
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): November 12, 2009 (November 12, 2009)

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

On November 12, 2009, Mr. Gary Parsons resigned as a member and as Chairman of our Board of Directors. Mr. Parsons also terminated his employment with XM Satellite Radio Holdings Inc. In connection with Mr. Parsons' separation, we entered into a Separation Agreement and Release of Claims with Mr. Parsons (the "Agreement"). As contemplated by the Employment Agreement dated as of August 6, 2004, by and among XM Satellite Radio Holdings Inc, XM Satellite Radio Inc. and Mr. Parsons, as amended (the "Employment Agreement"), we will deposit in trust for the benefit of Mr. Parsons amounts necessary to satisfy our obligations to him pursuant to the terms of the Employment Agreement. Such amount will be paid to Mr. Parsons on the earliest date permitted under Internal Revenue Code Section 409A.

On November 12, 2009, the Board of Directors elected Mr. Eddy W. Hartenstein, an existing independent director, to be Chairman of the Board of Directors.

We have notified the Nasdaq Stock Exchange LLC that as a result of Mr. Parsons' resignation, we are in compliance with NASDAQ's independent director requirements for continued listing.

A copy of the press release announcing the election of Mr. Hartenstein and the Agreement are attached as Exhibits 99.1 and 10.1, respectively, to this Current Report on Form 8-K hereto and are incorporated by reference herein.

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 hereunto duly authorized.

SIRIUS XM RADIO INC.

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

Dated: November 12, 2009

EXHIBITS

Exhibit

Description of Exhibit

- 10.1 Separation Agreement and Release of Claims, dated as of November 12, 2009, between Sirius XM Radio Inc., XM Satellite Radio Holdings Inc., XM Satellite Radio Inc, and Gary Parsons.
- 99.1 Press release announcing the election of Eddy W. Hartenstein as Chairman of the Board of Directors of Sirius XM Radio Inc.
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SEPARATION AGREEMENT AND RELEASE OF CLAIMS

This Separation Agreement and Release of Claims (this "Release") is made between Gary M. Parsons ("Employee"), an individual, and Sirius XM Radio Inc., XM Satellite Radio Holdings Inc., XM Satellite Radio Inc., and their subsidiaries and affiliates (collectively the "Company"). Employee and the Company are referred to together herein as the Parties.

WHEREAS, Employee and XM Satellite Radio Holdings Inc. and XM Satellite Radio Inc. entered into an Employment Agreement dated August 6, 2004, an Amendment No. 1 to Employment Agreement dated April 4, 2007, an Amendment No. 2 to Employment Agreement dated February 27, 2008, and an Amendment No. 3 to Employment Agreement dated June 26, 2008 (collectively, the "Agreement") setting forth certain rights and obligations of the Parties, and such Agreement is adopted herein by reference;

WHEREAS, Employee's employment will be terminated by Employee for Good Reason (as defined in the Agreement);

WHEREAS, the Company will provide Employee with the benefits contained in the Agreement and establish a trust as set forth herein in exchange for this Release and Employee's obligations contained in the Agreement;

NOW THEREFORE, in consideration of the mutual promises and releases contained in the Agreement and this Release and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Notwithstanding anything in the Agreement to the contrary, Employee's employment is terminated by Employee for Good Reason effective November 12, 2009 ("Termination Date") pursuant to Section 4.5(b) of the Agreement. On the Termination Date, Employee shall resign as a director of Sirius XM Radio Inc., Canadian Satellite Radio Holdings Inc. and such other subsidiaries and affiliates of the Company as the Company shall request.

2. The Company will provide Employee with separation pay and other post-termination benefits pursuant to the Agreement, and abide by its obligations provided therein. Notwithstanding the foregoing, the payments of separation pay and post-termination benefits shall be paid as follows:

(a) Within ten (10) days after the Effective Date (as defined below), the Company shall establish and fund a rabbi trust (the "Trust"), as set forth in the attachment to this Release as Exhibit A. The Company shall fund the Trust with the amounts provided in Sections 4.5(d)(i) and (iii) of the Agreement, at the time set forth in the Agreement, and bear the administrative costs incurred in management of the Trust. The Trust funds, including any interest and/or dividends realized by the Trust principal, less legally required and authorized deductions, shall be disbursed to Employee on the first business day after the six-month anniversary of the

Termination Date pursuant to Section 409A(a)(2)(B)(i) of the Internal Revenue Code of 1986, as amended (the "Code") (or upon Employee's death, if earlier).

