
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): April 30, 2013 (April 29, 2013)

SIRIUS XM RADIO INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other Jurisdiction
of Incorporation)

001-34295
(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 2.02 Results of Operations and Financial Condition

On April 30, 2013, we reported our financial and operating results for the three months ended March 31, 2013. These results are discussed in the press release attached hereto as Exhibit 99.1, which is incorporated by reference in its entirety.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On April 29, 2013, we entered into a new employment agreement (the "Employment Agreement") with James E. Meyer to serve as our Chief Executive Officer through October 31, 2015. The Employment Agreement provides for an annual base salary of \$1,550,000 and an opportunity to earn a target annual bonus equal to 200% of base salary. The Employment Agreement is generally consistent with Mr. Meyer's existing employment agreement, except that it no longer provides for a so-called golden parachute excise tax gross up.

The Employment Agreement also provides, in the case of certain qualifying terminations, for a pro-rated bonus payment for the year of termination based on actual performance, and a lump sum severance payment in an amount equal to Mr. Meyer's annual base salary plus the greater of 60% of his then annual base salary or the prior year's bonus actually paid to him. Our obligation to pay the pro-rated bonus and severance is subject to Mr. Meyer's execution of a valid release of claims against us and his compliance with certain restrictive covenants.

Upon his termination of employment due to the expiration of the Employment Agreement, we have agreed to offer Mr. Meyer a three-year consulting agreement. Pursuant to that consulting agreement, Mr. Meyer will be paid a fee of \$2,200,000 per year. In the event Mr. Meyer's employment is terminated by us without cause, by him for "good reason," as a result of his death or disability or we otherwise fail to enter into the consulting agreement, then we will pay him or his representative a lump sum of \$6,600,000 as compensation for the lost consulting agreement.

In connection with the execution of the Employment Agreement, we will grant Mr. Meyer an option to purchase 10,128,894 shares of our common stock at an exercise price equal to the closing sale price of our common stock on the Nasdaq Global Select Market on the first business day after the execution of the Employment Agreement that the trading window for our employees opens (the "Option") and restricted stock units (the "RSUs") with a value of \$3,250,000. The Option and the RSUs will vest on October 30, 2015, subject to earlier acceleration or termination under certain circumstances.

The foregoing description is qualified in its entirety by the Employment Agreement attached as Exhibit 10.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits

(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 hereunto duly authorized.

SIRIUS XM RADIO INC.

By: /s/ Patrick L. Donnelly
Patrick L. Donnelly
Executive Vice President, General Counsel
and Secretary

Dated: April 30, 2013

EXHIBITS

Exhibit	Description of Exhibit
10.1	Employment Agreement, dated as of April 29, 2013, between Sirius XM Radio Inc. and James E. Meyer
99.1	Press Release dated April 30, 2013

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement"), dated as of April 29, 2013 (the "Effective Date"), is between SIRIUS XM RADIO INC., a Delaware corporation (the "Company"), and JAMES E. MEYER (the "Executive").

WHEREAS, the Company and the Executive previously entered into an employment agreement dated as of October 14, 2009, as amended on February 14, 2011, March 5, 2012 and December 18, 2012 (collectively, the "Prior Agreement"); and

WHEREAS, the Company and the Executive jointly desire to enter into this Agreement, which is intended to replace and supersede the Prior Agreement in its entirety, to reflect the terms and conditions of the Executive's continued employment with the Company.

In consideration of the mutual covenants and conditions set forth herein, the Company and the Executive agree as follows:

1. Employment. Subject to the terms and conditions of this Agreement, the Company hereby employs the Executive, and the Executive hereby agrees to continue his employment with the Company.

2. Duties and Reporting Relationship. (a) The Executive shall be employed as the Chief Executive Officer of the Company, and shall have the rights, powers, authorities and duties commensurate with the position of the Chief Executive Officer. The Executive shall also continue as a member of the Board of Directors of the Company (the "Board"). During the Term (as defined below), the Executive shall, on a full-time basis and consistent with the needs of the Company to achieve the goals of the Company, use his skills and render services to the best of his ability, and devote all of his working time and efforts, in supervising the business and affairs of the Company. In addition, the Executive shall perform such other activities and duties consistent with his position as the Board shall from time to time reasonably specify and direct. During the Term, the Executive shall not perform any consulting services for, or engage in any other business enterprises with, any third parties without the express written consent of the Board, other than (i) passive investments, and (ii) service as a director of Rovi Corporation, or (iii) service on other boards of directors with the express written consent of the Board.

(b) The Executive shall generally perform his duties and conduct his business at the principal offices of the Company in New York, New York.

(c) Unless otherwise required by law, administrative regulation or the listing standards of the exchange on which the Company's shares are primarily traded, the Executive, in his capacity as Chief Executive Officer, shall report solely and exclusively to the full Board.

3. Term. The term of this Agreement shall commence on the Effective Date and end on October 31, 2015, unless terminated earlier pursuant to the provisions of Section 6 (the "Term").

4. Compensation. (a) During the Term, the Executive shall be paid an annual base salary of \$1,550,000, subject to any increase from time to time as approved by the Board or any committee thereof (such amount, as increased, the "Base Salary"). All amounts paid to the Executive under this Agreement shall be in U.S. dollars. The Base Salary shall be paid at least monthly and, at the option of the Company, may be paid more frequently.

(b) On the first business day following the Effective Date on which the Company and the Executive are not subject to a blackout restriction (the "First Trading Day"), the Company shall grant to the Executive:

(i) an option to purchase 10,128,894 shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), at an exercise price equal to the closing price of the Common Stock on the Nasdaq Global Select Market on the First Trading Day. Such options shall be subject to the terms and conditions set forth in the Option Agreement attached to this Agreement as Exhibit A.

(ii) a number of restricted stock units equal to \$3,250,000 divided by the closing price of the Common Stock on the Nasdaq Global Select Market on the First Trading Day. Such restricted stock units shall be subject to the terms and conditions set forth in the Restricted Stock Unit Agreement attached to this Agreement as Exhibit B.

(c) All compensation paid to the Executive hereunder shall be subject to any payroll and withholding deductions required by applicable law, including, as and where applicable, federal, New York state and New York City income tax withholding, federal unemployment tax and social security (FICA).

5. Additional Compensation; Expenses and Benefits. (a) During the Term, the Company shall reimburse the Executive for all reasonable and necessary business expenses incurred and advanced by him in carrying out his duties under this Agreement, provided that such expenses are incurred in accordance with the policies and procedures established by the Company.

(b) During the Term, the Executive shall be eligible to participate in any other benefit plans, programs, policies and fringe benefits which may be made available to the executive officers of the Company generally, including, without limitation, disability, medical, dental and life insurance and benefits under the Company's 401(k) savings plan.

(c) During the Term, the Executive shall be eligible to participate in any bonus plans generally offered to executive officers of the Company. The Executive's target annual bonus opportunity shall be 200% of the Executive's Base Salary (the "Bonus"). Bonus(es) will be subject to the Executive's individual performance and satisfaction of objectives established by the Board or the compensation committee of the Board (the "Compensation Committee"), and further are subject to the exercise of negative discretion to reduce Bonus(es) as determined in the sole discretion of the Compensation Committee. Bonus(es) may be paid in the form of cash, stock options, restricted stock, restricted stock units or other securities of the Company, as determined by the Compensation Committee in its sole discretion.

6. Termination. The date upon which the Executive's employment with the Company under this Agreement is deemed to be terminated in accordance with any of the provisions of this Section 6 (or upon the originally scheduled expiration of the Term on October 31, 2015) is referred to herein as the "Termination Date." With respect to any payment or benefits that would be considered deferred compensation subject to Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended (the "Code"), and payable upon or following a termination of employment, a termination of employment shall not be deemed to have occurred unless such termination also constitutes a "separation from service" within the meaning of Section 409A and the regulations thereunder (a "Separation from Service"), and notwithstanding anything contained herein to the contrary, the date on which a Separation from Service takes place shall be the Termination Date.

(a) The Company has the right and may elect to terminate this Agreement with or without Cause at any time. For purposes of this Agreement, "Cause" means the occurrence or existence of any of the following:

(i) (A) a material breach by the Executive of the terms of this Agreement, (B) a material breach by the Executive of the Executive's duty not to engage in any transaction that represents, directly or indirectly, self-dealing with the Company or any of its affiliates (which, for purposes hereof, shall mean any individual, corporation, partnership, association, limited liability company, trust, estate, or other entity or organization directly or indirectly controlling, controlled by, or under direct or indirect common control with the Company) which has not been approved by a majority of the disinterested directors of the Board, or (C) the Executive's violation of the Company's Code of Ethics or any other Company policy which is materially injurious to the Company or any of its affiliates, if any such material breach or violation described in clauses (A), (B) or (C), to the extent curable, remains uncured after fifteen (15) days have elapsed following the date on which the Company gives the Executive written notice of such material breach or violation;

(ii) the Executive's willful act of dishonesty, misappropriation, embezzlement, intentional fraud, or similar intentional misconduct by the Executive involving the Company or any of its affiliates;

(iii) the Executive's conviction or the plea of *nolo contendere* or the equivalent in respect of a felony;

(iv) any damage of a material nature to any property of the Company or any of its affiliates caused by the Executive's willful misconduct or gross negligence;

(v) the repeated nonprescription use of any controlled substance or the repeated use of alcohol or any other non-controlled substance that, in the reasonable good faith opinion of the Board, renders the Executive unfit to serve as an officer of the Company;

(vi) the Executive's failure to comply with the Board's reasonable written instructions consistent with his position on a material matter within five (5) days; or

(vii) conduct by the Executive that, in the reasonable good faith written determination of the Board, manifests the Executive's lack of fitness to serve as an officer of the Company, including a finding by the Board or any judicial or regulatory authority that the Executive committed acts of unlawful harassment or violated any other state, federal or local law or ordinance prohibiting discrimination in employment.

(b) Termination of the Executive for Cause pursuant to Section 6(a) shall be communicated by a Notice of Termination for Cause. For purposes of this Agreement, a "Notice of Termination for Cause" shall mean delivery to the Executive of a copy of a resolution or resolutions duly adopted by the affirmative vote of not less than two-thirds of the directors (other than the Executive, if the Executive is then serving on the Board) present (in person or by teleconference) and voting at a meeting of the Board called and held for that purpose after fifteen (15) days' notice to the Executive (which notice the Company shall use reasonable efforts to confirm that the Executive has actually received and which notice for purposes of Section 6(a) may be delivered, in addition to the requirements set forth in Section 18, through the use of electronic mail) and a reasonable opportunity for the Executive, together with the Executive's counsel, to be heard before the Board at such meeting prior to such vote, finding that in the good faith opinion of the Board, the Executive was guilty of conduct set forth in any of clauses (i) through (vii) of Section 6(a) and specifying the particulars thereof in reasonable detail. For purposes of Section 6(a), this Agreement shall terminate on the date specified by the Board in the Notice of Termination for Cause and one day following the receipt by the Executive of a notice of a termination without Cause.

(c) (i) This Agreement and the Executive's employment shall terminate upon the death of the Executive.

