838 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (7) Includes 619,983 shares of Common Stock owned by Seneca, and 93,417 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (8) Includes 309,316 shares of Common Stock owned by Woodland Partners and 93,417 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (9) Includes 1,049 shares of Common Stock owned by Marilyn Rubenstein and 1,333 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (10) Includes 294,810 shares of Common Stock owned by Brookwood.
- (11) Includes 216,980 shares of Common Stock owned by Wheatley Partners.
- (12) Includes 18,868 shares of Common Stock owned by Wheatley Foreign.
- (13) Includes 509,483 shares of Common Stock owned individually by Irwin Lieber, 31,040 shares of Common Stock issuable upon the exercise of the Advisory Option, 18,624 shares of Common Stock issuable upon the exercise of the 1996 Advisory Option, 20,000 shares of Common Stock issuable upon the exercise of the 1998 Directors Option, 10,000 shares of Common Stock issuable upon exercise of the June 1999 Directors Option, 7,500 shares of Common Stock issuable upon the exercise of the October 1999 Directors Option, 10,000 shares of Common Stock issuable upon the exercise of the December 1999 Directors Option, and 93,417 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (14) Includes 517,243 shares of Common Stock owned individually by Barry Fingerhut, and 93,417 shares of Common Stock issuable upon the exercise of the Series D Warrants.

CUSIP No. 64121N109

13D

Page 20 of 24 Pages

- (15) Includes 34,136 shares of Common Stock owned individually by Seth Lieber.
- (16) Includes 106,809 shares of Common Stock owned by Applegreen Partners and 23,354 shares of Common Stock issuable upon the exercise of the Series D Warrants.
- (17) Includes 32,584 shares of Common Stock owned individually by Jonathan Lieber.

(b) Wheatley Partners II has sole power to vote and to dispose of 1,430,507 shares of Common Stock, representing approximately 9.5% of the outstanding Common Stock.

Barry Rubenstein, by virtue of being a general partner of Wheatley Partners II, Woodland Venture, Seneca, Woodland Partners and Brookwood, a member and officer of Wheatley Partners, LLC, and the husband of Marilyn Rubenstein, may be deemed to have shared power to vote and to dispose of

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

4,095,644 shares of Common Stock (including 375,005 shares issuable upon the exercise of the Series D Warrants), representing approximately 26.6% of the outstanding Common Stock. Barry Rubenstein has sole power to vote and to dispose of 248,509 shares of Common Stock (including shares issuable upon the exercise of the Advisory Option, the 1996 Advisory Option, the 1998 Directors Option, the June 1999 Directors Option, the October 1999 Directors Option, the December 1999 Directors Option and 1,333 shares issuable upon the exercise of the Series D Warrants), representing approximately 1.6% of the outstanding Common Stock.

Irwin Lieber, by virtue of being a general partner of Wheatley Partners II and a member and officer of Wheatley Partners, LLC, may be deemed to have shared power to vote and to dispose of 1,666,355 shares of Common Stock, representing approximately 11.1% of the outstanding Common Stock. Irwin Lieber has sole power to vote and to dispose of 700,064 shares of Common Stock (including shares issuable upon the exercise of the Advisory Option, the 1996 Advisory Option, the 1998 Directors Option, the June 1999 Directors Option, the October 1999 Directors Option, the December 1999 Directors Option and 93,417 shares issuable upon the exercise of the Series D Warrants), representing approximately 4.6% of the outstanding Common Stock.

Barry Fingerhut, by virtue of being a general partner of Wheatley Partners II and a member and officer of Wheatley Partners, LLC, may be deemed to have shared power to vote and to dispose of 1,666,355 shares of Common Stock, representing approximately 11.1% of the outstanding Common Stock. Barry Fingerhut has sole power to vote and to dispose of 610,660 shares of Common Stock (including 93,417 shares issuable upon the exercise of the Series D Warrants), representing approximately 4.0% of the outstanding Common Stock.

Seth Lieber, by virtue of being a general partner of Wheatley Partners II and Applegreen, and a member and officer of Wheatley Partners, LLC, may be deemed to have shared power to vote and to dispose of 1,796,518 shares of Common Stock (including 23,354 shares issuable upon the exercise of the Series D Warrants), representing approximately 11.9% of the outstanding Common Stock. Seth Lieber has sole power to vote and to dispose of 34,136 shares of Common Stock, representing approximately 0.2% of the outstanding Common Stock.

Jonathan Lieber, by virtue of being a general partner of Wheatley Partners II and managing general partner of Applegreen, and a member and officer of Wheatley Partners, LLC, may be deemed to have shared power to vote and to dispose of 1,796,518 shares of Common Stock (including 23,354 shares issuable upon the exercise of the Series D Warrants), representing approximately 11.9% of the outstanding Common Stock. Jonathan Lieber has sole power to vote and to dispose of 32,584 shares of Common Stock, representing approximately 0.2% of the outstanding Common Stock.

CUSIP No. 64121N109

13D

Page 21 of 24 Pages

Woodland Venture has sole power to vote and to dispose of 1,016,064 shares of Common Stock (including 186,838 shares issuable upon the exercise of the Series D Warrants), representing approximately 6.7% of the outstanding Common Stock.

Seneca has sole power to vote and to dispose of 713,400 shares of Common Stock (including 93,417 shares issuable upon the exercise of the Series D Warrants), representing approximately 4.7% of the outstanding Common Stock.

Marilyn Rubenstein, has sole power to vote and to dispose of 2,382 shares of Common Stock (including 1,333 shares issuable upon the exercise of the Series D Warrants), representing approximately 0.02% of the outstanding

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

Common Stock, and by virtue of being an officer of Services and a general partner of Woodland Partners and Brookwood, may be deemed to have shared power to vote and to dispose of 2,426,907 shares of Common Stock (including 373,672 shares issuable upon the exercise of the Series D Warrants), representing approximately 15.8% of the outstanding Common Stock.

