

LUNSFORD MICHAEL C

Form 4

June 02, 2011

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 LUNSFORD MICHAEL C

(Last) (First) (Middle)

2601 ELLIOTT AVENUE, SUITE
 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)

05/31/2011

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

5. Relationship of Reporting Person(s) to
 Issuer

(Check all applicable)

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

Interim Chief Exec. Officer

6. Individual or Joint/Group Filing(Check
 Applicable Line)
 ____X____ 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 Indirect Beneficial Ownership (Instr. 4)
			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	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title Underl (Instr. 3)
--	------------------------------	---	---	------------------------	--	--	----------------------------------

Edgar Filing: LUNSFORD MICHAEL C - Form 4

Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Performance-based Restricted Stock Units	\$ 0 ⁽¹⁾	05/31/2011		A	V	175,000		04/01/2012 ⁽²⁾	04/01/2018	Com Sto

Reporting Owners

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

Signatures

/s/ Michael
Lunsford

06/02/2011

^{**}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) Converts into Common Stock on a unit-for-share basis upon vesting.

On May 31, 2011, the reporting individual was granted 175,000 performance-based restricted stock units ("PRSUs") that will vest as to a maximum of 100% of the shares on April 1, 2012, provided certain performance criteria are satisfied by such date. Up to one-third of the

(2) PRSUs units will vest based on the Company's achievement of certain strategic goals, up to an additional one-third of the PRSUs will vest based on the Company's achievement of certain transitional goals, and up to an additional one-third of the PRSUs will vest based on the Company's achievement of certain operational goals.

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.