

LARSON KAREN GILLES  
 Form 3  
 August 20, 2009

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

OMB APPROVAL

OMB Number: 3235-0104  
 Expires: January 31, 2005  
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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)

1. Name and Address of Reporting Person *			2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â LARSON KAREN GILLES			(Month/Day/Year)	Digitiliti Inc [DIGI.PK]	
(Last)	(First)	(Middle)	05/14/2009	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
W11741 485TH AVENUE				(Check all applicable)	
(Street)				<input checked="" type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
PRESCOTT,Â WIÂ 54021				<input type="checkbox"/> Officer	<input type="checkbox"/> Other
(City)	(State)	(Zip)		(give title below)	(specify below)
					6. Individual or Joint/Group Filing(Check Applicable Line)
					<input checked="" type="checkbox"/> Form filed by One Reporting Person
					<input type="checkbox"/> Form filed by More than One Reporting Person

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

SEC 1473 (7-02)

**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.**

**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 (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

Options	05/14/2009	05/14/2014	Common Stock	225,000 <u>(1)</u>	\$ 0.385	D	Â
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LARSON KAREN GILLES W11741 485TH AVENUE PRESCOTT, WI 54021	Â X	Â	Â	Â

## Signatures

/s/ Karen Gilles  
Larson

08/20/2009

\*\*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) On May 14, 2009, the Board of Directors of the Company granted Ms. Larson the option to acquire 225,000 shares, with a three year vesting, at an exercise price of \$0.385 per share, with a five year term.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.  
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