

Network-1 Announces Special Licensing Program for Early Adopters of Essential IEEE 802.3af Power over Ethernet (PoE) Technology

Microsemi Agrees to Become First Licensee under the New Program

NEW YORK, June 30 /PRNewswire-FirstCall/ -- Network-1 Security Solutions, Inc. (OTC Bulletin Board: NSSI) today announced the introduction of a new Special Licensing Program for its Remote Power Patent (US Patent No. 6,218,930) entitled, "Apparatus and Method for Remotely Powering Access Equipment Over a 10/100 Switched Ethernet Network". The Remote Power Patent relates to, among other things, several key technologies underlying the IEEE 802.3af Power over Ethernet (PoE) standard (the "PoE Standard") that was approved in June 2003 by the Institute of Electrical and Electronic Engineers (the "IEEE").

The Special Licensing Program is of limited duration (through December 31, 2008) and is being implemented on an industry-wide basis to offer discounted running royalty rates and exceptions to Network-1's standard licensing terms and conditions for the '930 Patent to vendors of finished products that comply with the PoE Standard, including equipment defined in the PoE Standard as Power Sourcing Equipment (PSE) and Powered Devices (PD).

The Special Licensing Program will be available to all vendors of PoE equipment including those companies that are defendants in the recent patent litigation filed by Network-1 against several major data networking equipment manufacturers in the U.S. District Court for the Eastern District of Texas and who enter into a license agreement with Network-1 within 120 days of a scheduling order being entered in the case. Detailed royalty information is now available for review by qualified vendors of Power over Ethernet equipment. Interested parties should contact Network-1 for such information.

As previously announced, Network-1 recently entered into an agreement (the "Agreement") with Microsemi Corp-Analog Mixed Signal Group Ltd ("Microsemi") (previously PowerDsine Ltd), a subsidiary of Microsemi Corporation (Nasdaq: MSCC) which, among other things, enables Microsemi to assist in its customers evaluation of the Remote Power Patent and the terms being made available to vendors of PoE equipment pursuant to the Special Licensing Program.

The Agreement also provides that Microsemi will, by August 15, 2008, enter into a license agreement under the Special Licensing Program for certain Midspan PoE products. Microsemi designs, develops and supplies PoE Midspans, systems, integrated circuits and modules that enable the implementation of power over Ethernet in local area networks and provide the capability to deliver and manage electrical power over existing data network

cables.

The Special Licensing Program offers licenses at substantial discounts to Network-1's standard terms. However, at the expiration of the Special Licensing Program, Network-1 will no longer be offering "early adopter" discounted licenses to the Remote Power Patent and will only offer licenses at its standard royalty rates, which are substantially higher than its Special Licensing Program rates.

"It's been our intention to work with the industry to simplify licensing of this critical technology without the cost and distraction of unnecessary litigation", said Corey Horowitz, Network-1 Chairman and CEO. "We have always been committed to an industry wide licensing program that promotes, rather than inhibits, the growth of PoE", continued Mr. Horowitz. "To accommodate the industry, we will continue to offer discounted licenses through December 31. After that, we will only offer licenses on our standard terms and conditions which will be substantially higher as a result of having to aggressively enforce our IP rights for the benefit of our shareholders".

Analysts forecast explosive growth for the PoE market since it is an enabler of reliable, cost effective deployment of next generation IT solutions, including Voice over IP and Wireless LANs. By taking advantage of PoE technology, companies can deploy next generation solutions such as Voice over IP and Wireless LAN's without having to run separate power cables. PoE technology provides numerous benefits including significant deployment savings and increased service reliability through centralized backup power. These benefits have caused industry analysts to identify PoE as a "must have" technology and vendors have responded with a wealth of new products offerings.

Indeed, industry analysts expect PoE to become a defacto technology embedded in LAN Ethernet switches that power devices such as wireless access points, VOIP telephones, and network cameras, among others. Industry analysts estimate that in 2007 fully 20% of all Ethernet switch ports were PoE enabled and between 90% and 95% of IP Phones and Wireless Access Points were also so enabled.

ABOUT NETWORK-1 SECURITY SOLUTIONS, INC.

Network-1 Security Solutions, Inc. is engaged in the acquisition, development, licensing and protection of its intellectual property and proprietary technologies. The Company owns six patents covering various telecommunications and data networking technologies. As part of its business strategy it is offering licenses to third parties who Network-1 believes could benefit from the technologies covered by its patents.

This release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements address future events and conditions concerning the Company's business plans. Such statements are subject to a number of risk factors and uncertainties as disclosed in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2007 including, among others, the ability of Network-1 to obtain license agreements from third parties for its patent portfolio, uncertainty of patent litigation, the Company's ability to achieve revenues and profits from its patent portfolio, the Company's ability to raise capital when needed, future economic conditions and technology changes and legislative, regulatory and competitive developments. Except as otherwise required to be disclosed in periodic reports, the

Company expressly disclaims any future obligation or undertaking to update or revise any forward-looking statement contained herein.

Corey M. Horowitz, Chairman and CEO
Network-1 Security Solutions, Inc.
(212) 829-5770

Investor Contact:
Harriet Fried / Jody Burfening
Lippert/Heilshorn & Associates
212-838-3777
HFried@lhai.com

SOURCE Network-1 Security Solutions, Inc.