Services by virtue of being a general partner of Woodland Venture and Seneca, may be deemed to have shared power to vote and to dispose of 1,729,364 shares of Common Stock (including 280,255 shares issuable upon the exercise of the Series D Warrants), representing approximately 11.3% of the outstanding Common Stock.

Woodland Partners has sole power to vote and to dispose of 402,733 shares of Common Stock (including 93,417 shares issuable upon the exercise of the Series D Warrants), representing approximately 2.7% of the outstanding Common Stock.

Applegreen has sole power to vote and to dispose of 130,163 shares of Common Stock (including 23,354 shares issuable upon the exercise of the Series D Warrants), representing approximately 0.9% of the outstanding Common Stock.

Brookwood has sole power to vote and to dispose of 294,810 shares of Common Stock, representing approximately 2.0% of the outstanding Common Stock.

Wheatley Partners has sole power to vote and to dispose of 216,980 shares of Common Stock, representing approximately 1.4% of the outstanding Common Stock, and may be deemed to have shared power to vote and to dispose of 18,868 shares of Common Stock, representing approximately 0.1% of the outstanding Common Stock.

Wheatley Foreign has sole power to vote and to dispose of 18,868 shares of Common Stock, representing approximately 0.1% of the outstanding Common Stock, and may be deemed to have shared power to vote and to dispose of 216,980 shares of Common Stock, representing approximately 1.4% of the outstanding Common Stock.

Wheatley Partners, LLC by virtue of being a general partner of the Wheatley Partners and Wheatley Foreign, may be deemed to have shared power to vote and to dispose of 235,848 shares of Common Stock, representing approximately 1.5% of the outstanding Common Stock.

(c) The following table sets forth the transactions in shares of Common Stock of the Issuer by the Reporting Persons identified in Item 2 of this Schedule 13D which were effected during the prior sixty days from April 13, 2004:

CUSIP No. 64121N109

13D

Page 22 of 24 Pages

Name of Shareholder	Date	Number of Shares of Series D Preferred Stock Exchanged By Holder	Number of Shares of Common Stock Received by Holder	Number of Shares of Series E Preferred Stock Exchanged By Holder
-----	----	-----	-----	-----

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

Wheatley Partners II, L.P.	04/13/04	--	--	94,339
Wheatley Partners, L.P.	04/13/04	--	--	86,792
Wheatley Foreign Partners, L.P.	04/13/04	--	--	7,547
Barry Rubenstein	04/13/04	495	1,049	47,169
Irwin Lieber	04/13/04	34,869	73,468	165,094
Barry Fingerhut	04/13/04	34,869	73,468	165,094
Seth Lieber	04/13/04	--	--	11,792
Jonathan Lieber	04/13/04	--	--	11,792
Woodland Venture Fund	04/13/04	69,379	146,938	212,264
Seneca Ventures	04/13/04	34,869	73,468	165,094
Woodland Partners	04/13/04	34,869	73,468	94,339
Brookwood Partners, L.P.	04/13/04	--	--	117,924
Applegreen Partners	04/13/04	8,672	18,366	35,377
Marilyn Rubenstein	04/13/04	495	1,049	--

(d) No other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of such securities.

(e) Not applicable.

CUSIP No. 64121N109

13D

Page 23 of 24 Pages

SIGNATURE

After reasonable inquiry and to the best of his/her/its knowledge and belief, each of the undersigned hereby certifies that the information set forth in this Schedule is true, complete and correct.

Dated: April 29, 2004

WHEATLEY PARTNERS II, L.P.

By: /s/ Irwin Lieber

Irwin Lieber, a General Partner

SENECA VENTURES

By: /s/ Barry Rubenstein

Barry Rubenstein, a General Partner

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

WOODLAND VENTURE FUND

By: /s/ Barry Rubenstein

Barry Rubenstein, a General Partner

WOODLAND SERVICES CORP.

By: /s/ Barry Rubenstein

Barry Rubenstein, President

/s/ Barry Rubenstein

Barry Rubenstein

/s/ Irwin Lieber

Irwin Lieber

/s/ Barry Fingerhut

Barry Fingerhut

/s/ Marilyn Rubenstein

Marilyn Rubenstein

/s/ Seth Lieber

Seth Lieber

/s/ Jonathan Lieber

Jonathan Lieber

WOODLAND PARTNERS

By: /s/ Barry Rubenstein

Barry Rubenstein, a General Partner

APPLEGREEN PARTNERS

By: /s/ Jonathan Lieber

Jonathan Lieber, a General Partner

CUSIP No. 64121N109

13D

Page 24 of 24 Pages

BROOKWOOD PARTNERS, L.P.

By: /s/ Barry Rubenstein

Barry Rubenstein, a General Partner

WHEATLEY PARTNERS, L.P.

By: Wheatley Partners, LLC, the General
Partner

Edgar Filing: WHEATLEY PARTNERS II LP - Form SC 13D/A

By: /s/ Barry Rubenstein

Barry Rubenstein, CEO

WHEATLEY FOREIGN PARTNERS, L.P.

By: Wheatley Partners, LLC, the General
Partner

By: /s/ Barry Rubenstein

Barry Rubenstein, CEO

WHEATLEY PARTNERS, LLC

By: /s/ Barry Rubenstein

Barry Rubenstein, CEO

ATTENTION: INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACT CONSTITUTE FEDERAL
CRIMINAL VIOLATIONS (SEE 18 U.S.C. 1001).