

REALNETWORKS INC  
Form 4  
November 13, 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 \*  
Eggers Michael R

(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)  
11/09/2006

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)  
Sr. Vice President & CFO

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/09/2006		M		20,000	A	\$ 6.75
Common Stock	11/09/2006		S		20,000	D	\$ 11.4
Common Stock	11/09/2006		M		5,000	A	\$ 3.76
Common Stock	11/09/2006		S		5,000	D	\$ 11.4
Common Stock	11/09/2006		M		31,300	A	\$ 7.22

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Common Stock	11/09/2006	S	31,300	D	\$ 11.4	892	D
Common Stock	11/09/2006	M	5,600	A	\$ 7.22	6,492	D
Common Stock	11/09/2006	S	5,600	D	\$ 11.4	892	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)

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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Option (Right to Buy)	\$ 6.75	11/09/2006		M		20,000	04/05/2000 <sup>(1)</sup> 10/09/2018	Common Stock
Employee Stock Option (Right to Buy)	\$ 3.76	11/09/2006		M		5,000	11/01/2002 <sup>(2)</sup> 08/05/2022	Common Stock
Employee Stock Option (Right to Buy)	\$ 7.22	11/09/2006		M		31,300	09/01/2002 <sup>(3)</sup> 08/31/2021	Common Stock
Employee Stock Option (Right to Buy)	\$ 7.22	11/09/2006		M		5,600	09/01/2001 <sup>(4)</sup> 08/31/2021	Common Stock
Employee Stock	\$ 11.38	11/09/2006		A		42,500	05/09/2007 <sup>(5)</sup> 11/09/2013	Common Stock

Option  
(Right to  
Buy)

Restricted Stock Unit Award	\$ 0 <sup>(6)</sup>	11/09/2006	A	14,167	11/09/2007 <sup>(7)</sup>	11/09/2010	Common Stock
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Eggers Michael R 2601 ELLIOTT AVENUE, #1000 SEATTLE, WA 98121			Sr. Vice President & CFO	

## Signatures

/s/ Michael R.  
Eggers 11/10/2006

\*\*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) 30% of the options vested on April 5, 2000, and an additional 10% of the options vested upon the completion of each successive six months of employment until the options became fully vested on October 5, 2003.
- (2) 10% of the options vested on 11/01/2002, and an additional 10% of the options vested upon the completion of each successive six months of employment through May 1, 2005; 10% of the options vested on 02/16/2006, and an additional 10% of the options will vest upon the completion of each successive six months of employment until the options become fully vested on 08/16/2007.
- (3) 30% of the options vested on 09/01/2002, and an additional 10% of the options vested upon the completion of each successive six months of employment thereafter through 09/01/2005; the final 10% of the options vested on 06/16/2006.
- (4) 30% of the options vested on 09/01/2001, and an additional 10% of the options vested upon the completion of each successive six months of employment until the options became fully vested on 03/01/2005.
- (5) 12.5% of the options vest on May 9, 2007, and an additional 12.5% of the options vest upon the completion of each successive six months of employment until the options become fully vested on November 9, 2010.
- (6) Converts into Common Stock on a one-for-one basis.
- (7) 3,542 restricted stock units vest on each of November 9, 2007, November 9, 2008 and November 9, 2009, and 3,541 restricted stock units vest on November 9, 2010.

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.