(ii) If the Executive is unable to perform the essential duties and functions of his position because of a disability, even with a reasonable accommodation, for one hundred eighty (180) days within any three hundred sixty-five (365)-day period ("Disability"), the Company shall have the right and may elect to terminate the services of the Executive by a Notice of Disability Termination. For purposes of this Agreement, a "Notice of Disability Termination" shall mean a written notice that sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under this Section 6(c)(ii). For purposes of this Agreement, no such purported termination shall be effective without such Notice of Disability Termination. This Agreement and the Executive's employment shall terminate on the day such Notice of Disability Termination is received by the Executive.

(d) The Executive may elect to resign from his employment with the Company at any time during the Term with or without Good Reason. Should the Executive wish to resign from his employment with the Company during the Term for other than Good Reason, the Executive shall give at least fourteen (14) days' prior written notice to the Company of such a resignation for other than Good Reason pursuant to this Section 6(d). The Executive's

employment and the Term shall terminate on the effective date of such resignation; provided that the Company may, at its sole discretion, instruct the Executive to perform no job responsibilities and cease his active employment immediately upon receipt of the notice from the Executive.

(e) Should the Executive wish to resign from his employment with the Company during the Term for Good Reason following the Company's failure to cure an applicable event as contemplated below, the Executive shall give at least seven (7) days' prior written notice to the Company. The Executive's employment and the Term shall terminate on the date specified in such notice given in accordance with the relevant provision; provided that the Company may, at its sole discretion, instruct the Executive to cease active employment and perform no more job duties immediately upon receipt of such notice from the Executive.

For purposes of this Agreement, "Good Reason" shall mean the continuance of any of the following events (without the Executive's prior written consent) for a period of thirty (30) days after delivery to the Company by the Executive of a written notice within ninety (90) days of the Executive becoming aware of the initial occurrence of such event, during which thirty (30)-day period of continuation the Company shall be afforded an opportunity to cure such event:

(i) the Executive ceasing to report solely and exclusively to the full Board (unless otherwise required by Section 2(c) hereof); or

(ii) any requirement that the Executive report for work to a location more than 25 miles from the Company's current headquarters for more than thirty (30) days in any calendar year, excluding any requirement that results from the damage or destruction of the Company's current headquarters as a result of natural disasters, terrorism, acts of war or acts of God or travel in the ordinary course of business; or

(iii) any reduction in the Base Salary; or

(iv) any material breach by the Company of this Agreement (including the provisions of Section 2 hereof).

(f) If the employment of the Executive is terminated by the Company for Cause, by the Executive other than for Good Reason or due to death or Disability, the Executive (or his estate in the case of death) shall be entitled to (A) any earned but unpaid Base Salary and any business expenses incurred but not reimbursed, in each case, prior to the Termination Date and (B) any other vested benefits under any other benefit or incentive plans or programs in accordance with the terms of such plans and programs (collectively the compensation and benefits in clauses (A) and (B), the "Accrued Payments and Benefits"). In the case of the Executive's termination of employment due to death or Disability, by the Company without Cause, by the Executive for Good Reason or upon the expiration of this Agreement, the Executive shall be entitled to (C) any earned but unpaid Bonus with respect to the year prior to the year of termination; (D) a prorated Bonus for the year in which his employment is terminated, determined pursuant to the terms of the applicable Bonus plan (other than any requirement of continued employment) and in accordance with the terms of Section 5(c) hereof, based on actual performance for such year, and payable at such time as the bonuses for such year

are paid to other senior executives of the Company; and (E) the amount due to the Executive (or his estate in the case of death) pursuant to Section 11(b) hereof (collectively the compensation in clauses (C), (D), and (E), the "Supplemental Payments"). If the employment of the Executive is terminated without Cause, or if the Executive terminates his employment for Good Reason, then the Executive shall be entitled to receive, in addition to the Accrued Payments and Benefits and the Supplemental Payments, and the Company shall pay to the Executive:

(i) without setoff, counterclaim or other withholding, except as set forth in Section 4(c), a lump sum cash amount equal to the sum of (x) his annual Base Salary at the rate in effect on the Termination Date *plus* (y) the greater of (A) a bonus equal to 60% of Base Salary, or (B) the prior year's Bonus actually paid to the Executive by the Company;

(ii) the costs of continuation of medical and dental insurance coverage for the Executive and his dependents under the Company's health insurance plans in effect on the Termination Date for eighteen (18) months following the Termination Date. The Executive shall have the option to continue such benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") at his own expense to the extent permitted by law for an additional eighteen (18) months; and

(iii) a monthly amount equal to the actual monthly costs to the Executive to obtain life insurance benefits substantially similar to those benefits provided to the Executive for a period of one (1) year following such Termination Date; provided that (1) the amount of such monthly payments shall not exceed twice the amount that the Company would have paid to provide such life insurance benefit to the Executive if he were an active employee on the Termination Date, and (2) such payments shall cease if the Executive obtains a life insurance benefit from another employer during the remainder of such one-year period.

The Company's obligations under Section 6(f) shall be conditioned upon the Executive executing, delivering, and not revoking during the applicable revocation period a waiver and release of claims, substantially in the form attached hereto as Exhibit C (the "Release") within sixty (60) days following the Termination Date. The lump sum amount contemplated under this Section 6(f) shall be paid on the sixtieth (60th) day following the Termination Date. For the avoidance of doubt, no amounts shall be payable pursuant to this Section 6(f) as a result of any termination of the Executive's employment upon or following the expiration of the Term.

(g) If the employment of the Executive is terminated upon or after the expiration of the Term, the Executive shall be entitled to (i) the Accrued Payment and Benefits and (ii) the Supplemental Payments (to the extent not previously paid pursuant to Section 6(f) hereof).

(h) Notwithstanding any provisions of this Agreement to the contrary, if the Executive is a "specified employee" (within the meaning of Section 409A and determined pursuant to policies adopted by the Company) at the time of his Separation from Service and if any portion of the payments or benefits to be received by the Executive upon Separation from Service would be considered deferred compensation under Section 409A ("Nonqualified"),

Deferred Compensation”), amounts that would otherwise be payable pursuant to this Agreement during the six (6) month period immediately following the Executive’s Separation from Service that constitute Nonqualified Deferred Compensation and benefits that would otherwise be provided pursuant to this Agreement during the six (6) month period immediately following the Executive’s Separation from Service that constitute Nonqualified Deferred Compensation will instead be paid or made available on the earlier of (x) the first business day of the seventh (7th) month following the date of the Executive’s Separation from Service and (y) the Executive’s death.

(i) Following the termination of the Executive’s employment for any reason, if and to the extent requested by the Board, the Executive agrees to resign from the Board, all fiduciary positions (including as trustee) and all other offices and positions the Executive holds with the Company or any of its affiliates; provided that if the Executive refuses to tender the Executive’s resignation after the Board has made such request, then the Board will be empowered to tender the Executive’s resignation from such offices and positions.

7. Nondisclosure of Confidential Information. (a) The Executive acknowledges that in the course of his employment he will occupy a position of trust and confidence. The Executive shall not, except in connection with the performance of his functions or as required by applicable law, disclose to others or use, directly or indirectly, any Confidential Information.

(b) “Confidential Information” shall mean information about the Company’s business and operations that is not disclosed by the Company for financial reporting purposes and that was learned by the Executive in the course of his employment by the Company, including, without limitation, any business plans, product plans, strategy, budget information, proprietary knowledge, patents, trade secrets, data, formulae, sketches, notebooks, blueprints, information and client and customer lists and all papers and records (including computer records) of the documents containing such Confidential Information, other than information that is publicly disclosed by the Company in writing. The Executive acknowledges that such Confidential Information is specialized, unique in nature and of great value to the Company, and that such information gives the Company a competitive advantage. The Executive agrees to deliver or return to the Company, at the Company’s request at any time or upon termination or expiration of his employment or as soon as possible thereafter, all documents, computer tapes and disks, records, lists, data, drawings, prints, notes and written information (and all copies thereof) furnished by or on behalf of the Company or prepared by the Executive in the course of his employment by the Company; provided that the Executive will be able to keep his cell phones, blackberries, personal computers, personal rolodex and the like so long as any Confidential Information is removed from such items.

(c) The provisions of this Section 7 shall survive indefinitely.

8. Covenant Not to Compete. During the Executive’s employment with the Company and during the Restricted Period (as defined below), the Executive shall not, directly or indirectly, enter into the employment of, render services to, or acquire any interest whatsoever in (whether for his own account as an individual proprietor, or as a partner, associate, stockholder, officer, director, consultant, trustee or otherwise), or otherwise assist, any person or

entity engaged (a) in any operations involving the transmission of radio entertainment programming in competition with the Company or (b) in the business of manufacturing, marketing, selling or distributing vehicles; provided that nothing in this Agreement shall prevent the purchase or ownership by the Executive by way of investment of less than five (5) percent of the shares or equity interest of any corporation or other entity. Without limiting the generality of the foregoing, the Executive agrees that during the Restricted Period, the Executive shall not call on or otherwise solicit business or assist others to solicit business from any of the customers of the Company as to any product or service described in clause (a) above that competes with any product or service provided or marketed by the Company at the end of the Term. The Executive agrees that during the Restricted Period he will not, directly or indirectly, solicit or assist others to solicit the employment of or hire any employee of the Company without the prior written consent of the Company. For purposes of this Agreement, the "Restricted Period" shall mean three years following the end of the Term. For purposes of this Agreement, the term "radio" shall mean terrestrial radio, satellite radio, HD radio, internet radio and other audio delivered terrestrially, by satellite, HD or the internet. The provisions of this Section 8 shall survive the termination of the Executive's employment and the Term.

9. Change of Control Provisions. (a) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by the Executive (including any payment or benefit received in connection with a change of control of the Company or the termination of the Executive's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the "Total Payments") would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero); provided that the Total Payments will only be reduced if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (i) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; (iii) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (iv) payments and benefits due in respect of

any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) will be next reduced pro-rata. Any reductions made pursuant to each of clauses (i)-(v) above will be made in the following manner: first, a pro-rata reduction of cash payment and payments and benefits due in respect of any equity not subject to Section 409A, and second, a pro-rata reduction of cash payments and payments and benefits due in respect of any equity subject to Section 409A as deferred compensation.

(c) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code will be taken into account; (ii) no portion of the Total Payments will be taken into account which, in the opinion of tax counsel ("Tax Counsel") reasonably acceptable to the Executive and selected by the accounting firm which was, immediately prior to the change of control, the Company's independent auditor (the "Auditor"), does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account which, in the opinion of Tax Counsel, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments will be determined by the Auditor in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(d) At the time that payments are made under this Agreement, the Company will provide the Executive with a written statement setting forth the manner in which such payments were calculated and the basis for such calculations, including any opinions or other advice the Company received from Tax Counsel, the Auditor, or other advisors or consultants (and any such opinions or advice which are in writing will be attached to the statement). If the Executive objects to the Company's calculations, the Company will pay to the Executive such portion of the Total Payments (up to 100% thereof) as the Executive determines is necessary to result in the proper application of this Section 9. All determinations required by this Section 9 (or requested by either the Executive or the Company in connection with this Section 9) will be at the expense of the Company. The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 9 will not of itself limit or otherwise affect any other rights of the Executive under this Agreement.

