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**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): May 13, 2009

**SIRIUS XM RADIO INC.**

(Exact Name of Registrant as Specified in 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**

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

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

On May 13, 2009, Mel Karmazin, our Chief Executive Officer, voluntarily forfeited an aggregate of 30,000,000 non-qualified options to purchase our common stock. These options had an exercise price of \$4.72 per share. Of these options, 24,000,000 were vested, and 6,000,000 were unvested. Upon forfeiture of these stock options, the shares underlying this award became available for grants under the Amended and Restated Sirius Satellite Radio 2003 Long-Term Stock Incentive Plan (the "Plan").

Mr. Karmazin's choice to forfeit these options will allow us to more efficiently use the shares authorized under the Plan to meet the Plan's purpose to attract, motivate and retain key employees.

Mr. Karmazin did not receive any consideration in exchange for the forfeiture of these stock options.

A copy of the Agreement to Forfeit Non-Qualified Stock Options, dated as of May 13, 2009, between Mr. Karmazin and us is attached as Exhibit 10.1 hereto and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits**

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

The Exhibit Index attached hereto is incorporated herein.

**SIGNATURES**

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

SIRIUS XM RADIO INC.

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

Dated: May 13, 2009

## EXHIBITS

<u>Exhibit</u>	<u>Description of Exhibit</u>
10.1	Agreement to Forfeit Non-Qualified Stock Options, dated as of May13, 2009, between Mel Karmazin and Sirius XM Radio Inc.

AGREEMENT TO FORFEIT  
NON-QUALIFIED STOCK OPTIONS

THIS AGREEMENT, dated as of May 13, 2009 (this "Agreement"), between Mel Karmazin (the "Executive") and Sirius XM Radio Inc. (the "Company").

WHEREAS, the Company has adopted and sponsors the Sirius Satellite Radio 2003 Long-Term Stock Incentive Plan (the "Plan"), under which the Company is permitted to grant equity based incentive compensation to its employees;

WHEREAS, pursuant to the Option Agreement entered into by and between the Company and the Executive under the Plan on the following award dates, the Company granted the Executive the stated number of non-qualified stock options, of which the stated number of options were unexercised as of the date hereof:

<u>Award Date</u>	<u>Number of Stock Options</u>	<u>Unexercised Options</u>
November 18, 2004	30,000,000	30,000,000

WHEREAS, the non-qualified stock options that are unexercised as of the date hereof (the "Unexercised Options") have little or no value based on the exercise price for such Unexercised Options and the current market conditions;

WHEREAS, the Executive wishes to forfeit the Executive's Unexercised Options, and make them available for further awards under the Plan, and the Company wishes to agree to such forfeiture.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Executive and the Company hereby agree as follows:

1. Unexercised Options. All Unexercised Options previously granted to the Executive are forfeited, and the Executive shall have no further rights in such Unexercised Options.
  2. Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.
  3. Amendment. Neither this Agreement nor any of the terms hereof may be amended, supplemented, waived or modified except by an instrument in writing signed by the party against which the enforcement of such amendment, supplement, waiver or modification shall be sought.
  4. 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.
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5. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, regardless of principles of conflicts of laws that may require the application of the laws of another jurisdiction.

IN WITNESS WHEREOF, the Executive has executed this Agreement, and the Company has caused this Agreement to be executed in its name and on its behalf, all as of the date first set forth above.

/s/ Mel Karmazin \_\_\_\_\_  
Mel Karmazin

SIRIUS XM RADIO INC.

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

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