

Poyner Vernon C Jr
Form 3
October 18, 2007

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 *

^ Poyner Vernon C Jr

(Last) (First) (Middle)

2601 ELLIOTT
AVENUE,^ SUITE 1000

(Street)

SEATTLE,^ WA^ 98121

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)

10/11/2007

3. Issuer Name **and** Ticker or Trading Symbol
REALNETWORKS INC [RNWK]

4. Relationship of Reporting Person(s) to Issuer

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

(Check all applicable)

____ Director ____ 10% Owner
X Officer ____ Other
(give title below) (specify below)
SVP, TPS Americas

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 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)

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)

Date Exercisable Expiration Date

3. Title and Amount of Securities Underlying Derivative Security
(Instr. 4)

Title Amount or Number of Shares

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)

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(Instr. 5)

Employee Stock Option (Right to Buy)	10/31/2007 ⁽¹⁾	10/31/2013	Common Stock	200,000	\$ 10.98	D	Â
Employee Stock Option (Right to Buy)	03/18/2008 ⁽²⁾	09/18/2013	Common Stock	40,000	\$ 6.49	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Poyner Vernon C Jr 2601 ELLIOTT AVENUE SUITE 1000 SEATTLE, WA 98121	Â	Â	Â SVP, TPS Americas	Â

Signatures

/s/ Vernon C.
Poyner, Jr. 10/17/2007

__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) 20% of the options will vest on 10/31/2007, 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 10/31/2011.
- (2) 12.5% of the options will vest on 03/18/2008, and an additional 12.5% of the options will vest upon the completion of each successive six months of employment until the options become fully vested on 09/18/2011.

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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