(e) If the Executive receives reduced payments and benefits by reason of this Section 9 and it is established pursuant to a final determination of the court or an Internal Revenue Service proceeding that the Executive could have received a greater amount without resulting in any Excise Tax, then the Company shall thereafter pay the Executive the aggregate additional amount which could have been paid without resulting in any Excise Tax tax as soon as reasonably practicable.

10. Remedies. The Executive and the Company agree that damages for breach of any of the covenants under Sections 7 and 8 will be difficult to determine and inadequate to remedy the harm which may be caused thereby, and therefore consent that these covenants may be enforced by temporary or permanent injunction without the necessity of bond. The Executive believes, as of the date of this Agreement, that the provisions of this Agreement are reasonable and that the Executive is capable of gainful employment without breaching this Agreement. However, should any court or arbitrator decline to enforce any provision of Section 7 or 8 of this Agreement, this Agreement shall, to the extent applicable in the circumstances before such court or arbitrator, be deemed to be modified to restrict the Executive's competition with the Company to the maximum extent of time, scope and geography which the court or arbitrator shall find enforceable, and such provisions shall be so enforced.

11. Consulting Agreement. (a) Upon the expiration of this Agreement on October 31, 2015, and so long as the Executive's employment and the Term have not been terminated prior to the originally scheduled expiration of the Term on October 31, 2015, the Company shall offer the Executive a consulting agreement which will expire on October 31, 2018, subject to the terms and conditions set forth in the Consulting Agreement attached to this Agreement as Exhibit D (the "Consulting Agreement"). The Executive's duties under the Consulting Agreement shall not unreasonably interfere with any subsequent employment by the Executive, which employment shall, in all cases, comply with the restrictions set forth in Sections 7 and 8 hereof.

(b) In the event the Executive's employment is terminated by the Company without Cause, by the Executive for Good Reason, or as a result of the Executive's death or Disability, or in the event that the Company fails to offer the Executive the Consulting Agreement in accordance with Section 11(a) then, on the sixtieth (60th) day following the Termination Date, the Company will pay to the Executive (or to the Executive's estate in the case of death) a lump sum amount of \$6,600,000 as compensation for the lost Consulting Agreement; provided that, except in the event of the Executive's death, the Executive or his representative shall be required to execute a release in accordance with Section 6(f) as a condition to the Company's obligation to make such payment. For the avoidance of doubt, except in the case where the Company fails to offer the Consulting Agreement to the Executive upon the expiration of this Agreement, no amounts shall be payable pursuant to this Section 11(b) as a result of any termination of the Executive's employment upon or following the expiration of the Term.

(c) In the event the Consulting Agreement is terminated prior to the expiration of the Consulting Agreement as a result of the Executive's death or Disability or by the Company without Cause (as defined in this Agreement to the extent applicable) or by the Executive after a material breach of Consulting Agreement by the Company, the Company shall continue to pay the Executive (or his estate in the case of death), without set-off, counterclaim or other withholding, the monthly consulting fee through the originally scheduled expiration date of the Consulting Agreement.

12. Indemnification. The Company shall indemnify the Executive to the full extent provided in the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws and the law of the State of Delaware in connection with his activities as an officer or director of the Company; provided that the indemnification required by

this Section 12 shall not be construed to be the exclusive indemnification available to the Executive.

13. Entire Agreement. The provisions contained herein constitute the entire agreement between the parties with respect to the subject matter hereof and supersede any and all prior agreements, understandings and communications between the parties, oral or written, with respect to such subject matter, including the Prior Agreement, but excluding any equity award agreements between the Executive and the Company.

14. Modification. Any waiver, alteration, amendment or modification of any provisions of this Agreement shall not be valid unless in writing and signed by both the Executive and the Company.

15. Severability. If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions hereof, which shall remain in full force and effect.

16. Assignment. The Executive may not assign any of his rights or delegate any of his duties hereunder without the prior written consent of the Company. The Company may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the Executive, except that any successor to the Company by merger or purchase of all or substantially all of the Company's assets shall assume this Agreement.

17. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors in interest of the Executive and the Company.

18. Notices. All notices and other communications required or permitted hereunder shall be made in writing and shall be deemed effective when delivered personally or transmitted by facsimile transmission, one (1) business day after deposit with a nationally recognized overnight courier (with next day delivery specified) and five (5) days after mailing by registered or certified mail:

if to the Company:

Sirius XM Radio Inc.
1221 Avenue of the Americas
36th Floor
New York, New York 10020
Attention: General Counsel
Telecopier: (212) 584-5353

if to the Executive:

Address on file at the offices
of the Company

or to such other person or address as either party shall furnish in writing to the other party from time to time.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within the State of New York.

20. Non-Mitigation. The Executive shall not be required to mitigate damages or seek other employment in order to receive compensation or benefits under Section 6 or 11 of this Agreement; nor shall the amount of any benefit or payment (except as expressly provided herein) provided for under Section 6 or 11 of this Agreement be reduced by any compensation earned by the Executive as the result of employment by another employer.

21. Arbitration. (a) The Executive and the Company agree that if a dispute arises concerning or relating to the Executive's employment with the Company, or the termination of the Executive's employment, such dispute shall be submitted to binding arbitration under the rules of the American Arbitration Association regarding resolution of employment disputes in effect at the time such dispute arises. The arbitration shall take place in New York, New York, before a single experienced arbitrator licensed to practice law in New York and selected in accordance with the American Arbitration Association rules and procedures. Except as provided below, the Executive and the Company agree that this arbitration procedure will be the exclusive means of redress for any disputes relating to or arising from the Executive's employment with the Company or his termination, including disputes over rights provided by federal, state, or local statutes, regulations, ordinances, and common law, including all laws that prohibit discrimination based on any protected classification. **The parties expressly waive the right to a jury trial, and agree that the arbitrator's award shall be final and binding on both parties, and shall not be appealable.** The arbitrator shall have discretion to award monetary and other damages, and any other relief that the arbitrator deems appropriate and is allowed by law. The arbitrator shall have the discretion to award the prevailing party reasonable costs and attorneys' fees incurred in bringing or defending an action, and shall award such costs and fees to the Executive in the event the Executive prevails on the merits of any action brought hereunder.

(b) The Company shall pay the cost of any arbitration proceedings under this Agreement if the Executive prevails in such arbitration on at least one substantive issue.

(c) The Company and the Executive agree that the sole dispute that is excepted from Section 21(a) is an action seeking injunctive relief from a court of competent jurisdiction regarding enforcement and application of Sections 7, 8 or 10 of this Agreement, which action may be brought in addition to, or in place of, an arbitration proceeding in accordance with Section 21(a).

22. Compliance with Section 409A. (a) To the extent applicable, it is intended that the compensation arrangements under this Agreement be in full compliance with Section 409A (it being understood that certain compensation arrangements under this Agreement are intended not to be subject to Section 409A). This Agreement shall be construed, to the maximum extent permitted, in a manner to give effect to such intention. Notwithstanding anything in this Agreement to the contrary, distributions upon termination of the Executive's employment that constitute Nonqualified Deferred Compensation may only be made upon a Separation from Service. Neither the Company nor any of its affiliates shall have any obligation

to indemnify or otherwise hold the Executive harmless from any or all such taxes, interest or penalties, or liability for any damages related thereto. The Executive acknowledges that he has been advised to obtain independent legal, tax or other counsel in connection with Section 409A.

(b) With respect to any amount of expenses eligible for reimbursement under this Agreement, such expenses will be reimbursed by the Company within thirty (30) days following the date on which the Company receives the applicable invoice from the Executive in accordance with the Company's expense reimbursement policies, but in no event later than the last day of the Executive's taxable year following the taxable year in which the Executive incurs the related expenses. In no event will the reimbursements or in-kind benefits to be provided by the Company in one taxable year affect the amount of reimbursements or in-kind benefits to be provided in any other taxable year, nor will the Executive's right to reimbursement or in-kind benefits be subject to liquidation or exchange for another benefit.

(c) Each payment under this Agreement shall be regarded as a "separate payment" and not one of a series of payments for purposes of Section 409A.

23. Counterparts. This Agreement 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.

24. Executive's Representation. The Executive hereby represents and warrants to the Company that he is not now under any contractual or other obligation that is inconsistent with or in conflict with this Agreement or that would prevent, limit, or impair the Executive's performance of his obligations under this Agreement.

25. Survivorship. Upon the expiration or other termination of this Agreement or the Executive's employment with the Company, the respective rights and obligations of the parties hereto shall survive to the extent necessary to carry out the intentions of the parties under this Agreement.

26. Clawback Provisions. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, or any other compensation, paid to the Executive pursuant to this Agreement or any other agreement or arrangement with the Company or any of its affiliates, which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company or any of its affiliates pursuant to any such law, government regulation or stock exchange listing requirement).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SIRIUS XM RADIO INC.

By: /s/ Patrick L. Donnelly

Patrick L. Donnelly

Executive Vice President, General Counsel and Secretary

/s/ James E. Meyer

JAMES E. MEYER

THIS OPTION MAY NOT BE TRANSFERRED EXCEPT BY WILL OR UNDER THE LAWS
OF DESCENT AND DISTRIBUTION.

SIRIUS XM RADIO 2009 LONG-TERM STOCK INCENTIVE PLAN

STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (this "Agreement"), dated _____, 2013, is between SIRIUS XM RADIO INC., a Delaware corporation (the "Company"), and JAMES E. MEYER (the "Executive").

1. Grant of Option; Vesting. (a) Subject to the terms and conditions of this Agreement, the Sirius XM Radio 2009 Long-Term Stock Incentive Plan (the "Plan"), and the Employment Agreement, dated as of April 29, 2013, between the Company and the Executive (the "Employment Agreement"), the Company hereby grants to the Executive the right and option (this "Option") to purchase 10,128,894 shares of common stock, par value \$0.001 per share, of the Company (the "Shares"), at a price per Share of \$ _____ (the "Exercise Price"). This Option is not intended to qualify as an Incentive Stock Option for purposes of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"). In the case of any stock split, stock dividend or like change in the Shares occurring after the date hereof, the number of Shares and the Exercise Price shall be adjusted as set forth in Section 4(b) of the Plan.

(b) Subject to the terms of this Agreement, this Option shall vest in full and become exercisable on October 30, 2015 if the Executive continues to be employed on such date.

(c) If the Executive's employment with the Company terminates for any reason, this Option, to the extent not then vested, shall immediately terminate without consideration; provided that if the Executive's employment is terminated due to death or "Disability" (as defined in the Employment Agreement), by the Company without "Cause" (as defined in the Employment Agreement), or by the Executive for "Good Reason" (as defined in the Employment Agreement), the unvested portion of this Option, to the extent not previously cancelled or forfeited, shall immediately become vested and exercisable. The waiver of the condition that the Executive be an employee of the Company contained above in the event of the termination of the Executive due to Disability, by the Company without Cause or by the Executive for Good Reason shall be conditioned upon the Executive executing a release in accordance with Section 6(f) of the Employment Agreement.

