

RCG COMPANIES INC

Form 3

March 11, 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)

1. Name and Address of Reporting Person *

Â BERCOON MARC

(Last) (First) (Middle)

5170 BROOKE FARM DRIVE

(Street)

ATLANTA,Â GAÂ 30338

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)

03/01/2005

3. Issuer Name and Ticker or Trading Symbol
RCG COMPANIES INC [RCG]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

☐ Director ☐ 10% Owner☒ Officer ☐ Other

(give title below) (specify below)

Chief Financial Officer

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group

Filing(Check Applicable Line)

☒ Form filed by One Reporting Person☐ 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)Common Stock ⁽¹⁾

85,499

D Â

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)

Date Exercisable Expiration Date

3. Title and Amount of Securities Underlying Derivative Security
(Instr. 4)

Title Amount or Number of

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security:
Direct (D)
or Indirect6. Nature of Indirect Beneficial Ownership
(Instr. 5)

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				Shares		(I) (Instr. 5)	
Preferred Series B Stock	Â (2)	Â (2)	Common Stock	273,247	\$ (2)	D	Â
Options	03/01/2005(3)	03/01/2010(3)	Common Stock	143,498	\$ (3)	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BERCOON MARC 5170 BROOKE FARM DRIVE ATLANTA, GA 30338	Â	Â	Â Chief Financial Officer	Â

Signatures

MARC
BERCOON 03/07/2005

**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).

Pursuant to the merger of WTI Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of RCG Companies Incorporated, with and into Farequest Holdings, Inc., a Delaware corporation of which Mr. Bercoon is a holder of 50,000 shares of Farequest Common (1) stock, Mr. Bercoon has a right to receive RCG Common shares, RCG Preferred Series B shares, Contingent shares and a portion of a 4% Promissory Note which is payable within one year at RCG's option in either cash or RCG Common shares. Assuming all warrant/option holders convert, it is estimated that Mr. Bercoon's Farequest Common shares will convert at a ratio of 1.7099771.

Series B Preferred Stock shall automatically convert at such time as the stockholders of RCG approve the issuance of Conversion shares. (2) Upon conversion and assuming all warrant/option holders convert, it is estimated that Mr. Bercoon will receive 27,325 shares of RCG Series B Preferred stock which may be converted 1:10 into RCG Common stock.

Farequest Warrant and Option holders, of which Mr. Bercoon is holder of 20,000 options, are entitled upon exercise, to receive RCG Common stock and RCG Series B Preferred stock out of a reserved Option/Warrant Escrow Account. The Option/Warrant Escrow (3) Account shall terminate at the earlier of five years or at such time as all options/warrants have been distributed. Assuming all warrant/option holders convert, it is estimated that Mr. Bercoon's Farequest options will convert at 1.7099771 or into an estimated 34,200 shares of RCG Common stock and 10,930 shares of RCG Series B Preferred stock. The RCG Series B Preferred stock shall, upon RCG stockholder approval, convert 1:10 or into 109,299 shares of RCG Common.

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.