Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation: REALNETWORKS FOUNDATION

A Employer identification number: 91-2033075

Number and street (or P O box number if mail is not delivered to street address): 2601 ELLIOTT AVENUE

Room/suite: 1000

B Telephone number (see instructions): (206) 674-2700

City or town, state, and ZIP code: SEATTLE, WA 98121

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 16,523,265.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) ________ *(Part I, column (d) must be on cash basis)*

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	409,721.	409,721.		ATCH 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-383,461.			
	b	Gross sales price for all assets on line 6a 7,537,336.				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	-242,129.	158.		ATCH 2
	12	**Total.** Add lines 1 through 11	-215,869.	409,879.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) ATCH 3	4,691.			4,691.
	b	Accounting fees (attach schedule) ATCH 4	9,573.	5,998.		3,575.
	c	Other professional fees (attach schedule) *	233,375.	69,456.		163,919.
	17	Interest				
	18	Taxes (attach schedule) (see instructions) **	3,869.	4,888.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	12,839.			12,839.
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 7	4,867.	1,611.		3,256.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	269,214.	81,953.		188,280.
	25	Contributions, gifts, grants paid	1,268,340.			1,268,340.
	26	**Total expenses and disbursements** Add lines 24 and 25	1,537,554.	81,953.	0	1,456,620.
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-1,753,423.			
	b	**Net investment income** (if negative, enter -0-)		327,926.		
	c	**Adjusted net income** (if negative, enter -0-)				

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9

Part II Balance Sheets

		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	9,417.	27,304.	27,304.
	2	Savings and temporary cash investments	18,267,271.	1,453,227.	1,453,227.
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 8		12,983,521.	12,983,521.
	c	Investments - corporate bonds (attach schedule) ATCH 9		2,046,768.	2,046,768.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ ATCH 10)		12,445.	12,445.
	16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	18,276,688.	16,523,265.	16,523,265.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27	Capital stock, trust principal, or current funds	18,276,688.	16,523,265.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	18,276,688.	16,523,265.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	18,276,688.	16,523,265.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	18,276,688.
2	Enter amount from Part I, line 27a	2	-1,753,423.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	16,523,265.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	16,523,265.

Form **990-PF** (2011)

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SEE PART IV SCHEDULE			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	-383,461.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	1,816,236.	18,731,734.	0.096960
2009	1,127,393.	20,384,167.	0.055307
2008	504,690.	20,746,606.	0.024326
2007	440,123.	19,773,389.	0.022258
2006	293,810.	12,756,031.	0.023033

2 Total of line 1, column (d)	2	0.221884
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.044377
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	17,143,925.
5 Multiply line 4 by line 3	5	760,796.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,279.
7 Add lines 5 and 6	7	764,075.
8 Enter qualifying distributions from Part XII, line 4	8	1,456,620.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 . . .				
	Date of ruling or determination letter ________________ **(attach copy of letter if necessary - see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b			1	3,279.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .			2	
3	Add lines 1 and 2			3	3,279.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	3,279.
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	200.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	3,079.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	3,279.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** . . . . ▶			9	
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** . . . . ▶			10	
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ 0 **Refunded** ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ____________ **(2)** On foundation managers ▶ $ ____________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
	If "Yes," attach a detailed description of the activities			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
	If "Yes," attach the statement required by General Instruction T			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ WA,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.REALFOUNDATION.ORG

14 The books are in care of ▶ KATHRYN SHIELDS Telephone no ▶ 206-674-2469

Located at ▶ 2601 ELLIOT AVE. SEATTLE, WA ZIP + 4 ▶ 98121

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here N/A. ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If "Yes," list the years ▶ ______ , ______ , ______ , ______			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______ , ______ , ______ , ______			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)*	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

Form **990-PF** (2011)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . . . ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) . . . . ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? . . . . **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here . . . . ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . N/A . . . ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . **6b** No: X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . **7b** N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 11		0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE		0	0	0

Total number of other employees paid over $50,000 . . . . ▶ 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
ATTACHMENT 12		137,153.
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	12,016,439.
b	Average of monthly cash balances	1b	5,387,604.
c	Fair market value of all other assets (see instructions)	1c	957.
d	**Total** (add lines 1a, b, and c)	1d	17,405,000.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	17,405,000.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	261,075.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	17,143,925.
6	**Minimum investment return.** Enter 5% of line 5	6	857,196.

Part XI **Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6			1	857,196.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,279.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	3,279.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	853,917.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	853,917.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	853,917.