2. Term. This Option shall terminate on _____, 2023 (the "Option Expiration Date"); provided that if:

(a) the Executive's employment with the Company is terminated due to the Executive's death or Disability, by the Company without Cause, or by the Executive for Good Reason, the Executive (or his beneficiary, in the case of death) may exercise this

Option in full until the first anniversary of such termination (at which time this Option shall be cancelled), but not later than the Option Expiration Date;

(b) the Executive's employment with the Company is terminated upon or following the expiration of the Employment Agreement on October 31, 2015, the Executive may exercise this Option in full until October 31, 2018;

(c) the Executive's employment with the Company is terminated for Cause, this Option shall be cancelled upon the date of such termination; and

(d) the Executive voluntarily terminates his employment with the Company without Good Reason, the Executive may exercise any vested portion of this Option until ninety (90) days following the date of such termination (at which time this Option shall be cancelled), but not later than the Option Expiration Date.

3. Exercise. Subject to Sections 1 and 2 of this Agreement and the terms of the Plan, this Option may be exercised, in whole or in part, in accordance with Section 6 of the Plan.

4. Change of Control. In the event of a Change of Control, this Option shall be governed by the terms of the Plan; provided that any transactions between Liberty Media Corporation and its affiliates shall not constitute a Change of Control for purposes of the Plan.

5. Non-transferable. This Option may not be transferred, assigned, pledged or hypothecated in any manner (whether by operation of law or otherwise) other than by will or by the applicable laws of descent and distribution, and shall not be subject to execution, attachment or similar process. Any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Option or of any right or privilege conferred hereby shall be null and void.

6. Withholding. Prior to delivery of the Shares purchased upon exercise of this Option, the Company shall determine the amount of any United States federal, state and local income tax, if any, which is required to be withheld under applicable law and shall, as a condition of exercise of this Option and delivery of certificates representing the Shares purchased upon exercise of this Option, collect from the Executive the amount of any such tax to the extent not previously withheld. The Executive may satisfy his withholding obligations in the manner contemplated by Section 14(d) of the Plan.

7. Rights of the Executive. Neither this Option, the execution of this Agreement nor the exercise of any portion of this Option shall confer upon the Executive any right to, or guarantee of, continued employment by the Company, or in any way limit the right of the Company to terminate employment of the Executive at any time, subject to the terms of the Employment Agreement or any other written employment or similar agreement between the Company and the Executive.

8. Professional Advice. The acceptance and exercise of this Option may have consequences under federal and state tax and securities laws that may vary depending upon the individual circumstances of the Executive. Accordingly, the Executive acknowledges that

the Executive has been advised to consult his personal legal and tax advisors in connection with this Agreement and this Option.

9. Agreement Subject to the Plan. This Option and this Agreement are subject to the terms and conditions set forth in the Plan, which terms and conditions are incorporated herein by reference. Capitalized terms used herein but not defined shall have the meaning set forth in the Plan. A copy of the Plan previously has been delivered to the Executive. This Agreement, the Employment Agreement and the Plan constitute the entire understanding between the Company and the Executive with respect to this Option.

10. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflict of laws principles, and shall bind and inure to the benefit of the heirs, executors, personal representatives, successors and assigns of the parties hereto.

11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or when telecopied (with confirmation of transmission received by the sender), three business days after being sent by certified mail, postage prepaid, return receipt requested or one business day after being delivered to a nationally recognized overnight courier with next day delivery specified to the parties at the following addresses (or at such other address for a party as shall be specified by like notice): Company: Sirius XM Radio Inc., 1221 Avenue of the Americas, 36th Floor, New York, New York 10020, Attention: General Counsel; and Executive: Address on file at the office of the Company. Notices sent by email or other electronic means not specifically authorized by this Agreement shall not be effective for any purpose of this Agreement.

12. Binding Effect. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

13. Amendment. The rights of the Executive hereunder may not be impaired by any amendment, alteration, suspension, discontinuance or termination of the Plan or this Agreement without the Executive's consent.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

SIRIUS XM RADIO INC.

By: _____
Dara F. Altman
Executive Vice President, and
Chief Administrative Officer

JAMES E. MEYER

THE RSUs HAVE NOT BEEN REGISTERED UNDER STATE OR FEDERAL SECURITIES
LAWS. THE RSUs MAY NOT BE TRANSFERRED EXCEPT
BY WILL OR UNDER THE LAWS OF DESCENT AND DISTRIBUTION

SIRIUS XM RADIO
2009 LONG-TERM STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

This RESTRICTED STOCK UNIT AGREEMENT (this "Agreement"), dated _____, 2013, is between SIRIUS XM RADIO INC., a Delaware corporation (the "Company"), and JAMES E. MEYER (the "Executive").

1. Grant of RSUs. Subject to the terms and conditions of this Agreement, the Sirius XM Radio 2009 Long-Term Stock Incentive Plan (the "Plan"), and the Employment Agreement, dated as of April 29, 2013, between the Company and the Executive (the "Employment Agreement"), the Company hereby grants _____ restricted share units ("RSUs") to the Executive. Each RSU represents the unfunded, unsecured right of the Executive to receive one share of common stock, par value \$.001 per share, of the Company (each, a "Share") on the date specified in this Agreement. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

2. Dividends. If on any date while RSUs are outstanding the Company shall pay any dividend on the Shares (other than a dividend payable in Shares), the number of RSUs granted to the Executive shall, as of the record date for such dividend payment, be increased by a number of RSUs equal to: (a) the product of (x) the number of RSUs held by the Executive as of such record date, multiplied by (y) the per Share amount of any cash dividend (or, in the case of any dividend payable, in whole or in part, other than in cash, the per Share value of such dividend, as determined in good faith by the Company), divided by (b) the average closing price of a Share on the Nasdaq Global Select Market on the twenty trading days preceding, but not including, such record date. In the case of any dividend declared on Shares that is payable in the form of Shares, the number of RSUs granted to the Executive shall be increased by a number equal to the product of (1) the aggregate number of RSUs held by the Executive on the record date for such dividend, multiplied by (2) the number of Shares (including any fraction thereof) payable as a dividend on a Share. In the case of any other change in the Shares occurring after the date hereof, the number of RSUs shall be adjusted as set forth in Section 4(b) of the Plan.

3. No Rights of a Stockholder. The Executive shall not have any rights as a stockholder of the Company until the Shares have been registered in the Company's register of stockholders.

4. Issuance of Shares subject to RSUs. (a) Subject to earlier issuance pursuant to the terms of this Agreement or the Plan, on October 30, 2015, the Company shall issue, or cause there to be transferred, to the Executive (or his beneficiary, in the case of death) an amount of Shares representing an equal number of the RSUs granted to the Executive under this Agreement, if the Executive continues to be employed by the Company on October 30, 2015.

(b) If the Executive's employment with Company terminates for any reason, the RSUs shall immediately terminate without consideration; provided that if the Executive's employment terminates due to death or "Disability" (as defined in the Employment Agreement), by the Company without "Cause" (as defined in the Employment Agreement), or by the Executive for "Good Reason" (as defined in the Employment Agreement), the unvested portion of the RSUs, to the extent not previously cancelled or forfeited, shall immediately become vested and the Company shall issue, or cause there to be transferred, to the Executive (or to the Executive's estate in the case of death) the amount of Shares equal to the number of RSUs granted to the Executive under this Agreement (to the extent not previously transferred, cancelled or forfeited). The waiver of the condition that the Executive be an employee of the Company contained above in the event of the termination of the Executive due to Disability, by the Company without Cause or by the Executive for Good Reason shall be conditioned upon the Executive executing a release in accordance with Section 6(f) of the Employment Agreement.

5. Change of Control. In the event of a Change of Control, the RSUs shall be governed by the terms of the Plan; provided that any transactions between Liberty Media Corporation and its affiliates shall not constitute a Change of Control for purposes of the Plan.

6. Non-transferable. The RSUs may not be transferred, assigned, pledged or hypothecated in any manner (whether by operation of law or otherwise) other than by will or by the applicable laws of descent and distribution, and shall not be subject to execution, attachment or similar process. Any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of RSUs or of any right or privilege conferred hereby shall be null and void.

7. Withholding. Prior to delivery of the Shares pursuant to this Agreement, the Company shall determine the amount of any United States federal, state and local income tax, if any, which is required to be withheld under applicable law and shall, as a condition of delivery of certificates representing the Shares pursuant to this Agreement, collect from the Executive the amount of any such tax to the extent not previously withheld.

8. Rights of the Executive. Neither this Agreement nor the RSUs shall confer upon the Executive any right to, or guarantee of, continued employment by the Company, or in any way limit the right of the Company to terminate the employment of the Executive at any time, subject to the terms of any written employment or similar agreement between the Company and the Executive.

9. Professional Advice. The acceptance of the RSUs may have consequences under federal and state tax and securities laws that may vary depending upon the individual circumstances of the Executive. Accordingly, the Executive acknowledges that the Executive has been advised to consult his personal legal and tax advisors in connection with this Agreement and the RSUs.

10. Agreement Subject to the Plan. This Agreement and the RSUs are subject to the terms and conditions set forth in the Plan, which terms and conditions are incorporated herein by reference. A copy of the Plan previously has been delivered to the Executive. This Agreement,

the Employment Agreement and the Plan constitute the entire understanding between the Company and the Executive with respect to the RSUs.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, and shall bind and inure to the benefit of the heirs, executors, personal representatives, successors and assigns of the parties hereto.

12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or when telecopied (with confirmation of transmission received by the sender), three business days after being sent by certified mail, postage prepaid, return receipt requested or one business day after being delivered to a nationally recognized overnight courier with next day delivery specified to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

Company: Sirius XM Radio Inc.
1221 Avenue of the
Americas
36th Floor
New York, New York 10020
Attention: General Counsel

Executive: James E. Meyer
Address on file at the
office of the Company

Notices sent by email or other electronic means not specifically authorized by this Agreement shall not be effective for any purpose of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

SIRIUS XM RADIO INC.

By: _____
Dara Altman
Executive Vice President, and
Chief Administrative Officer

JAMES E. MEYER

AGREEMENT AND RELEASE

This Agreement and Release, dated as of _____, 20__ (this "Agreement"), is entered into by and between JAMES E. MEYER (the "Executive") and SIRIUS XM RADIO INC. (the "Company").

The purpose of this Agreement is to completely and finally settle, resolve, and forever extinguish all obligations, disputes and differences arising out of the Executive's employment with and separation from the Company.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the Executive and the Company hereby agree as follows:

1. The Executive's employment with the Company is terminated as of _____, 20__ (the "Termination Date").

2. The Company and the Executive agree that the Executive shall be provided severance pay and other benefits, less all legally required and authorized deductions, in accordance with the terms of Section 6(f) of the Employment Agreement between the Executive and the Company, dated as of April 29, 2013 (as it may have been amended, the "Employment Agreement"), and the exhibits thereto; provided that no such severance benefits shall be paid if the Executive revokes this Agreement pursuant to Section 4 below. The Executive acknowledges and agrees that he is entering into this Agreement in consideration of such severance benefits and the Company's agreements set forth herein. All vacation pay earned and unused as of the Termination Date will be paid to the Executive as required by law. Except as set forth above, the Executive will not be eligible for any other compensation or benefits following the Termination Date other than any vested accrued benefits under the Company's compensation and benefit plans, and other than the rights, if any, granted to the Executive under the terms of any stock option, restricted stock, or other equity award agreements or plans.

