

NETWORK INSTALLATION CORP

Form 4

December 23, 2004

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

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Dutchess Private Equities Fund, LP

2. Issuer Name **and** Ticker or Trading
Symbol
NETWORK INSTALLATION
CORP [NWKI]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

312 STUART ST

(Street)

BOSTON, MA 02116

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
12/21/2004

____ Director ____ 10% Owner
____ Officer (give title ____X____ Other (specify
below) below)
See Note 1

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 Ownership (Instr. 4)		
Common	12/21/2004		S	24,000	D	\$ 1.86	4,459,154	I	See Note (1)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
number.**

SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

Edgar Filing: NETWORK INSTALLATION CORP - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)	8. Amount of Shares Underlying Security (Instr. 3 and 4)
December 2004 103 Debenture	\$ 0 ⁽²⁾	12/22/2004		J ⁽³⁾	\$ 153,000	12/22/2005 12/22/2009	Common	153,000
December 2004 103 Warrant	\$ 1.86	12/22/2004		J ⁽⁴⁾	153,000	12/22/2009 ⁽⁵⁾ 12/22/2009	Common	153,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Dutchess Private Equities Fund, LP 312 STUART ST BOSTON, MA 02116				See Note 1

Signatures

/s/ Douglas
Leighton 12/23/2004

Signature of Reporting Person Date

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) Two of our directors, Michael Novielli, who is also our Interim Chief Financial Officer, and Douglas Leighton, are the Managing Members of Dutchess Capital Management, LLC, which is the general partner to Dutchess Private Equities Fund, LP.
- (2) The debenture is convertible into common shares priced at the lower of 75% of the lowest closing bid of the common stock in the 15 trading days prior to conversion or 100% of the average closing bid prices of the common stock in the 15 trading days prior to closing.
- (3) Dutchess Private Equities Fund, LP purchased the debenture.
- (4) The warrant was issued as an inducement for an investment.
- (5) The warrant is exercisable upon an effective registration statement.

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.