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	1,456,620.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,456,620.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	3,279.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,453,341.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

			(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1	Distributable amount for 2011 from Part XI, line 7					853,917.
2	Undistributed income, if any, as of the end of 2011					
a	Enter amount for 2010 only					
b	Total for prior years 20 09 ,20 08 ,20 07					
3	Excess distributions carryover, if any, to 2011					
a	From 2006					
b	From 2007					
c	From 2008					
d	From 2009					
e	From 2010	1,358,524.				
f	**Total** of lines 3a through e		1,358,524.			
4	Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 1,456,620.					
a	Applied to 2010, but not more than line 2a					
b	Applied to undistributed income of prior years (Election required - see instructions)					
c	Treated as distributions out of corpus (Election required - see instructions)		1,456,620.			
d	Applied to 2011 distributable amount					
e	Remaining amount distributed out of corpus					
5	Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		853,917.			853,917.
6	**Enter the net total of each column as indicated below:**					
a	Corpus. Add lines 3f, 4c, and 4e Subtract line 5		1,961,227.			
b	Prior years' undistributed income Subtract line 4b from line 2b					
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d	Subtract line 6c from line 6b Taxable amount - see instructions					
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions					
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)					
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)					
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		1,961,227.			
10	Analysis of line 9					
a	Excess from 2007					
b	Excess from 2008					
c	Excess from 2009					
d	Excess from 2010	504,607.				
e	Excess from 2011	1,456,620.				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling . . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed .					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test - enter **(1)** Value of all assets . . .					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . .					
c "Support" alternative test - enter **(1)** Total support other than gross investment income (interest, dividends, rents payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income .					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2))

N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

ATTACHMENT 13

b The form in which applications should be submitted and information and materials they should include

ONLINE AT WWW.REALFOUNDATION.ORG.

c Any submission deadlines

MAY 1ST AND OCTOBER 1ST.

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

SEE ATTACHED FREQUENTLY ASKED QUESTIONS.

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ATTACHMENT 14				
Total . . . . ▶ **3a**				1,268,340.
b Approved for future payment				
NONE				
Total . . . . ▶ **3b**				

Form **990-PF** (2011)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	409,721.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	158.	
8 Gain or (loss) from sales of assets other than inventory			18	-383,461.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b UNREALIZED LOSS					-256,973.
c ACCRUED INTEREST					14,686.
d					
e					
12 Subtotal Add columns (b), (d), and (e)				26,418.	-242,287.

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . 13 -215,869.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
11B	UNREALIZED LOSS ON SECURITIES
11C	ACCRUED INTEREST ON BONDS/CDS

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line no	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements
	N/A		N/A

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

▶ 8-14-2012 ▶ Vice President

Signature of officer or trustee Date Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DONITA M. PITTIS	Donita M Pittis	5/15/12		P00286017

Firm's name ▶ KING & OLIASON PLLC | Firm's EIN ▶ 27-4238573

Firm's address ▶ 514 SECOND AVE. WEST
SEATTLE, WA 98119-3928 | Phone no 206-285-7242

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2011

Name of estate or trust	Employer identification number
REALNETWORKS FOUNDATION	91-2033075

Note: *Form 5227 filers need to complete **only** Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a						

b	Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-395,267.
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	-395,267.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a	LONG-TERM CAPITAL GAIN DIVIDENDS			ATCH 1		11,799.

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	7.
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	11,806.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Part III Summary of Parts I and II

Caution: *Read the instructions **before** completing this part.*

			(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			-395,267.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			11,806.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			-383,461.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet,** as necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of

a The loss on line 15, column (3) **or** b $3,000 16 (3,000)

Note: *If the loss on line 15, column (3), is more than $3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero

Caution: *Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if.*

- *Either line 14b, col (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.*

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) 17

18 Enter the **smaller** of line 14a or 15 in column (2) but not less than zero 18

19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) 19

20 Add lines 18 and 19 20

21 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ▶ 21

22 Subtract line 21 from line 20 If zero or less, enter -0- 22

23 Subtract line 22 from line 17 If zero or less, enter -0- 23

24 Enter the **smaller** of the amount on line 17 or $2,300 24

25 Is the amount on line 23 equal to or more than the amount on line 24?

☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box

☐ **No.** Enter the amount from line 23 25

26 Subtract line 25 from line 24 26

27 Are the amounts on lines 22 and 26 the same?

☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22 27

28 Enter the amount from line 26 (If line 26 is blank, enter -0-) 28

29 Subtract line 28 from line 27 29

30 Multiply line 29 by 15% (15) 30

31 Figure the tax on the amount on line 23 Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) 31

32 Add lines 30 and 31 32

33 Figure the tax on the amount on line 17 Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) 33

34 **Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) 34

Schedule D (Form 1041) 2011

JSA
1F1220 2 000

SCHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2011

Name of estate or trust
REALNETWORKS FOUNDATION

Employer identification number
91-2033075

Part I **Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a PUBLICLY TRADED SECURITIES	VAR	VAR	7,524,100.	7,920,797.	-396,697.
RETURN OF CAPITAL	VAR	VAR	1,430.		1,430.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . -395,267.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2011

JSA
1F1221 2 000

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					11,799.	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					7.	
		PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES				P	VAR	VAR
7,524,100.		7,920,797.					-396,697.	
		RETURN OF CAPITAL PROPERTY TYPE: SECURITIES				P	VAR	VAR
1,430.							1,430.	
TOTAL GAIN(LOSS)							-383,461.	

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BLACKROCK FUNDS	1,200.	1,200.
MORGAN STANLEY SMITH BARNEY - 1441	33.	33.
MORGAN STANLEY SMITH BARNEY - 1474	213.	213.
MORGAN STANLEY SMITH BARNEY (DIV) - 1475	393,674.	393,674.
MORGAN STANLEY SMITH BARNEY (INT) - 1475	45,024.	45,024.
BOND AMORTIZATION	-2,476.	-2,476.
ACCRUED INTEREST PAID	-27,947.	-27,947.
TOTAL	409,721.	409,721.

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MSSB - REBATE PAYMENTS	158.	158.
UNREALIZED GAINS/LOSS ON INVESTMENTS	-256,973.	
ACCRUED INTEREST ON BONDS/CDS	14,686.	
TOTALS	-242,129.	158.

ATTACHMENT 3

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
DAVIS WRIGHT TREMAINE	4,691.			4,691.
TOTALS	4,691.			4,691.

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
KING & OLIASON PLLC	9,573.	5,998.		3,575.
TOTALS	9,573.	5,998.		3,575.

ATTACHMENT 5

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
JK GROUP - GRANT ADMIN	22,170.		22,170.
REALNETWORKS, INC - MGMT SVS	137,153.	2,967.	134,186.
MSSB - INVESTMENT MGMT FEES	66,489.	66,489.	
JK GROUP - TRUST ACCOUNT FEES	7,563.		7,563.
TOTALS	233,375.	69,456.	163,919.

ATTACHMENT 6

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
EXCISE TAXES	-1,019.	
FOREIGN TAXES	4,888.	4,888.
TOTALS	3,869.	4,888.

ATTACHMENT 7

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
INSURANCE	2,138.		2,138.
LICENSE & PERMITS	25.		25.
MISCELLANEOUS	1,001.	842.	159.
MEMBERSHIPS & DUES	595.		595.
SUBSCRIPTION & PUBLICATIONS	339.		339.
ADR FEES	769.	769.	
TOTALS	4,867.	1,611.	3,256.

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MORGAN STANLEY SMITH BARNEY	12,983,521.	12,983,521.
TOTALS	12,983,521.	12,983,521.

ATTACHMENT 9

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MORGAN STANLEY SMITH BARNEY	2,032,082.	2,032,082.
ACCRUED INTEREST	14,686.	14,686.
TOTALS	2,046,768.	2,046,768.

ATTACHMENT 10

FORM 990PF, PART II - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
DIVIDENDS RECEIVABLE	12,445.	12,445.
TOTALS	12,445.	12,445.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 11

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ROB GLASER REALNETWORKS FOUNDATION 2601 ELLIOTT AVENUE 1000 SEATTLE, WA 98121	PRESIDENT & TREASURER 1.00	0	0	0
SID FERRALES REALNETWORKS FOUNDATION 2601 ELLIOTT AVENUE 1000 SEATTLE, WA 98121	VICE PRESIDENT & SECRETARY 1.00	0	0	0
	GRAND TOTALS	0	0	0

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

ATTACHMENT 12

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
KATHRYN SHIELDS 2601 ELLIOTT AVENUE, SUITE 1000 SEATTLE, WA 98121	FOUNDATION MANAGER	137,153.
TOTAL COMPENSATION		137,153.

