
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 21, 2007

SIRIUS SATELLITE RADIO INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other Jurisdiction
of Incorporation)

0-24710
(Commission File Number)

52-1700207
(I.R.S. Employer
Identification No.)

1221 Avenue of the Americas, 36th Fl., New York, NY
(Address of Principal Executive Offices)

10020
(Zip Code)

Registrant's telephone number, including area code: **(212) 584-5100**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

We entered into an amendment to our employment agreement with Patrick L. Donnelly, our Executive Vice President, General Counsel and Secretary, to extend the term to April 30, 2010 and increase his base salary to \$500,000 per year. We also granted Mr. Donnelly 275,000 restricted stock units and 1,450,000 options to purchase our common stock. All of these restricted stock units and stock options vest over time. The other terms of the employment agreement are the same as set forth in Mr. Donnelly's Employment Agreement, dated as of November 8, 2004, and as filed with the Securities and Exchange Commission as an exhibit to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.

A copy of the amendment to the employment agreement with Mr. Donnelly is attached to this report as exhibit 10.1, and is incorporated by reference in this report.

Item 9.01 Financial Statements and Exhibits

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

The Exhibit Index attached hereto is incorporated herein.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SIRIUS SATELLITE RADIO INC.

By: /s/ Patrick L. Donnelly

Patrick L. Donnelly
Executive Vice President, General
Counsel and Secretary

Dated: May 22, 2007

EXHIBITS

Exhibit

Description of Exhibit

- 10.1 First Amendment, dated as of May 21, 2007, to the Employment Agreement, dated as of November 8, 2004, between Patrick L. Donnelly and Sirius Satellite Radio Inc.

FIRST AMENDMENT

FIRST AMENDMENT, dated as of May 21, 2007 (this "First Amendment"), to the Employment Agreement, dated as of November 8, 2004 (the "Agreement"), between SIRIUS SATELLITE RADIO INC., a Delaware corporation (the "Company"), and PATRICK L. DONNELLY (the "Executive").

WITNESSETH:

WHEREAS, the Company and the Executive previously entered into the Agreement, which agreement by its terms expired on April 30, 2007; and

WHEREAS, since that date, the Executive's employment with the Company has continued on the same terms and conditions as set forth in the Agreement, and the Company and the Executive jointly desire to enter into this First Amendment to extend the terms of the Agreement and to amend certain provisions of the Agreement in the manner provided for in this First Amendment;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises contained herein, the Company and the Executive hereby agree as follows:

1. Amendment of Section 3 (Term) of the Agreement. Section 3 of the Agreement is hereby amended by deleting "April 30, 2007" and substituting in lieu thereof "April 30, 2010."

2. Amendment of Section 4 (Compensation) of the Agreement. Section 4(a) of the Agreement is hereby amended by deleting the figure "\$358,000" and substituting in lieu thereof "\$500,000," effective as of June 1, 2007.

3. Amendment of Section 6 (Termination) of the Agreement. A new Section 6(g) is hereby added to the Agreement to read as follows: "Notwithstanding anything herein to the contrary, if at the time of the Executive's termination of employment with the Company, the Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"); and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six months following the Executive's termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code). The Company shall consult with the Executive in good faith regarding the implementation of the provisions of this Section 6(g); provided that neither the Company nor any of its employees or representatives shall have any liability to the Executive with respect thereto."

4. No Other Amendments. Except as expressly amended, modified and supplemented by this First Amendment, the provisions of the Agreement are extended, and shall continue in full force and effect.

5. Governing Law. This First Amendment shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York.

6. Counterparts. This First Amendment may be executed in counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

7. Entire Agreement. This First Amendment represents the entire agreement of the Company and the Executive with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the parties hereto relative to the subject matter hereof not expressly set forth or referred to herein.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

SIRIUS SATELLITE RADIO INC.

By: /s/ John H. Schultz

John H. Schultz
Senior Vice President,
Human Resources

Accepted and Agreed:

/s/ Patrick L. Donnelly

PATRICK L. DONNELLY