3. The Executive, for himself, and for his heirs, attorneys, agents, spouse and assigns, hereby waives, releases and forever discharges the Company and its parents, subsidiaries and affiliated companies and its and their predecessors, successors, and assigns, if any, as well as all of their officers, directors and employees, stockholders, agents, servants, representatives, and attorneys, and the predecessors, successors, heirs and assigns of each of them (collectively "Released Parties"), from any and all grievances, claims, demands, causes of action, obligations, damages and/or liabilities of any nature whatsoever, whether known or unknown, suspected or claimed, which the Executive ever had, now has, or claims to have against the Released Parties, by reason of any act or omission occurring before the date hereof that arise out of his employment or other service with the Released Parties or the termination of such employment or service, including, without limiting the generality of the foregoing, (a) any act, cause, matter or thing stated, claimed or alleged, or which was or which could have been alleged in any manner against the Released Parties prior to the execution of this Agreement and (b) all claims for any payment under the Employment Agreement; provided that nothing contained in this Agreement shall affect the Executive's rights (i) to indemnification from the Company as provided in the

Employment Agreement or otherwise; (ii) to coverage under the Company's insurance policies covering officers and directors; (iii) to other benefits which by their express terms extend beyond the Executive's separation from employment (including the Executive's rights under Section 6(f) of the Employment Agreement); and (iv) under this Agreement, and (c) all claims for discrimination, harassment and/or retaliation, under Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, as amended, the New York State Human Rights Law, as amended, as well as any and all claims arising out of any alleged contract of employment, whether written, oral, express or implied, or any other federal, state or local civil or human rights or labor law, ordinances, rules, regulations, guidelines, statutes, common law, contract or tort law, arising out of or relating to the Executive's employment with and/or separation from the Company, including the termination of his employment on the Termination Date, and/or any events occurring prior to the execution of this Agreement.

4. The Executive specifically waives all rights or claims that he has or may have under the Age Discrimination In Employment Act of 1967, 29 U.S.C. §§ 621-634, as amended ("ADEA"), including, without limitation, those arising out of or relating to the Executive's employment with and/or separation from the Company, the termination of his employment on the Termination Date, and/or any events occurring prior to the execution of this Agreement. In accordance with the ADEA, the Company specifically hereby advises the Executive that: (1) he may and should consult an attorney before signing this Agreement, (2) he has **[twenty-one (21) / forty-five (45)]**¹ days to consider this Agreement, and (3) he has seven (7) days after signing this Agreement to revoke this Agreement.

5. Notwithstanding the above, nothing in this Agreement prevents or precludes the Executive from (a) challenging or seeking a determination of the validity of this Agreement under the ADEA; or (b) filing an administrative charge of discrimination under any applicable statute or participating in any investigation or proceeding conducted by a governmental agency.

6. The Executive acknowledges that he has read and understands the foregoing release and executes it voluntarily and without coercion.

7. This release does not affect or impair the Executive's rights with respect to workman's compensation or similar claims under applicable law or any claims under medical, dental, disability, life or other insurance arising prior to the date hereof.

8. The Executive warrants that he has not made any assignment, transfer, conveyance or alienation of any potential claim, cause of action, or any right of any kind whatsoever, including but not limited to, potential claims and remedies for discrimination, harassment, retaliation, or wrongful termination, and that no other person or entity of any kind has had, or now has, any financial or other interest in any of the demands, obligations, causes of action, debts, liabilities, rights, contracts, damages, costs, expenses, losses or claims which could have been asserted by the Executive against the Company or any Released Party.

¹ To be determined by the Company in connection with the termination.

9. The Executive shall not make any disparaging remarks about the Company or its subsidiaries and affiliated companies, or its or their officers, agents, employees, practices or products; provided that the Executive may provide truthful and accurate facts and opinions about the Company where required to do so by law and may respond to disparaging remarks about the Executive made by the Company, any of its subsidiaries or affiliates, or its or their officers, agents or employees. The Company shall not, and shall instruct its officers not to, make any disparaging remarks about the Executive; provided that the Company and its officers may provide truthful and accurate facts and opinions about the Executive where required to do so by law and may respond to disparaging remarks made by the Executive or his agents or family members.

10. The parties expressly agree that this Agreement shall not be construed as an admission by any of the parties of any violation, liability or wrongdoing, and shall not be admissible in any proceeding as evidence of or an admission by any party of any violation or wrongdoing. The Company expressly denies any violation of any federal, state, or local statute, ordinance, rule, regulation, order, common law or other law in connection with the employment and termination of employment of the Executive.

11. In the event of a dispute concerning the enforcement of this Agreement, the finder of fact shall have the discretion to award the prevailing party reasonable costs and attorneys' fees incurred in bringing or defending an action, and shall award such costs and fees to the Executive in the event the Executive prevails on the merits of any action brought hereunder. All other requests for relief or damages awards shall be governed by Sections 21(a) and 21(b) of the Employment Agreement.

12. The parties declare and represent that no promise, inducement, or agreement not expressed herein has been made to them.

13. This Agreement in all respects shall be interpreted, enforced and governed under the laws of the State of New York and any applicable federal laws relating to the subject matter of this Agreement. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. This Agreement shall be construed as if jointly prepared by the Executive and the Company. Any uncertainty or ambiguity shall not be interpreted against any one party.

14. This Agreement, the Employment Agreement, **[and list any outstanding award agreements]** between the Executive and the Company contain the entire agreement of the parties as to the subject matter hereof. No modification or waiver of any of the provisions of this Agreement shall be valid and enforceable unless such modification or waiver is in writing and signed by the party to be charged, and unless otherwise stated therein, no such modification or waiver shall constitute a modification or waiver of any other provision of this Agreement (whether or not similar) or constitute a continuing waiver.

15. The Executive and the Company represent that they have been afforded a reasonable period of time within which to consider the terms of this Agreement, that they have read this Agreement, and they are fully aware of its legal effects. The Executive and the Company further represent and warrant that they enter into this Agreement knowingly and

voluntarily, without any mistake, duress or undue influence, and that they have been provided the opportunity to review this Agreement with counsel of their own choosing. In making this Agreement, each party relies upon his or its own judgment, belief and knowledge, and has not been influenced in any way by any representations or statements not set forth herein regarding the contents hereof by the entities who are hereby released, or by anyone representing them.

16. This Agreement 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 parties. The parties further agree that delivery of an executed counterpart by facsimile shall be as effective as delivery of an originally executed counterpart. This Agreement shall be of no force or effect until executed by all the signatories.

17. The Executive warrants that he will return to the Company all software, computers, computer-related equipment, keys and all materials (including copies) obtained or created by the Executive in the course of his employment with the Company on or before the Termination Date; provided that the Executive will be able to keep his cell phones, blackberries, personal computers, personal rolodex and the like so long as any confidential information is removed from such items.

18. Any existing obligations the Executive has with respect to confidentiality, nonsolicitation of Company clients, nonsolicitation of Company employees and noncompetition with the Company shall remain in full force and effect, including, but not limited to, Sections 7 and 8 of the Employment Agreement.

19. Any disputes arising from or relating to this Agreement shall be subject to arbitration pursuant to Section 21 of the Employment Agreement.

20. Should any provision of this Agreement be declared or be determined by a forum with competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the respective dates set forth below.

SIRIUS XM RADIO INC.

Dated: _____

By: _____

Name:

Title:

Dated: _____

James E. Meyer

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") by and between James E. Meyer ("Consultant") and Sirius XM Radio Inc. (the "Company") (collectively referred to as the "Parties"), is effective as of October 31, 2015 (the "Effective Date").

RECITALS

WHEREAS, prior to the Effective Date, Consultant was employed by the Company as its Chief Executive Officer pursuant to the Employment Agreement between the Parties, dated as of April 29, 2013 (the "Employment Agreement"); and

WHEREAS, the Company wishes to retain Consultant to perform consulting services and fulfill certain related duties and obligations under the terms and conditions of this Agreement;

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein, the Parties hereby agree as follows:

1. Consulting Services. (a) During the term of this Agreement, Consultant will render consulting services related to his specialized areas of knowledge, experience and expertise (including, but not limited to, assisting with the transition of the executive officers of the Company, meeting with Company clients and customers, and such other services as may be reasonably requested by the Chairman of the Board of Directors of the Company or the Chief Executive Officer of the Company from time to time). Consultant will have no authority to bind the Company or any of its subsidiaries or affiliates, nor to act on their behalf, nor to make decisions for the Company or any of its subsidiaries or affiliates. The Company, being ultimately interested only in the results of Consultant's performance of the services set forth in this Agreement, will give only broad direction to Consultant. Consultant will determine the method, details and means of performing the services contemplated by this Agreement. Notwithstanding the foregoing, the level of bona fide services Consultant performs for the Company hereunder will not exceed 20% of the average level of bona fide services Consultant performed during the 36-month period preceding the Effective Date.

(b) This Agreement will commence on the Effective Date and will continue until, and will end upon, the three (3)-year anniversary of the Effective Date.

(c) In consideration of Consultant's agreement to perform and his performance of the consulting services, during the term of this Agreement, the Company will pay Consultant \$2,200,000 per year, payable in accordance with the Company's regular payroll practices (but in no event less frequently than monthly). During the term of this Agreement, Consultant will be eligible to participate in the Company's medical, dental and life insurance plans, subject to the terms and conditions of such plans; provided that, in the event the Company determines that Consultant may not participate in the Company's applicable medical and dental plan(s), (i) the Company will pay to Consultant a lump sum cash amount, on the sixtieth (60th) day following

such determination, equal to the costs of continuation of medical and dental insurance coverage for Consultant under the Company's medical and dental insurance plan(s) in effect on the date of such determination from the date of such determination through the eighteen (18)-month anniversary of the Effective Date (less any amounts payable by the Company under the Employment Agreement in respect of medical and/or dental insurance coverage during any portion of such period) and (ii) thereafter Consultant will have the option to continue such benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), to the extent permitted by law and the terms and conditions of the applicable plan(s), through the three (3)-year anniversary of the Effective Date, at the Company's expense. In the event that, during the three (3)-year period following the Effective Date, Consultant is not eligible to participate in the Company's medical, dental or life insurance plan(s), and also not eligible for such coverage under COBRA, the Company will pay Consultant a monthly amount equal to the actual monthly costs to Consultant to obtain medical, dental and/or life insurance benefits substantially similar to those benefits that would have been provided to Consultant under the Company's plans through the third (3rd) anniversary of the Effective Date (less any amounts payable by the Company under the Employment Agreement in respect of medical, dental and/or life insurance coverage during any portion of such period); provided that (1) the amount of such monthly payments will not exceed twice the amount that the Company would have paid to provide such benefit to Consultant if he were an active employee on the Effective Date, (2) such payments will cease if Consultant obtains such benefit from another employer following the eighteen (18)-month anniversary of the Effective Date, and (3) any such payments will be reduced by the amount of any lump sum payment made in accordance with this Section 1(c).