ATTACHMENT 13

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

JK GROUP
REALGRANTS@EASYMATCH.COM
866-604-5477

SEE WWW.REALFOUNDATION.ORG FOR

ADDITIONAL INFORMATION.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SEE ATTACHMENT B ADDRESSES AVAILABLE UPON REQUEST	N/A PUBLIC CHARITY	SEE ATTACHMENT B	1,268,340.
		TOTAL CONTRIBUTIONS PAID	1,268,340.

FEDERAL CAPITAL GAIN DIVIDENDS

ATTACHMENT 1

LONG-TERM CAPITAL GAIN DIVIDENDS

15% RATE CAPITAL GAIN DIVIDENDS		
MORGAN STANLEY SMITH BARNEY - 1475	11,799.	
TOTAL 15% RATE CAPITAL GAIN DIVIDENDS		11,799.
TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS		11,799.

REAL NETWORKS FOUNDATION

91-2033075
12/31/11

PURSUANT TO IRC SECTION 171(c), THE TAXPAYER HEREBY ELECTS TO AMORTIZE BOND PREMIUM FOR THE TAX YEAR ENDED DECEMBER 31, 2011 AND SUBSEQUENT TAX YEARS.

Attachment A

	Date	Name	Status	Purpose	Amount
REALNETWORKS FOUNDATION					Prepared by K&O
2011 GRANTS					
Grants					
5-Yr Anniversary & Honorary					
	01/28/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	5,250 00
	04/12/2011	Habitat for Humanity - NYC	Public Charity	RealNetworks Employee Memorial Grant	1,000 00
	05/31/2011	Danville Community Consolidated District - The Gary C Rogers Scholarship Fund	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	1,000 00
	06/30/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	10,750 00
	08/19/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	2,250 00
	09/30/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	500 00
	11/02/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	14,000 00
	12/23/2011	JK Group	Public Charity	RealNetworks Employee Anniversary & Honorary Grant	5,250 00
Total 5-Yr Anniversary & Honorary					40,000 00
Competitive Grant Program					
	02/08/2011	JK Group	Public Charity	SEE ATTACHED LIST	435,500 00
	09/30/2011	JK Group	Public Charity	SEE ATTACHED LIST	430 000 00
Total Competitive Grant Program					865,500 00
Emergency Grants					
	03/15/2011	American Red Cross - Japan Tsunami Relief	Public Charity	Health & Human Services	50,000 00
Total Emergency Grants					50,000 00
Employee Matching Grant Program					
	01/28/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	67,072 98
	06/30/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	48,024 27
	09/30/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	94 978 42
	09/30/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	2,911 00
	11/02/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	28,629 04
	12/19/2011	Northwest Harvest	Public Charity	RealNetworks Employee Matching Program	35,696 00
	12/23/2011	JK Group	Public Charity	RealNetworks Employee Matching Program	33,322 80
Total Employee Matching Grant Program					310,634 51
Miscellaneous					
	09/30/2011	Philanthorpy Northwest	Public Charity	Health & Human Services	2,205 00
Total Miscellaneous					2,205 00
Total Grants					1,268,339 51

ATTACHMENT B

FALL 2010 GRANTS

Name (Common/DBA)	Region	Grant Amount
Girls Incorporated of Alameda County	CA	$10,000
American Red Cross National Capital Area	DC	$10,000
Habitat For Humanity of Northern Virginia, Inc.	DC	$10,000
Herndon-Reston FISH, Inc	DC	$10,000
Homeless Children's Playtime Project	DC	$10,000
Latino Economic Development Corporation	DC	$7,500
Live It Learn It	DC	$5,000
Patricia M Sitar Center for the Arts	DC	$5,000
Reston Interfaith, Inc.	DC	$10,000
DKMS	NY	$10,000
Free Arts NYC	NY	$10,000
Muscular Dystrophy Association	NY	$10,000
5th Avenue Theatre Association	WA	$7,500
Atlantic Street Center	WA	$5,000
BaileyBoushay House	WA	$10,000
Catholic Community Services Legal Action	WA	$10,000
Children's Museum of Tacoma	WA	$5,000
City Year Inc	WA	$10,000
Climate Solutions	WA	$10,000
Encompass	WA	$6,000
Evergreen City Balllet	WA	$6,500
Executive Service Corps of WA	WA	$5,000
Faith In Action	WA	$6,000
Farestart	WA	$10,000
Friends of the Cedar River Watershed	WA	$10,000
Friends of the Children - King County	WA	$9,000
Futurewise	WA	$5,000
Housing Hope	WA	$5,000
Jubilee Women's Center	WA	$8,000
King County Sexual Assault Resource Center	WA	$10,000
Kirkland Center of the Performing Arts	WA	$5,000
Lighthouse for the Blind, Inc.	WA	$5,000
Millionair Club Inc	WA	$7,500
Navos	WA	$5,000
New Futures	WA	$10,000
Northwest SEED	WA	$5,000
Page Ahead Childrens Literacy Program	WA	$10,000
People for Puget Sound	WA	$10,000
Post-Prison Education Program	WA	$10,000
Puget Sound Blood Center	WA	$10,000
Puget Soundkeeper Alliance	WA	$10,000
Real Change Homeless Empowerment Project	WA	$10,000
Seattle Art Museum	WA	$10,000
Seattle Police Foundation	WA	$10,000
Seattle Public Library Foundation	WA	$10,000
StoryCorps Inc	WA	$5,000
The Mountains To Sound Greenway Trust	WA	$10,000
The Sharehouse	WA	$4,500
University of Washington Foundation	WA	$5,000
WACAP	WA	$5,000
Washington Community Alliance for Self-Help	WA	$10,000
Washington Environmental Council	WA	$10,000
Youth Suicide Prevention Program	WA	$10,000
Youth Theatre Northwest	WA	$3,000
		$435,500

