

=====

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 15, 1999

PACIFIC SOFTWARES, INC.
(Exact name of registrant as specified in its charter)

California	333-75137	77-0390628
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

703 Rancho Conejo Blvd., Newbury Park, California	75081
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (805)499-7722

Not Applicable
(Former name or former address, if changed since last report)

=====

Item 2. Acquisition or Disposition of Assets

On October 25, 1999 the Company and Financial Services Provider Network, Inc ("FSPN") signed a Letter of Intent to enter into discussions with the intent of entering a strategic relationship to jointly develop certain Internet applications with financial institutions. The Company indicated that subject to entering into a definitive agreement it would invest up to \$1,000,000 in FSPN and under certain conditions up to an additional \$2,000,000. On October 25, 1999 the Company loaned FSPN \$250,000 through a promissory note bearing interest at ten (10%) percent due in ninety days. The loan was for general corporate purposes.

On December 3, 1999 the Company converted the \$ 250,000 October 25, 1999 note and loaned FSPN an additional \$ 750,000 pursuant to a convertible promissory note. The \$1,000,000 convertible promissory note is unsecured, carries interest at 10% per annum and is due 12 months from issuance unless previously converted into capital stock of FSPN. The convertible note will automatically convert into shares equivalent to no less than 5% of the outstanding capital stock of FSPN concurrent with FSPN's closing of its next equity financing. If converted, the accrued interest on the convertible note will revert to a 6% rate for purposes of calculating the number of shares of FSPN issuable.

Item 5. Other Events

On December 1, 1999 the Board of Directors approved a management reorganization in order to provide Glenn Russell, CEO and Chairman of the Board, the resources necessary to enhance the Company's positioning in the rapidly growing market for internetworking technology and to improve the utilization of its assets and competencies. In support of this initiative, the Board of Directors has appointed William E. Sliney, Pacific's Chief Financial Officer, as interim President and Chief Operating Officer. With Sliney assuming operating responsibility for Pacific, Russell will focus on the Company's strategic interests. Sliney remains Pacific's Chief Financial Officer. Sliney joined Pacific Softworks in April of 1999. Prior to that, he was the Chief Financial

Officer of Legacy Software, Inc., from 1995 to 1999, and from 1993 to 1994 was Chief Executive Officer for Gumps.

In conjunction with the management reorganization, on December 1, 1999 the Board of Directors approved and the Company issued warrants to acquire 1,500,000 shares of the Company's common stock to a team of strategy consultants led by Kaz Hashimoto, formerly CEO of Cygnus Solutions (www.cygnus.com). The warrants provide for the purchase of Pacific Softworks common stock at \$5.75 per share (the fair market value at the date of issuance) for a period of five years and are exercisable only if the closing price of the Company's common stock averages \$10.00 per share or more for 15 consecutive days. As additional consideration to the team of strategy consultants, the Company agreed to pay a fee equal to 10% of the profit realized on its investment in FSPN.

c) Exhibits

The following documents are filed as exhibits to this report. The exhibit numbers in the exhibit list correspond to the numbers assigned to such exhibits in the Exhibit Table of Item 601 of Regulation S-K.

- 99.1 Text of Press Release dated December 1, 1999 issued by Pacific Softworks, Inc.
- 99.2 Text of Press Release dated December 15, 1999 issued by Pacific Softworks, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Pacific Softworks, Inc.
(Registrant)

Date: December 15, 1999

/s/ WILLIAM E. SLINEY

William E. Sliney
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial and Accounting
Officer)

Exhibit 99.1

PACIFIC SOFTWARES STRATEGICALLY ALIGNS MANAGEMENT

NEWBURY PARK, CA December 1, 1999 Pacific Softworks, Inc. (NASDAQ: PASW) today announced a management reorganization to enhance the Company's positioning in the rapidly growing market for internetworking technology and to improve the utilization of its assets and competencies. Glenn Russell, Chairman of the Board of Pacific Softworks, will spearhead the strategic effort.

"Pacific has always been an innovator of embedded internetworking technologies, said Russell. "Dramatic changes in the embedded and Internet marketplace, such as Red Hat's recent entry into our embedded market with the Open Source business model, are now driving us to rethink our strategic options in not only our technologies and competencies, but also in our business models."

