

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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â BERCOON MARC | | (Month/Day/Year) | RCG COMPANIES INC [RCG] | |
| (Last) | (First) | (Middle) | 03/01/2005 | |
| 5170 BROOKE FARM DRIVE | | 4. Relationship of Reporting Person(s) to Issuer | | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | (Check all applicable) | | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| ATLANTA,Â GAÂ 30338 | | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) | | <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |
| (City) | (State) | (Zip) | | |

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) | 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 | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|--|--|--|
| | Date Exercisable | Expiration Date | Title | Amount or Number of | |

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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 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. 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 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.