(d) Upon reasonable documentation of expenses from Consultant, the Company will reimburse Consultant in accordance with the Company's expense reimbursement policies for all reasonable business expenses incurred by Consultant in the performance of Consultant's services under this Agreement. Notwithstanding the foregoing, any expense in excess of \$10,000 to be incurred by Consultant in connection with this Agreement will require the prior written approval of the Company.

(e) Consultant hereby assigns exclusively to the Company the ownership of all work product prepared or provided by Consultant to the Company or otherwise generated as a result of Consultant's provision of consulting services hereunder, along with all intellectual property rights (including, without limitation, all copyrights) related thereto.

(f) The Company acknowledges that Consultant's services hereunder will be provided by Consultant on a nonexclusive basis, and that Consultant may engage in any other business activities as long as such activities do not interfere with or harm the operations of the Company or any of its subsidiaries or affiliates or materially interfere with Consultant's obligations to the Company under this Agreement.

2. Prior Agreement Restrictive Covenants. Consultant warrants and represents that he has complied, and by this Agreement agrees that he will continue to comply, with all applicable terms of the Employment Agreement. The Parties agree and acknowledge that this Agreement supplements the Employment Agreement to the extent set forth herein and that in all other respects the applicable terms of the Employment Agreement remain in full force and effect.

Consultant acknowledges and agrees that the restrictive covenant provisions set forth in the Employment Agreement remain in full force and effect to the fullest extent provided therein.

3. Independent Contractor. Consultant warrants that, during the term of this Agreement, Consultant will at all times be and remain an independent contractor, and Consultant will not be considered the agent, partner, principal, employee or servant of the Company or any of its subsidiaries or affiliates. Consultant will be free to exercise Consultant's own judgment as to the manner and method of providing the consulting services to the Company, subject to applicable laws and requirements reasonably imposed by the Company. Consultant acknowledges and agrees that, during the term of this Agreement, Consultant will not be treated as an employee of the Company or any of its subsidiaries or affiliates for purposes of federal, state, local or foreign income or other tax withholding, nor unless otherwise specifically provided by law, for purposes of the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act or any workers' compensation law of any state or country (or subdivision thereof), or for purposes of benefits provided to employees of the Company or any of its subsidiaries or affiliates under any employee benefit plan, program, policy or arrangement (including, without limitation, vacation, holiday and sick leave benefits). Consultant acknowledges and agrees that as an independent contractor, Consultant will be required, during the term of this Agreement, to pay any applicable taxes on the fees paid to Consultant, and to provide his workers' compensation insurance and any other coverage required by law. Consultant will at all times indemnify, hold harmless and defend the Company for all liabilities, losses, damages, costs (including legal costs and other professional fees on an indemnity basis) and expenses of whatsoever nature incurred or suffered by the Company or any of its subsidiaries or affiliates arising from: (a) any income taxes or other taxes due on amounts paid to or on behalf of Consultant by the Company, or any other required remittances to any governmental entities, agencies or programs (including, without limitation, any interest, penalties or gross-ups thereon) arising in respect of Consultant for which the Company or any subsidiary or affiliate of the Company is called upon to account to the relevant taxing authority; and (b) any liability for any employment-related claim or any claim based on worker status brought by Consultant against the Company or any subsidiary or affiliate of the Company arising out of or in connection with Consultant's provision of services pursuant to this Agreement. Consultant hereby acknowledges that Consultant will have no recourse against the Company (or any of its directors, officers, personnel, representatives, agents, successors, subsidiaries or affiliates) for any such liability, loss, damage, cost or expense.

4. Indemnification. The Company will indemnify Consultant during the term of this Agreement and thereafter to the full extent permitted by law for all claims related to or arising out of his serving as a consultant of the Company hereunder; provided that in no event will Consultant be indemnified pursuant to this Section 4 in connection with any claims, causes of action, demands, fees or liabilities of any kind whatsoever, arising out of or relating to (a) the enforcement of the Company's rights hereunder or with respect to the Employment Agreement or any agreements identified in the Employment Agreement or (b) Consultant's illegal conduct, fraud (including, without limitation, undiscovered financial fraud), embezzlement or other willful misconduct.

5. Early Termination of Agreement. In the event this Agreement is terminated prior to its expiration due to Consultant's death or disability or by the Company without Cause (as

defined in the Employment Agreement to the extent applicable) or by Consultant after a material breach of this Agreement by the Company, the Company will continue to pay Consultant (or his beneficiary, in the case of death), without set-off, counterclaim or other withholding, the consulting fee through the originally scheduled expiration date of this Agreement.

6. Survival. Sections 2, 3 and 4 hereof will survive and continue in full force in accordance with the terms thereof, notwithstanding any termination of this Agreement.

7. Severability. The Parties agree that if any provision of this Agreement is declared or determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions will not be affected thereby, and said illegal, unenforceable or invalid part, term or provision will be deemed not to be part of this Agreement.

8. Entire Agreement; Amendment. Except as otherwise set forth herein, this Agreement represents the entire agreement and understanding between Consultant and the Company concerning the specific subject matter of this Agreement and supersedes and replaces any and all prior agreements and understandings between Consultant and the Company concerning the specific subject matter of this Agreement. Any modification or amendment of this Agreement, or additional obligation assumed in connection with this Agreement, will be effective only if placed in writing and signed by both Parties or by authorized representatives of each of the Parties.

9. Captions; Drafter Protection. This Agreement's headings and captions are provided for reference and convenience only, and will not be employed in the construction of this Agreement. It is agreed and understood that the general rule pertaining to construction of contracts, that ambiguities are to be construed against the drafter, will not apply to this Agreement.

10. Counterparts. This Agreement may be executed in counterparts, and each counterpart will have the same force and effect as an original and will constitute an effective, binding agreement on the part of each of the undersigned.

11. Binding Effect; Assignment. Neither this Agreement, nor any rights or benefits hereunder, may be assigned, delegated, transferred, pledged or hypothecated without the prior written consent of the Parties, except that the Company may assign this Agreement to any assignee of or successor to substantially all of the business or assets of the Company or any direct or indirect subsidiary thereof without prior written consent of Consultant.

12. No Reliance. Consultant acknowledges and agrees that he has not relied upon any advice whatsoever from the Company as to any provision of this Agreement, including, but not limited to, the taxability, whether pursuant to federal, state, local or foreign income tax statutes or regulations, or otherwise, of the payments made, action taken, or consideration transferred hereunder and that Consultant will be solely liable for all tax obligations arising therefrom.

13. Governing Law. This Agreement will be governed by and construed and enforced according to the laws of the State of New York, without regard to conflict of laws principles thereof. The Parties agree that the state and federal courts located in the State of New

York will have exclusive jurisdiction in any action, suit or proceeding based on or arising out of this Agreement and the Parties hereby: (a) submit to the personal jurisdiction of such courts; (b) consent to service of process in connection with any action, suit or proceeding; (c) agree that venue is proper and convenient in such forum; and (d) waive any other requirement (whether imposed by statute, rule of court or otherwise) with respect to personal jurisdiction, subject matter jurisdiction, venue, or service of process.

14. No Waiver. The failure of any party to insist upon the performance of any of the terms and conditions in this Agreement, or the failure to prosecute any breach of any of the terms and conditions of this Agreement, will not be construed thereafter as a waiver of any such terms or conditions. This entire Agreement will remain in full force and effect as if no such forbearance or failure of performance had occurred.

15. Warranties. Consultant warrants that he will not deliver or disclose to the Company information which infringes any property right of any third party relating to proprietary or trade secret information or copyrights. Consultant warrants that he is not a party to any other existing agreement which would prevent him from entering into this Agreement or which would adversely affect this Agreement, and agrees that he will not, during the term of this Agreement, enter into any such agreement.

16. Confidentiality. Unless otherwise required by law or regulation, or as necessary to perform his services for the Company hereunder, Consultant agrees to maintain absolute confidentiality of the services performed by Consultant hereunder and the information, reports and other work product produced by, or made available to, Consultant in connection with this Agreement or his services hereunder.

17. Voluntary Execution. Consultant acknowledges that he is executing this Agreement voluntarily and of his own free will. Consultant further acknowledges that he has read, fully understands and intends to be bound by the terms of this Agreement, and has had an opportunity to carefully review it with his attorney prior to executing it or warrants that he has chosen not to have his attorney review this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SIRIUS XM RADIO INC.

By: _____

Name:

Title:

JAMES E. MEYER

D-6



P R E S S R E L E A S E

SiriusXM Reports First Quarter 2013 Results

- **Subscribers Grow by 453,000 to a Record 24.4 Million**
- **Record Revenue of \$897 Million, Up 12%**
- **Net Income of \$124 Million, Up 15%**
- **Adjusted EBITDA Grows 26% to a Record \$262 Million**
- **Free Cash Flow Guidance Increased**
- **Company Repurchases 209 Million Shares of Common Stock**

NEW YORK – April 30, 2013 – Sirius XM Radio (NASDAQ: SIRI) today announced first quarter 2013 financial and operating results, including revenue of \$897 million, up 12% from the first quarter 2012 revenue of \$805 million. Net income for the first quarter 2013 and 2012 was \$124 million and \$108 million, respectively. Adjusted EBITDA for the first quarter of 2013 reached a record \$262 million, up 26% from \$208 million in the first quarter of 2012.

"SiriusXM's first quarter results show a continuation of our trend of strong, profitable growth. We turned in our best first quarter for subscriber additions since the merger, and with our continuing sharp focus on costs, we set an all-time high for adjusted EBITDA. With our strong free cash flow and low leverage, we repurchased 209 million shares so far and have now returned nearly \$1 billion in total to our stockholders since the end of December via stock buybacks and a special dividend," noted Jim Meyer, Chief Executive Officer, SiriusXM.

"We continue to focus on profitable subscriber growth first and foremost. We expect to achieve record adjusted EBITDA margins this year, which is all the more impressive considering our investments in new content, services, and expanding our distribution in the previously-owned vehicle market. We are off to a great start for the year and are confident in achieving our guidance," remarked Meyer.

Additional highlights of the first quarter include:

- **Subscriber base reaches new record.** The total paid subscriber base reached a record 24.4 million, up 9% from the prior year. Self-pay net subscriber additions were 304,000, a slight increase from the first quarter of 2012, while the overall self-pay subscriber base reached a record high of 19.9 million, up 9% from a year prior. Total paid and unpaid trials grew by 443,000 year over year to 6.2 million.
- **Subscriber acquisition costs per gross addition (SAC) decline.** While gross additions climbed 16%, total subscriber acquisition costs excluding purchase price accounting adjustments fell slightly year-over-year to \$138 million in the first quarter of 2013, driving an improvement in SAC per gross addition of 15% to \$51 from \$60 in the first quarter of 2012.

· **Free cash flow reaches a new first quarter record.** Free cash flow jumped to \$142 million, up from \$15 million in the first quarter of 2012.