In support of this initiative, the Board of Directors has appointed William E. Sliney, Pacific's Chief Financial Officer, as interim President and Chief Operating Officer. With Sliney assuming operating responsibility for Pacific, Russell will focus on the Company's strategic interests. Sliney joined Pacific Softworks in April of 1999. Prior to that, he was the Chief Financial Officer of Legacy Software, Inc., from 1995 to 1999, and from 1993 to 1994, he was Chief Executive Officer for Gumps.

In addition, the Board of Directors approved the allocation of up to 1.5 million performance warrants as incentive to strategic advisors to support Russell's efforts. Tied to results, these warrants are to vest only if Pacific's common stock trades at \$10.00 or better.

Pacific Softworks, Inc.

Pacific Softworks, Inc. is a leader in the embedded software market. Pacific Softworks develops and licenses Internet and Web related software and software development tools. The Company's products enable Internet and Web based connectivity in embedded displays, and "Information Appliances". The Company's products are used throughout the Internet, in information appliances, which are Internet-connected versions of everyday products, such as telephones, vending machines, in-store displays, set-top boxes and other digitally based devices. Pacific Softworks is headquartered in Newbury Park, California.

Except for the historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those contemplated herein, including but not limited to timely development, acceptance and pricing of new products, the impact of competitive products and pricing, and other risk factors detailed in the Company's periodic filings with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Pacific Softworks, Inc. Georgette W. Pagano
Investor Relations
georgette@pacificsw.com
805-499-7722

Financial Public Relations:Kevin Spencer
Excel Financial Services
EFSI_2000@yahoo.com
561-997-5828

Exhibit 99.2 PACIFIC SOFTWARES ANNOUNCES INVESTMENT AND STRATEGIC ALLIANCE WITH
FINANCIAL SERVICES PROVIDER NETWORK

NEWBURY PARK, CA _ December 16, 1999 _ Pacific Softworks, Inc. (NASDAQ:
PASW), a leading developer of embedded Internet and Web-related software for
the Information Appliances market, today announced that it has formed a
strategic alliance and has made an equity investment in Financial Services
Provider Network, Inc. ("FSPN"), a private firm, making a significant
contribution as a developer of software for the banking industry.

FSPN will begin to market its proprietary software program to the banking
industry in the first quarter of 2000. FSPN's software is being developed to
be compatible with both Red Hat Linux and Microsoft Windows.

Pacific Softworks has invested \$1,000,000 to date, and has the right to
invest up to an additional \$2,000,000. The two companies will endeavor to
develop areas of common interest.

Glenn Russell, Chairman of the board of Pacific Softworks said, "Our strategic
relationship with FSPN enables access to new vertical markets for Pacific.
Given the breadth of opportunities in financial applications enabled by the
Internet, we believe that our competencies are complementary."

William Sliney, President of Pacific Softworks, said, "We believe that our
new relationship with FSPN will prove to be a significant investment opportunity
and yield solid strategic benefits." Pacific Softworks core technologies may
be sold to banking customers. These services could include low cost embedded
kiosk technology, based around Pacific Softworks' embedded micro browser and
network management software. This capability could enable bank customers to
access and transact their financial activities from low cost and strategically
located kiosks, a major market thrust of Pacific Softworks.

Pacific Softworks, Inc.

Pacific Softworks, Inc. is a leader in the embedded software and Internet
appliance market. Pacific Softworks develops and licenses Internet and Web
related software and software development tools. The company's products
enable Internet and Web based connectivity in embedded displays. The Company's
products are used throughout the Internet and in information appliances, which
are Internet-connected versions of everyday products, such as vending machines,
in-store displays, set-top boxes and other digitally-based devices.
Pacific Softworks is headquartered in Newbury Park, California.

Except for the historical information contained herein, this news release
contains forward-looking statements that involve risks and uncertainties that
could cause actual results to differ materially from those contemplated herein,
including but not limited to timely development, acceptance and pricing of new
products, the impact of competitive products and pricing, the ability of FSPN,
a newly formed development stage company to implement its business plan, and
other risk factors detailed in the company's periodic filings with the
Securities and Exchange Commission. The Company undertakes no obligation to
update or revise any forward-looking statements, whether as a result of new
information, future events, or otherwise.

Pacific Softworks, Inc. Georgette W. Pagano
Investor Relations
georgette@pacificsw.com
www.pacificsw.com
805-499-7722

Financial Public Relations: Kevin Spencer
Excel Financial Services
EFSI_2000@yahoo.com
561-997-5828