

NETWORK 1 SECURITY SOLUTIONS INC
Form SC 13D/A
August 01, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 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)

Looking Glass LLC

60 Arch Street, 2nd Floor

Greenwich, CT 06830

Attention: James B. Healy

Telephone: (203) 302-1700

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

July 31, 2013

(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 §§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 Rule 13d-7 for other parties to whom copies are to be sent.

* 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).

CUSIP Number: 64121N109

NAMES OF REPORTING PERSONS.

1

Looking Glass LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

- 2 (a) £
(b) S

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Texas

**NUMBER
OF**

7 SOLE VOTING POWER
None

SHARES BENEFICIALLY OWNED BY

8 SHARED VOTING POWER
1,750,000 shares of Common Stock (1)

**EACH
REPORTING
PERSON**

9 SOLE DISPOSITIVE POWER
None

WITH

10 SHARED DISPOSITIVE POWER
1,750,000 shares of Common Stock (1)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,750,000 shares of Common Stock (1)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.52% of Common Stock

14 TYPE OF REPORTING PERSON
CO

(1) Includes 1,750,000 shares of common stock that the Reporting Persons have the right to acquire upon the exercise of the Warrants. See Item 3.

CUSIP Number: 64121N109

NAMES OF REPORTING PERSONS.

1

Plainfield Special Situations Master Fund Limited

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

- 2 (a) £
(b) S

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

NUMBER
OF

7 SOLE VOTING POWER
None

SHARES BENEFICIALLY OWNED BY

8 SHARED VOTING POWER
1,750,000 shares of Common Stock (1)

EACH
REPORTING
PERSON

9 SOLE DISPOSITIVE POWER
None

WITH

10 SHARED DISPOSITIVE POWER
1,750,000 shares of Common Stock (1)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,750,000 shares of Common Stock

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.52% of Common Stock

14 TYPE OF REPORTING PERSON
CO

(1) Includes 1,750,000 shares of common stock that the Reporting Persons have the right to acquire upon the exercise of the Warrants. See Item 2.

CUSIP Number: 64121N109

NAMES OF REPORTING PERSONS.

1

Max Holmes

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

- 2 (a) £
(b) S

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
OO

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

**NUMBER
OF**

7 **SOLE VOTING POWER**
None

SHARES BENEFICIALLY OWNED BY

8 **SHARED VOTING POWER**
1,750,000 shares of Common Stock (1)

**EACH
REPORTING
PERSON**

9 **SOLE DISPOSITIVE POWER**
None

WITH

10 **SHARED DISPOSITIVE POWER**
1,750,000 shares of Common Stock (1)

11 **AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON**
1,750,000 shares of Common Stock (1)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE
INSTRUCTIONS)

13 **PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)**
6.52% of Common Stock

14 **TYPE OF REPORTING PERSON**
IN

(1) Includes 1,750,000 shares of common stock that the Reporting Persons have the right to acquire upon the exercise of the Warrants. See Item 3.

This Amendment No. 1 (this "Amendment") to Schedule 13D is filed by Looking Glass LLC, a Texas limited liability company ("Looking Glass"), Plainfield Special Situations Master Fund Limited, an exempted company incorporated in the Cayman Islands with limited liability ("Master Fund"), and Max Holmes, an individual (together with Looking Glass and Master Fund, the "Reporting Persons") to amend the Schedule 13D, filed on May 31, 2013 (as amended, the "Schedule 13D"), of Network-1 Security Solutions, Inc., a Delaware corporation (the "Issuer"), which has its principal office at 445 Park Avenue, Suite 1020, New York, NY 10022.

The Reporting Persons are filing this Amendment to remove Plainfield Specialty Holdings I Inc., a Delaware corporation ("PSHI"), as a beneficial owner of Common Stock of the Issuer following the dissolution of PSH I on July 31, 2013.

Except as expressly provided herein, this Amendment does not modify any of the information previously reported in the Statement. Defined terms used in this Amendment but not otherwise defined herein shall have the meanings ascribed to them in the Schedule 13D.