ATTACHMENT B

Spring 2011 Grants

DBA	Region	Grant
Abode Svcs	CA	$10,000
San Francisco Food Bank	CA	$10,000
St Vincent de Paul Soc /Marin Co	CA	$7,500
Bread for the City	DC	$10,000
DC Central Kitchen, Inc	DC	$10,000
Higher Achievement Program	DC	$10,000
Miriam's Kitchen	DC	$10,000
N Street Village Inc	DC	$10,000
WETA	DC	$10,000
Medical Care for Children Partnership	DC	$5,000
Catholic Charities Community Services NY	NY	$10,000
Amara	WA	$10,000
ArtsFund	WA	$10,000
Catholic Community Svcs of W. WA	WA	$10,000
Child Care Resources	WA	$10,000
Childhaven	WA	$10,000
Children's Hospital Foundation	WA	$10,000
EarthCorps	WA	$10,000
Eastside Domestic Violence Prog	WA	$10,000
Hopelink	WA	$10,000
King County Bar Foundation	WA	$10,000
KUOW-Puget Sound Public Radio	WA	$10,000
Medical Teams International	WA	$10,000
Neighborhood House	WA	$10,000
Northwest Harvest/E M M	WA	$10,000
NW Environment Watch - Sightline	WA	$10,000
Plymouth Housing Group	WA	$10,000
Rainier Scholars	WA	$10,000
Rotary First Harvest	WA	$10,000
Seattle Jobs Initiative	WA	$10,000
Senior Services of Seattle-King Co.	WA	$10,000
SIFF Group	WA	$10,000
Solid Ground Washington	WA	$10,000
The Vera Project	WA	$10,000
Town Hall Seattle	WA	$10,000
WA Women's Employment & Ed	WA	$10,000
Wellspring Family Services	WA	$10,000
Youthcare	WA	$10,000
Little Bit Therapeutic Riding Ctr.	WA	$7,500
Red Cross King & Kitsap Cos	WA	$7,500
Teen Feed	WA	$7,500
First Place	WA	$5,000
InvestED	WA	$5,000
Jewish Family Service	WA	$5,000
North Helpline	WA	$5,000
On The Boards	WA	$5,000
West Seattle Helpline	WA	$5,000
Year Up Puget Sound	WA	$5,000
Grand Total		**$430,000**
[illegible]		

ATTACHMENT B

RealNetworks Foundation **91-2033075**
2011 Form 990-PF

Election Under Regulations Section 53.4942(a)-3(d)(2) to Treat Excess Qualifying Distributions as Distributions Out of Corpus

Pursuant to IRC Section 4942(h)(2) and Regulations 53.4942(a)-3(d)(2), RealNetworks Foundation hereby elects to treat $1,456,620 of the current year qualifying distributions in excess of the immediately preceding tax year's undistributed income as being made out of corpus.

