FORM 3

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF **SECURITIES**

| OMB APPROVAL | | | | | | |
|---------------------|-----------|--|--|--|--|--|
| OMB Number: | 3235-0104 | | | | | |
| Estimated average b | urden | | | | | |
| hours per response: | 0.5 | | | | | |

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| _ | 2. Date of Even | . 7 | O leaves News and Title T. J. | | | | | | | |
|--|--|--|---|---|------------------------------------|--|---|--|--|--|
| Name and Address of Reporting Person* MCAFEE ERIC A | ement ar) | 3. Issuer Name and Ticker or Trading Symbol REALITY INTERACTIVE INC [NGSY] | | | | | | | | |
| (Last) (First) (Middle) 10600 NORTH DEANZA BLVD., SUITE 250 | | | Relationship of Reporting Person(s) to Issuer (Check all applicable) Director X 10% Owner | | | 5. If Amendment, Date of Original Filed (Month/Day/Year) | | | | |
| | | | Officer (give title below) | Other (spec | Appl | icable Line) | d/Group Filing (Check y One Reporting Person | | | |
| (Street) CUPERTINO CA 95014 | | | | | ^ | | y More than One | | | |
| (City) (State) (Zip) | | | | | | | | | | |
| Table I - Non-Derivative Securities Beneficially Owned | | | | | | | | | | |
| 1. Title of Security (Instr. 4) | | | Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) 4. Nature of Indirect Beneficial Ownersh (Instr. 5) | | Beneficial Ownership | | | | |
| Common Stock | | 1,000,000(1) | D | | | | | | | |
| Common Stock | | 2,000,000(2) | I | By P | By P2 Capital, LLC | | | | | |
| Common Stock | | 2,700,000 ⁽³⁾ | I | I By McAfee Capital, LLC | | al, LLC | | | | |
| Common Stock | | 125,000 ⁽⁴⁾ | I | By Berg McAfee Companies, LI | | Companies, LLC | | | | |
| 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 | Form: | 6. Nature of Indirect Beneficial Ownership (Instr. 5) | | | |
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Price of Derivative Security | Direct (D) or Indirect (I) (Instr. 5) | | | | |
| Common Stock Warrants (right to buy) | 05/26/2004 | 05/27/2011 | Common Stock | 150,000 | 1 | I | By Cagan McAfee Capital Partners, LLP | | | |

Explanation of Responses:

- 1. Mr. McAfee shares voting and dispositive power over these shares with his spouse.
- 2. Represents shares held by P2 Capital, LLC, an entity owned 50% by Mr. McAfee's spouse and 25% by each of Mr. McAfee's minor children (over which shares Mr. McAfee's spouse holds sole dispositive and voting power). Mr. McAfee disclaims beneficial ownership of these shares.
- 3. Represents shares held by McAfee Capital, LLC, an entity owned 50% by each of Mr. McAfee and his spouse. Mr. McAfee shares voting and dispositive power over such shares with his spouse.
- 4. Represents shares held by Berg McAfee Companies, LLC (out of a total of 250,000 shares owned by Berg McAfee Companies, LLC), an entity in which Mr. McAfee owns a 50% interest. Mr. McAfee shares voting and dispositive power over such shares. Mr. McAfee disclaims beneficial ownership of 50% of these shares.

07/12/2004 /s/ Eric A. McAfee Date

** Signature of Reporting Person

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

- * 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).

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

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 Number.