

Wu Bernard J
 Form 3
 May 12, 2005

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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

(Print or Type Responses)

<p>1. Name and Address of Reporting Person *</p> <p>Wu Bernard J</p> <p>(Last) (First) (Middle)</p> <p>C/O FALCONSTOR SOFTWARE, INC., 2 HUNTINGTON QUADRANGLE SUITE 2S01</p> <p>(Street)</p> <p>MELVILLE, NY 11747</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>05/10/2005</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>FALCONSTOR SOFTWARE INC [FALC]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) V.P. - Business Development</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	212,020	D	

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security	4. Conversion or Exercise	5. Ownership Form of	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	(Instr. 4) Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	
Stock Option (right to buy)	Â (1)	11/10/2012	Common Stock	80,000	\$ 4.04	D	Â
Stock Option (right to buy)	Â (1)	12/22/2013	Common Stock	100,000	\$ 8.43	D	Â
Stock Option (right to buy)	Â (1)	01/05/2015	Common Stock	125,000	\$ 8.2	D	Â
Stock Option (right to buy)	Â (1)	05/06/2012	Common Stock	20,100	\$ 5.07	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Wu Bernard J C/O FALCONSTOR SOFTWARE, INC. 2 HUNTINGTON QUADRANGLE SUITE 2S01 MELVILLE, NY 11747	Â	Â	Â V.P. - Business Development	Â

Signatures

By: /s/ Seth Horowitz - Attorney-in-fact
Date: 05/12/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) The options vest according to the following schedule: 33% vest on each of the first two anniversaries of the grant; 34% vest on the third anniversary of the grant.

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.