Signed: ______________________

Name and Title: SAVINO R. Ferrales - Vice President realnetworks

PRODUCTS & SERVICES PRESS OUR STORY INVESTORS CAREERS REALNETWORKS FOUNDATION

The RealNetworks Foundation

GRANT PROGRAM

LOGIN TO YOUR ACCOUNT
LOST YOUR USER ID?
LOST YOUR PASSWORD?
FUNDING AREAS
GUIDELINES
FAQ
INSTRUCTIONS
APPLICATION SUMMARY
CONTACT US

GRANT RECIPIENTS

Frequently Asked Questions

Where does the RealNetworks Foundation make grants?
The Foundation makes Community Enhancement Grants that are geographically restricted to eligible organizations in cities where employees of RealNetworks live and work Currently, this includes

- Seattle, WA (Puget Sound Region)

- Reston, VA (Metro D C)

- New York, NY

Does the RealNetworks Foundation make grants outside of cities where employees of RealNetworks live and work?
No Currently, the Foundation makes only Community Enhancement Grants which are geographically-restricted

How many grant cycles are there each year and what are the deadlines?
The Foundation has two grant cycles per year with closing dates in the Spring and the Fall

Spring Grant Cycle
The deadline for submitting a Community Enhancement Grant application for consideration as part of the 2012 Grant Cycle is April 12, 2012 (5 00 PM PDT)

Fall Grant Cycle
The deadline for submitting an application for consideration as part of the 2012 Grant Cycle is October 11, 2012 (5 00PM PST)

How much should we request?
Typically, Community Enhancement Grants will be made for a maximum of $10,000

In general, the Foundation does not fund requests that are more than ten percent (10%) of the total *program* budget

May we submit more than one application for consideration at a time?
No The Foundation will accept only one grant application per organization during a given funding cycle

Who reviews the grant applications for the RealNetworks Foundation?

Teams of RealNetworks employees serve on Grant Review Teams These teams evaluate grant applications and make funding recommendations to the Foundation's Board of Directors The Foundation Board makes all grant decisions

When will applicants be notified of the grant decisions?
The Foundation is committed to reviewing and evaluating grant applications in a thorough and timely manner Typically, grant decisions are made about 15 weeks after the closing date Fall Cycle applicants are generally notified by mid-February Spring Cycle applicants are generally notified by mid-August

Our organization doesn't have paid staff. Can we still apply for a grant?
No Applicant organizations must have at least one, full-time, paid staff manager to be eligible for a competitive grant from the Foundation

Do I have to complete the entire application in one online session?
You may complete a portion of the application, save your information and return to the web site at a later time to finish and submit your application (When you are ready to officially submit your application, please press the **"Submit"** button Once you submit your application, you will <u>not</u> be able to edit or change it Please print a copy of your application for your records)

How do I access an incomplete application that I saved, but have not submitted?
Before you begin the application, you will be required to register When you return to complete the application, you will log into the system using the account number assigned to your organization and the User ID and Password that you created Then, click on the incomplete application that you'd like to edit (Applicants must retain their account number, User ID and password to access an application in process and grantees must likewise retain the information to submit their six month Progress Report.)

Who may I contact if I have questions or need help with the online application?
The Foundation contracts with J K Group to administer its online grant application Please contact the administrator at 1-866-604-5477 or via email at realgrants@easymatch com if you have questions or need assistance with the online application Please note that the EasyMatch help line is open Monday - Friday until 6 00 PM ET

Applicants are strongly encouraged to submit their application on a business day prior to the deadline to ensure that assistance is available should you have questions.

Who should I notify if my agency's contact information changes?
You are responsible for ensuring that your organization's contact information is accurate and current. If there is a change in leadership or contact information, please notify the Foundation's program administrator at EasyMatch in writing by sending an email to realgrants@easymatch com

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realnetworks

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PRIVACY POLICY
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MAILING LIST MANAGEMENT
SITE MAP

Form **8868**

(Rev January 2012)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (*e-file*). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions REALNETWORKS FOUNDATION	Employer identification number (EIN) or ☒ 91-2033075
	Number, street, and room or suite no If a P O box, see instructions 2601 ELLIOTT AVENUE	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code For a foreign address, see instructions SEATTLE, WA 98121	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ KATHRYN SHIELDS

Telephone No ▶ 206 674-2469 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ________ If this is for the whole group, check this box . . . . . . ▶ ☐ If it is for part of the group, check this box . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 12, to file the exempt organization return for the organization named above The extension is for the organization's return for·

▶ ☒ calendar year 20 11 or

▶ ☐ tax year beginning ________, 20___, and ending ________, 20___

2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	**3a**	$ 3,279.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	**3b**	$ 200.
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	**3c**	$ 3,079.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev 1-2012)