



Edgar Filing: Forte Stephen P - Form 4

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

| 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 of Underlying Securities (Instr. 3 and 4) |              |                      |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount Number Shares |
| Common Stock Options (Right to Buy)        | \$ 0.37  | 01/16/2006                           |  | A                              | 900,000   | <u>(1)</u> 01/16/2016                                    | 01/16/2016  | Common Stock | 900,000              |
| Common Stock Options (Right to Buy)        | \$ 0.37  | 01/16/2006                           |  | A                              | 135,135   | 01/16/2007   | 01/16/2016  | Common Stock | 135,135              |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                         |       |
|---|---------------|-----------|-------------------------|-------|
|   | Director      | 10% Owner | Officer                 | Other |
| Forte Stephen P<br>C/O TAG-IT PACIFIC, INC.<br>21900 BURBANK BLVD., SUITE 270<br>WOODLAND HILLS, CA 91367 |               |           | Chief Executive Officer |       |

## Signatures

Stephen P. Forte                      01/18/2006  
 \*\*Signature of                      Date  
 Reporting Person

## 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) These stock options vest and become exercisable with respect to 1/3 of the shares on January 16, 2007, and with respect to the remaining shares in 24 equal monthly installments thereafter.

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.