

RAINA KALPANA
Form 4
November 23, 2011

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 *
RAINA KALPANA

(Last) (First) (Middle)

2601 ELLIOTT AVENUE, #1000

(Street)

SEATTLE, WA 98121

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

REALNETWORKS INC [RNWK]

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

11/21/2011

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) | Code | V | Amount | (D) | Price |

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 | 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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|---|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|---|--|---|

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| Derivative Security | | | (A) or Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|-----------------------------|---------------------|------------|---|-------|---------------------------|-----------------|--------------|----------------------------|
| | | | Code | V | | | | |
| Stock Option (Right to Buy) | \$ 7.29 | 11/21/2011 | A | 6,250 | 11/21/2012 ⁽¹⁾ | 11/21/2018 | Common Stock | 6,250 |
| Restricted Stock Unit Award | \$ 0 ⁽²⁾ | 11/21/2011 | A | 6,172 | 11/21/2012 ⁽³⁾ | 11/21/2018 | Common Stock | 6,172 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| RAINA KALPANA 2601 ELLIOTT AVENUE, #1000 SEATTLE, WA 98121 | | | X | |

Signatures

/s/ Kalpana Raina
 11/22/2011
 **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 options will vest and become exercisable in 12 substantially equal monthly installments until the options become fully vested and exercisable on the first anniversary of the grant date, provided that the reporting individual continues to serve as a director of RealNetworks through such date.
 - (2) Converts into Common Stock on a one-for-one basis on the share distribution date.
 - (3) The restricted stock units will vest in 12 substantially equal monthly installments until the restricted stock units become fully vested on the first anniversary of the grant date, provided that the reporting individual continues to serve as a director of RealNetworks through such date. The share distribution date applicable to the restricted stock units is the sooner to occur of (1) the first anniversary of the grant date, or (2) the date of separation from the Board.

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.