

LUNSFORD MICHAEL C
 Form 3
 June 26, 2008

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 LUNSFORD MICHAEL C		(Month/Day/Year)	REALNETWORKS INC [RNWK]	
(Last)	(First)	(Middle)	06/24/2008	
2601 ELLIOTT AVENUE,Â SUITE 1000			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
SEATTLE,Â WAÂ 98121			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Exec. VP, Strategic Ventures	

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

(Instr. 5)

Employee Stock Option (Right to Buy)	01/28/2009 ⁽¹⁾	02/05/2015	Common Stock	500,000	\$ 6.09	D	Â
Restricted Stock Unit Award	06/24/2008 ⁽²⁾	06/24/2015	Common Stock	40,000	\$ 0 ⁽³⁾	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LUNSFORD MICHAEL C 2601 ELLIOTT AVENUE SUITE 1000 SEATTLE, WA 98121	Â	Â	Â Exec. VP, Strategic Ventures	Â

Signatures

/s/ Michael C.
Lunsford

06/26/2008

__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).
- (1) 125,000 options will vest on 01/28/2009, and an additional 62,500 options will vest upon the completion of each successive six months of employment until the options become fully vested on 01/28/2012.
- (2) 5,000 RSUs will vest on 06/24/2009, and an additional 5,000 RSUs will vest upon the completion of each successive six months of employment until the RSUs become fully vested on 12/24/2012.
- (3) Converts into Common Stock on a one-for-one basis.

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.