“SiriusXM’s \$142 million of free cash flow was the best first quarter in the history of the Company, resulting in an increase in our free cash flow guidance to approximately \$915 million, a 29% increase over 2012. During the first quarter, we repurchased 157 million shares of our common stock for \$494 million under our \$2 billion stock repurchase program. The Company’s leverage improved to 2.5x our adjusted EBITDA, well below our target leverage of 3.5x, ” noted David Frear, SiriusXM’s Executive Vice President and Chief Financial Officer.

“Our low leverage together with availability under our \$1.25 billion revolving credit facility provide substantial flexibility to pursue our \$2 billion stock buyback program and continue to invest in our business and evaluate strategic opportunities,” added Frear.

2013 GUIDANCE

The Company raised its free cash flow guidance and reiterated its 2013 guidance for subscriber growth, revenue, and adjusted EBITDA:

- Self-pay net subscriber additions of approximately 1.6 million,
 - Total net subscriber additions of approximately 1.4 million,
 - Revenue of over \$3.7 billion,
 - Adjusted EBITDA of over \$1.1 billion, and
 - Free cash flow of approximately \$915 million.
-

FIRST QUARTER 2013 RESULTS

SIRIUS XM RADIO INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

	For the Three Months Ended March 31,	
	2013	2012
<i>(in thousands, except per share data)</i>		
Revenue:		
Subscriber revenue	\$ 783,342	\$ 700,242
Advertising revenue	20,211	18,670
Equipment revenue	18,156	16,953
Other revenue	75,689	68,857
Total revenue	897,398	804,722
Operating expenses:		
Cost of services:		
Revenue share and royalties	148,531	132,111
Programming and content	74,610	70,095
Customer service and billing	80,394	66,187
Satellite and transmission	19,695	18,110
Cost of equipment	7,027	5,806
Subscriber acquisition costs	116,111	116,121
Sales and marketing	65,899	58,361
Engineering, design and development	14,842	12,690
General and administrative	56,340	59,886
Depreciation and amortization	67,018	66,117
Total operating expenses	650,467	605,484
Income from operations	246,931	199,238
Other income (expense):		
Interest expense, net of amounts capitalized	(46,174)	(76,971)
Loss on extinguishment of debt and credit facilities, net	—	(9,971)
Interest and investment income (loss)	1,638	(1,142)
Other income (loss)	247	(578)
Total other expense	(44,289)	(88,662)
Income before income taxes	202,642	110,576
Income tax expense	(79,040)	(2,802)
Net income	\$ 123,602	\$ 107,774
Foreign currency translation adjustment, net of tax	(172)	(56)
Total comprehensive income	\$ 123,430	\$ 107,718
Net income per common share:		
Basic	\$ 0.02	\$ 0.02
Diluted	\$ 0.02	\$ 0.02
Weighted average common shares outstanding:		
Basic	6,259,803	3,767,443
Diluted	6,606,276	6,537,728

SIRIUS XM RADIO INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

<i>(in thousands, except share and per share data)</i>	<u>March 31, 2013</u> <i>(Unaudited)</i>	<u>December 31, 2012</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 206,727	\$ 520,945
Accounts receivable, net	107,875	106,142
Receivables from distributors	102,762	104,425
Inventory, net	20,095	25,337
Prepaid expenses	171,248	122,157
Related party current assets	8,255	13,167
Deferred tax asset	970,231	923,972
Other current assets	12,060	12,037
Total current assets	<u>1,599,253</u>	<u>1,828,182</u>
Property and equipment, net	1,542,970	1,571,922
Long-term restricted investments	3,999	3,999
Deferred financing fees, net	32,747	38,677
Intangible assets, net	2,507,019	2,519,610
Goodwill	1,815,365	1,815,365
Related party long-term assets	41,258	44,954
Long-term deferred tax asset	1,089,440	1,219,256
Other long-term assets	11,146	12,878
Total assets	<u>\$ 8,643,197</u>	<u>\$ 9,054,843</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 516,526	\$ 587,652
Accrued interest	65,008	33,954
Current portion of deferred revenue	1,516,608	1,474,138
Current portion of deferred credit on executory contracts	140,389	207,854
Current maturities of long-term debt	3,955	4,234
Related party current liabilities	12,647	6,756
Total current liabilities	<u>2,255,133</u>	<u>2,314,588</u>
Deferred revenue	162,461	159,501
Deferred credit on executory contracts	4,230	5,175
Long-term debt	2,175,270	2,222,080
Long-term related party debt	209,073	208,906
Related party long-term liabilities	18,272	18,966
Other long-term liabilities	81,377	86,062
Total liabilities	<u>4,905,816</u>	<u>5,015,278</u>
Stockholders' equity:		
Preferred stock, par value \$0.001; 50,000,000 authorized at March 31, 2013 and December 31, 2012; Convertible perpetual preferred stock, series B-1 (liquidation preference of \$0.001 per share); 0 and 6,250,100 shares issued and outstanding at March 31, 2013 and December 31, 2012, respectively	—	6
Common stock, par value \$0.001; 9,000,000,000 shares authorized; 6,442,718,811 and 5,262,440,085 shares issued; 6,433,648,535 and 5,262,440,085 shares outstanding, at March 31, 2013 and December 31, 2012, respectively	6,443	5,263
Accumulated other comprehensive (loss) income, net of tax	(52)	120
Additional paid-in capital	9,946,701	10,345,566
Treasury stock, at cost (9,070,276 and 0 shares of common stock at March 31, 2013 and December 31, 2012, respectively)	(27,923)	—
Accumulated deficit	<u>(6,187,788)</u>	<u>(6,311,390)</u>
Total stockholders' equity	<u>3,737,381</u>	<u>4,039,565</u>
Total liabilities and stockholders' equity	<u>\$ 8,643,197</u>	<u>\$ 9,054,843</u>

SIRIUS XM RADIO INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(in thousands)</i>	For the Three Months Ended March 31,	
	2013	2012
Cash flows from operating activities:		
Net income	\$ 123,602	\$ 107,774
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	67,018	66,117
Non-cash interest expense, net of amortization of premium	5,442	10,647
Provision for doubtful accounts	11,410	6,208
Amortization of deferred income related to equity method investment	(694)	(694)
Loss on extinguishment of debt and credit facilities, net	—	9,971
(Gain) loss on unconsolidated entity investments, net	(1,345)	422
Dividend received from unconsolidated entity investment	9,674	—
Loss on disposal of assets	124	—
Share-based payment expense	14,518	14,951
Deferred income taxes	83,631	1,572
Other non-cash purchase price adjustments	(70,459)	(73,956)
Changes in operating assets and liabilities:		
Accounts receivable	(13,143)	(12,838)
Receivables from distributors	1,663	(11,220)
Inventory	5,242	(80)
Related party assets	26	8,347
Prepaid expenses and other current assets	(51,815)	(65,753)
Other long-term assets	1,730	8,256
Accounts payable and accrued expenses	(97,537)	(96,859)
Accrued interest	31,054	7,157
Deferred revenue	47,480	56,182
Related party liabilities	5,891	2,239
Other long-term liabilities	(4,597)	1,505
Net cash provided by operating activities	168,915	39,948
Cash flows from investing activities:		
Additions to property and equipment	(26,434)	(25,187)
Net cash used in investing activities	(26,434)	(25,187)
Cash flows from financing activities:		
Proceeds from exercise of stock options	10,946	22,765
Payment of premiums on redemption of debt	—	(6,602)
Repayment of long-term borrowings	(1,933)	(58,338)
Common stock repurchased and retired	(465,712)	—
Net cash used in financing activities	(456,699)	(42,175)
Net decrease in cash and cash equivalents	(314,218)	(27,414)
Cash and cash equivalents at beginning of period	520,945	773,990
Cash and cash equivalents at end of period	\$ 206,727	\$ 746,576

Subscriber Data and Operating Metrics

The following table contains subscriber data and key operating metrics for the three months ended March 31, 2013 and 2012, respectively:

	Unaudited	
	For the Three Months Ended March 31,	
	2013	2012
Beginning subscribers	23,900,336	21,892,824
Gross subscriber additions	2,509,914	2,161,693
Deactivated subscribers	(2,057,024)	(1,757,097)
Net additions	452,890	404,596
Ending subscribers	24,353,226	22,297,420
Self-pay	19,874,660	18,208,090
Paid promotional	4,478,566	4,089,330
Ending subscribers	24,353,226	22,297,420
Self-pay	304,386	299,348
Paid promotional	148,504	105,248
Net additions	452,890	404,596
Daily weighted average number of subscribers	24,008,472	21,990,863
Average self-pay monthly churn	2.0%	1.9%
New vehicle consumer conversion rate	44%	45%
ARPU	\$ 12.05	\$ 11.77
SAC, per gross subscriber addition	\$ 51	\$ 60

Glossary

Adjusted EBITDA - EBITDA is defined as net income before interest and investment income (loss); interest expense, net of amounts capitalized; income tax expense and depreciation and amortization. We adjust EBITDA to remove the impact of other income and expense, loss on extinguishment of debt as well as certain other charges discussed below. This measure is one of the primary non-GAAP financial measures on which we (i) evaluate the performance of our businesses, (ii) base our internal budgets and (iii) compensate management. Adjusted EBITDA is a non-GAAP financial performance measure that excludes (if applicable): (i) certain adjustments as a result of the purchase price accounting for the merger of Sirius and XM, (ii) depreciation and amortization and (iii) share-based payment expense. The purchase price accounting adjustments include: (i) the elimination of deferred revenue associated with the investment in XM Canada, (ii) recognition of deferred subscriber revenues not recognized in purchase price accounting, and (iii) elimination of the benefit of deferred credits on executory contracts, which are primarily attributable to third party arrangements with an OEM and programming providers. We believe adjusted EBITDA is a useful measure of the underlying trend of our operating performance, which provides useful information about our business apart from the costs associated with our physical plant, capital structure and purchase price accounting. We believe investors find this non-GAAP financial measure useful when analyzing our results and comparing our operating performance to the performance of other communications, entertainment and media companies. We believe investors use current and projected adjusted EBITDA to estimate our current and prospective enterprise value and to make investment decisions. Because we fund and build-out our satellite radio system through

the periodic raising and expenditure of large amounts of capital, our results of operations reflect significant charges for depreciation expense. The exclusion of depreciation and amortization expense is useful given significant variation in depreciation and amortization expense that can result from the potential variations in estimated useful lives, all of which can vary widely across different industries or among companies within the same industry. We also believe the exclusion of share-based payment expense is useful given the significant variation in expense that can result from changes in the fair value as determined using the Black-Scholes-Merton model which varies based on assumptions used for the expected life, expected stock price volatility and risk-free interest rates.