Item 2. Identity and Background

Item 2 of the Schedule 13D is hereby amended and restated in its entirety as follows:

(a)-(c); (f) This Statement is filed jointly on behalf of the following persons (collectively, the "Reporting Persons"): (i) Looking Glass LLC, a Texas limited liability company ("Looking Glass"); (ii) Plainfield Special Situations Master Fund Limited, an exempted company incorporated in the Cayman Islands with limited liability ("Master Fund"); and (iii) Max Holmes, an individual. The Reporting Persons may be deemed to be a "group" within the meaning of Rule 13d-5 promulgated under the Exchange Act.

The Reporting Persons are filing jointly and the Joint Filing Agreement among the Reporting Persons is incorporated herein by reference to Exhibit 1 to this Schedule 13D.

Set forth below is certain information relating to each of the Reporting Persons:

(1) Looking Glass LLC

Looking Glass is a Texas limited liability company. The principal activity of Looking Glass is to hold investments in the Issuer. The principal business address of Looking Glass is 60 Arch Street, 2nd Floor, Greenwich, CT 06830. The sole member of Looking Glass is Master Fund.

(2) Plainfield Special Situations Master Fund Limited

Master Fund is an exempted company incorporated in the Cayman Island with limited liability. The principal activity of Master Fund is to invest and trade in a wide variety of securities and financial instruments. The principal business address of Master Fund is c/o Citco Trustees (Cayman) Limited, 89 Nexus Way, Camana Bay, P.O. Box 31106, Grand Cayman KY1-1205, Cayman Islands. The Manager of Master Fund is Max Holmes.

(3) Max Holmes

Max Holmes is a citizen of the United States of America. The principal occupation of Max Holmes is serving as the manager of Master Fund. The business address of Max Holmes is 60 Arch Street, 2nd Floor, Greenwich, CT 06830. Max Holmes disclaims any beneficial ownership of the Common Stock beneficially owned by Looking Glass or Master Fund.

(d); (e) During the last five years, none of the Reporting Persons has been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining further violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 5. Interest in Securities of the Issuer

Item 5 of the Schedule 13D is hereby amended and restated in its entirety as follows:

(a); (b) Looking Glass directly and beneficially owns each of the Warrants which, in the aggregate, are exercisable for 1,750,000 shares of Common Stock of the Issuer, representing approximately 6.52% of the outstanding Common Stock based on 25,086,295 shares of outstanding Common Stock as reported in the Issuer's Quarterly Report on Form 10-Q filed with the SEC on May 15, 2013 (and assuming the exercise of the Warrants). Looking Glass has the power to vote or to direct the vote of (and the power to dispose or direct the disposition of) such shares of Common Stock upon exercise of the Warrants.

Master Fund is the sole member of Looking Glass and therefore may be deemed to have beneficial ownership of, and the power to vote and dispose of, the shares of Common Stock beneficially owned by Looking Glass. Max Holmes is the manager of Master Fund and, by virtue of his position as the manager of Master Fund, may also be deemed to beneficially own, and have the power to vote and dispose of, such shares of Common Stock.

(c) Other than as described in Item 3 and Item 4 above, the Reporting Persons have not effected any transaction in the shares of Common Stock during the past sixty days.

(d) Not applicable.

(e) Not applicable.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

In accordance with Rule 13d-4 of the Securities Exchange Act of 1934, each of the persons filing this statement (other than Looking Glass) expressly disclaim beneficial ownership of the securities covered by this statement and the filing of this report shall not be construed as an admissions by such persons that they are the beneficial owners of such securities.

Dated: July 31, 2013

LOOKING GLASS LLC

By:/s/ Max Holmes
Max Holmes
President

PLAINFIELD SPECIAL
SITUATIONS
MASTER FUND
LIMITED

By:/s/ Max Holmes
Max Holmes
Authorized Individual

MAX HOLMES

By:/s/ Max Holmes
Max Holmes