

# FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

### STATEMENT OF CHANGES IN 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

OMB APPROVAL	
OMB Number:	3235-0287
Expires:	January 31, 2005
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(Print or Type Responses)

1. Name and Address of Reporting Person * David C. Prosser			2. Issuer Name <b>and</b> Ticker or Trading Symbol RTW, Inc. [RTWI]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> Officer (give title below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 04/01/2004			<input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Other (specify below)		
20645 Radisson Road			4. If Amendment, Date Original Filed (Month/Day/Year)			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		
(Street)								
Shorewood, MN 55331								
(City)			(State)			(Zip)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								699,581	D	
Common Stock								67,571	I	By David C. Prosser 1997 Unitrust
Common Stock								17,389	I	By David C. Prosser 1996 Unitrust
Common Stock								7,249	I	By David C. Prosser 1995 Unitrust
Common Stock								25,970	I	By David C. and Margaret F. Prosser Foundation
Common Stock	04/01/2004		S		3,000	D	\$6.93	696,581	D	
Common Stock	04/02/2004		M		30,000	A	\$2.42	726,581	D	
Common Stock	04/02/2004		S		2,000	D	\$6.74	724,581	D	

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

**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.** SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)				6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Options (Right to Buy) <sup>(1)</sup>	\$2							12/11/2001	12/11/2011	Common Stock	2,500		2,500	D	
Stock Options (Right to Buy) <sup>(2)(3)</sup>	\$2.42							02/06/2002	03/31/2005	Common Stock	60,000		62,500	D	
Stock Options (Right to Buy)	\$2.42	04/02/2004		X			30,000	02/06/2002	03/31/2005	Common Stock	30,000	\$2.42	32,500	D	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

David C. Prosser 20645 Radisson Road Shorewood, MN 55331	X	X		
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## Signatures

/s/ David C. Prosser

04/05/2004

\_\_\_\_\_  
\*\*Signature of Reporting Person

\_\_\_\_\_  
Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(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) The option shares vest as follows: 2,500 shares upon issuance on December 11, 2001
- (2) The option shares vest as follows: 20,000 on February 6, 2002, 20,000 on February 6, 2003, 20,000 on February 6, 2004, 20,000 on February 6, 2005 and 20,000 on February 6, 2006
- (3) Employment terminated March 31, 2004. Unvested options to purchase 40,000 shares of common stock terminated at that date. Mr. Prosser has until March 31, 2005 to exercise his option on the 60,000 option shares.

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.