

REALNETWORKS INC
Form 4
July 05, 2006

FORM 4

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

OMB APPROVAL

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
BREYER JAMES

(Last) (First) (Middle)

428 UNIVERSITY AVENUE

(Street)

PALO ALTO, CA 94301

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

REALNETWORKS INC [RNWK]

3. Date of Earliest Transaction (Month/Day/Year)

06/30/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

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 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 Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	06/30/2006		A	794 ⁽¹⁾ A \$ 10.7	430,248 ⁽²⁾	D	

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

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SEC 1474 (9-02)

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

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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)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 45.719	06/13/2006		J ⁽³⁾	V	30,000	09/14/1999 ⁽⁴⁾ 09/14/2019	Common Stock	30,000
Stock Option (Right to Buy)	\$ 8.05	06/13/2006		J ⁽³⁾	V	17,500	06/06/2004 ⁽⁴⁾ 06/06/2013	Common Stock	17,500
Stock Option (Right to Buy)	\$ 5.99	06/13/2006		J ⁽³⁾	V	4,795	06/09/2005 ⁽⁴⁾ 06/09/2014	Common Stock	4,795
Stock Option (Right to Buy)	\$ 5.94	06/13/2006		J ⁽³⁾	V	49,624	10/12/2002 ⁽⁴⁾ 10/12/2021	Common Stock	49,624
Stock Option (Right to Buy)	\$ 7.27	06/13/2006		J ⁽³⁾	V	17,500	06/11/2003 ⁽⁴⁾ 06/11/2012	Common Stock	17,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BREYER JAMES 428 UNIVERSITY AVENUE PALO ALTO, CA 94301	X			

Signatures

/s/ Tracy L. Sedlock,
Attorney-in-Fact

07/05/2006

__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) Acquired pursuant to the RealNetworks, Inc. Director Compensation Stock Plan.
- (2) Of these shares, 345,217 were previously owned by the James W. Breyer and Susan Breyer Trust UA October 4, 1995. The trust has been dissolved and the reporting person now has direct ownership of these shares.
- (3) The economic benefits of these options were transferred pursuant to a Stipulation and Order dated June 13, 2006.
- (4) The options are fully vested.

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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