Adjusted EBITDA has certain limitations in that it does not take into account the impact to our statements of comprehensive income of certain expenses, including share-based payment expense and certain purchase price accounting for the merger of Sirius and XM. We endeavor to compensate for the limitations of the non-GAAP measure presented by also providing the comparable GAAP measure with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the Non-GAAP measure. Investors that wish to compare and evaluate our operating results after giving effect for these costs, should refer to net income as disclosed in our consolidated statements of comprehensive income. Since adjusted EBITDA is a non-GAAP financial performance measure, our calculation of adjusted EBITDA may be susceptible to varying calculations; may not be comparable to other similarly titled measures of other companies; and should not be considered in isolation, as a substitute for, or superior to measures of financial performance prepared in accordance with GAAP. The reconciliation of net income to the adjusted EBITDA is calculated as follows (in thousands):

	Unaudited	
	For the Three Months Ended	
	March 31,	
	2013	2012
Net income (GAAP):	\$ 123,602	\$ 107,774
Add back items excluded from Adjusted EBITDA:		
Purchase price accounting adjustments:		
Revenues	1,813	1,880
Operating expenses	(68,409)	(74,024)
Share-based payment expense (GAAP)	14,518	14,951
Depreciation and amortization (GAAP)	67,018	66,117
Interest expense, net of amounts capitalized (GAAP)	46,174	76,971
Loss on extinguishment of debt and credit facilities, net (GAAP)	—	9,971
Interest and investment (income) loss (GAAP)	(1,638)	1,142
Other (income) loss (GAAP)	(247)	578
Income tax expense (benefit) (GAAP)	79,040	2,802
Adjusted EBITDA	<u>\$ 261,871</u>	<u>\$ 208,162</u>

Adjusted Revenues and Operating Expenses - We define this Non-GAAP financial measure as our actual revenues and operating expenses adjusted to exclude the impact of certain purchase price accounting adjustments and share-based payment expense. We use this non-GAAP financial measure to manage our business, set operational goals and as a basis for determining performance-based compensation for our employees. The following tables reconcile our actual revenues and operating expenses to our adjusted revenues and operating expenses for the three months ended March 31, 2013 and 2012:

(in thousands)	Unaudited For the Three Months Ended March 31, 2013			
	As Reported	Purchase Price Accounting Adjustments	Allocation of Share-based Payment Expense	Adjusted
Revenue:				
Subscriber revenue	\$ 783,342	\$ —	\$ —	\$ 783,342
Advertising revenue	20,211	—	—	20,211
Equipment revenue	18,156	—	—	18,156
Other revenue	75,689	1,813	—	77,502
Total revenue	\$ 897,398	\$ 1,813	\$ —	\$ 899,211
Operating expenses				
Cost of services:				
Revenue share and royalties	\$ 148,531	\$ 39,761	\$ —	\$ 188,292
Programming and content	74,610	2,478	(1,642)	75,446
Customer service and billing	80,394	—	(470)	79,924
Satellite and transmission	19,695	—	(850)	18,845
Cost of equipment	7,027	—	—	7,027
Subscriber acquisition costs	116,111	22,005	—	138,116
Sales and marketing	65,899	4,165	(3,061)	67,003
Engineering, design and development	14,842	—	(1,647)	13,195
General and administrative	56,340	—	(6,848)	49,492
Depreciation and amortization (a)	67,018	—	—	67,018
Share-based payment expense	—	—	14,518	14,518
Total operating expenses	\$ 650,467	\$ 68,409	\$ —	\$ 718,876

(a) Purchase price accounting adjustments included above exclude the incremental depreciation and amortization associated with the \$785,000 stepped up basis in property, equipment and intangible assets as a result of the merger of Sirius and XM. The increased depreciation and amortization for the three months ended March 31, 2013 was \$13,000.

(in thousands)	Unaudited For the Three Months Ended March 31, 2012			
	As Reported	Purchase Price Accounting Adjustments	Allocation of Share-based Payment Expense	Adjusted
Revenue:				
Subscriber revenue	\$ 700,242	\$ 67	\$ —	\$ 700,309
Advertising revenue	18,670	—	—	18,670
Equipment revenue	16,953	—	—	16,953
Other revenue	68,857	1,813	—	70,670
Total revenue	\$ 804,722	\$ 1,880	\$ —	\$ 806,602
Operating expenses				
Cost of services:				
Revenue share and royalties	\$ 132,111	\$ 34,846	\$ —	\$ 166,957
Programming and content	70,095	11,702	(1,374)	80,423
Customer service and billing	66,187	—	(427)	65,760
Satellite and transmission	18,110	—	(785)	17,325
Cost of equipment	5,806	—	—	5,806
Subscriber acquisition costs	116,121	24,085	—	140,206
Sales and marketing	58,361	3,391	(2,360)	59,392
Engineering, design and development	12,690	—	(1,432)	11,258
General and administrative	59,886	—	(8,573)	51,313
Depreciation and amortization (a)	66,117	—	—	66,117
Share-based payment expense	—	—	14,951	14,951
Total operating expenses	\$ 605,484	\$ 74,024	\$ —	\$ 679,508

(a) Purchase price accounting adjustments included above exclude the incremental depreciation and amortization associated with the \$785,000 stepped up basis in property, equipment and intangible assets as a result of the merger of Sirius and XM. The increased depreciation and amortization for the three months ended March 31, 2012 was \$14,000.

ARPU - is derived from total earned subscriber revenue, advertising revenue and other subscription-related revenue, net of purchase price accounting adjustments, divided by the number of months in the period, divided by the daily weighted average number of subscribers for the period. Other subscription-related revenue includes the U.S. Music Royalty Fee. Purchase price accounting adjustments include the recognition of deferred subscriber revenues not recognized in purchase price accounting associated with the merger of Sirius and XM. ARPU is calculated as follows (in thousands, except for subscriber and per subscriber amounts):

	Unaudited	
	For the Three Months Ended March 31,	
	2013	2012
Subscriber revenue (GAAP)	\$ 783,342	\$ 700,242
Add: advertising revenue (GAAP)	20,211	18,670
Add: other subscription-related revenue (GAAP)	64,137	57,721
Add: purchase price accounting adjustments	—	67
	<u>\$ 867,690</u>	<u>\$ 776,700</u>
Daily weighted average number of subscribers	<u>24,008,472</u>	<u>21,990,863</u>
ARPU	<u>\$ 12.05</u>	<u>\$ 11.77</u>

Average self-pay monthly churn - is defined as the monthly average of self-pay deactivations for the period divided by the average number of self-pay subscribers for the period.

Customer service and billing expenses, per average subscriber - is derived from total customer service and billing expenses, excluding share-based payment expense, divided by the number of months in the period, divided by the daily weighted average number of subscribers for the period. We believe the exclusion of share-based payment expense in our calculation of customer service and billing expenses, per average subscriber, is useful given the significant variation in expense that can result from changes in the fair market value of our common stock, the effect of which is unrelated to the operational conditions that give rise to variations in the components of our customer service and billing expenses. Customer service and billing expenses, per average subscriber, is calculated as follows (in thousands, except for subscriber and per subscriber amounts):

	Unaudited	
	For the Three Months Ended	
	March 31,	
	2013	2012
Customer service and billing expenses (GAAP)	\$ 80,394	\$ 66,187
Less: share-based payment expense	(470)	(427)
	<u>\$ 79,924</u>	<u>\$ 65,760</u>
Daily weighted average number of subscribers	<u>24,008,472</u>	<u>21,990,863</u>
Customer service and billing expenses, per average subscriber	<u>\$ 1.11</u>	<u>\$ 1.00</u>

Free cash flow - is derived from cash flow provided by operating activities, capital expenditures and restricted and other investment activity. Free cash flow is calculated as follows (in thousands):

	Unaudited	
	For the Three Months Ended	
	March 31,	
	2013	2012
Cash Flow information		
Net cash provided by operating activities	\$ 168,915	\$ 39,948
Net cash used in investing activities	\$ (26,434)	\$ (25,187)
Net cash used in financing activities	\$ (456,699)	\$ (42,175)
Free Cash Flow		
Net cash provided by operating activities	\$ 168,915	\$ 39,948
Additions to property and equipment	(26,434)	(25,187)
Free cash flow	<u>\$ 142,481</u>	<u>\$ 14,761</u>

New vehicle consumer conversion rate - is defined as the percentage of owners and lessees of new vehicles that receive our service and convert to become self-paying subscribers after the initial promotion period. At the time satellite radio enabled vehicles are sold or leased, the owners or lessees generally receive trial subscriptions ranging from three to twelve months. Promotional periods generally include the period of trial service plus 30 days to handle the receipt and processing of payments. We measure conversion rate three months after the period in which the trial service ends. The metric excludes rental and fleet vehicles.

Subscriber acquisition cost, per gross subscriber addition - or SAC, per gross subscriber addition, is derived from subscriber acquisition costs and margins from the sale of radios and accessories, excluding purchase price accounting adjustments, divided by the number of gross subscriber additions for the period. Purchase price accounting adjustments associated with the merger of Sirius and XM include the elimination of the benefit of amortization of deferred credits on executory contracts recognized at the merger date attributable to an OEM. SAC, per gross subscriber addition, is calculated as follows (in thousands, except for subscriber and per subscriber amounts):

	Unaudited	
	For the Three Months Ended	
	March 31,	
	2013	2012
Subscriber acquisition costs (GAAP)	\$ 116,111	\$ 116,121
Less: margin from direct sales of radios and accessories (GAAP)	(11,129)	(11,147)
Add: purchase price accounting adjustments	22,005	24,085
	<u>\$ 126,987</u>	<u>\$ 129,059</u>
Gross subscriber additions	<u>2,509,914</u>	<u>2,161,693</u>
SAC, per gross subscriber addition	<u>\$ 51</u>	<u>\$ 60</u>

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About Sirius XM Radio

Sirius XM Radio Inc. is the world's largest radio broadcaster measured by revenue and has over 24 million subscribers. SiriusXM creates and broadcasts commercial-free music; premier sports talk and live events; comedy; news; exclusive talk and entertainment; and the most comprehensive Latin music, sports and talk programming in radio. SiriusXM is available in vehicles from every major car company in the U.S., from retailers nationwide, and online at siriusxm.com. SiriusXM programming is also available through the [SiriusXM Internet Radio App](#) for [Android](#), [Apple](#), and [BlackBerry](#) smartphones and other connected devices. SiriusXM also holds a minority interest in [SiriusXM Canada](#) which has more than 2 million subscribers.

On social media, join the SiriusXM community on Facebook, [facebook.com/siriusxm](https://www.facebook.com/siriusxm), Twitter, twitter.com/siriusxm, Instagram, [instagram.com/siriusxm](https://www.instagram.com/siriusxm), and YouTube at [youtube.com/siriusxm](https://www.youtube.com/siriusxm).

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "believe," "intend," "plan," "projection," "outlook" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results may differ materially from the results anticipated in these forward-looking statements.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: our competitive position versus other forms of radio and audio services; our dependence upon automakers; general economic conditions; failure of our satellites, which, in most cases, are not insured; our ability to attract and retain subscribers at a profitable level; royalties we pay for music rights; our ability to attract and retain qualified executive officers; the unfavorable outcome of pending or future litigation; rapid technological and industry change; failure of third parties to perform; changes in consumer protection laws and their enforcement; and our substantial indebtedness. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found in our Annual Report on Form 10-K for the year ended December 31, 2012, which is filed with the Securities and Exchange Commission (the "SEC") and available at the SEC's Internet site (<http://www.sec.gov>). The information set forth herein speaks only as of the date hereof, and we disclaim any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this communication.

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