(b) All other portions of the post-termination benefits in Section 4.5 and all outstanding expenses will be paid or provided as described in the Agreement.

(c) The Employee does not receive any health, medical, dental or similar benefits from the Company. In accordance with Section 4.5(d)(ii) of the Agreement no health, medical, dental or similar benefits will be provided to the Employee.

(d) In accordance with Section 4.5(e) of the Agreement, notwithstanding anything to the contrary in the equity plans or the applicable award agreement, all options and restricted stock that have been granted to the Employee shall immediately vest upon the Termination Date, the Employee shall be entitled to exercise all options to acquire Sirius XM common stock for eighteen months following the Termination Date (but not beyond the termination date contained in any stock option), and any other restrictions on the sale of Sirius XM securities shall lapse.

3. This Release shall be interpreted in a manner consistent with the Parties' intention that payments and benefits under this Release qualify for exemption from, or comply with the requirements of, Section 409A of the Code. Except as otherwise specifically provided in Section 4.5(f) of the Agreement (relating to Gross-Up Payments), Employee shall be solely responsible for the tax consequences of payments and benefits under this Release and the Agreement. Employee represents that Employee has consulted with tax advisors Employee deems advisable in connection with the Agreement and this Release and that Employee is not relying on the Company or its employees, officers, directors, attorneys or accountants for any tax advice.

4. In consideration thereof, and as a material condition for receipt of these benefits, Employee agrees to abide by the terms of the Agreement, including Article 5 (regarding confidentiality, unfair competition and non-solicitation) and Section 7.9 (regarding additional obligations) of the Agreement.

5. In further consideration thereof, Employee, for himself or herself, his or her heirs, executors, administrators, representatives and assigns, releases and forever discharges the Company and its owners, officers, directors, agents, and employees, assigns and successors from each and every claim, demand, liability, suit, proceeding, action, cause of action, damage, penalty, expense, cost, attorneys' fees or compensation awarded by any administrative or governmental entity, whether contingent or matured, pursuant to Federal, state, or District of Columbia, or other local statute or common law, based upon events occurring before Employee's execution of this Release, whether these events are now known or unknown, including but not limited to claims relating to local, state, or Federal anti-employment discrimination statutes, including Title VII of the Civil Rights Act of 1964, as amended, § 2000e et seq., and the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621 et seq., the Fair Labor Standards Act and the Americans with Disabilities Act. Employee does not waive or release his or her right to file an administrative charge of discrimination under any applicable statute, but expressly waives the right to receive any monetary damages or benefit from such charges. With respect to this Release, Employee agrees and understands that Employee is and will be specifically releasing all claims related to his or her employment with and separation from the

Company on the Termination Date, including but not limited to, claims under the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621 et seq. (“ADEA”). Employee understands that he is not releasing or waiving any ADEA claims that may arise after this Release is executed. Employee acknowledges that he or she has read and understands the foregoing Release and executes it voluntarily and without coercion.

The following claims are excluded from the Release: (i) any obligation of the Company pursuant to this Release; (ii) indemnification rights, if any, pursuant to any written agreement with, or the certificate of incorporation or bylaws of, XM Satellite Radio Holdings Inc. or XM Satellite Radio Inc., and any rights under applicable policies providing for Directors’ and Officers’ liability insurance which Sirius XM Radio Inc., XM Satellite Radio Holdings Inc. or XM Satellite Radio Inc. may have purchased covering Employee and relating to or arising out of Employee’s employment with the Company or its affiliates; (iii) any vested rights to any benefit to which Employee is entitled under any tax-qualified pension plan of the Company or its affiliates, or under any equity plan or grant agreement of the Company, each in accordance with their respective terms, or COBRA continuation coverage or any similar benefits required to be provided by statute; (iv) reimbursement to Employee of any excise taxes imposed under Code section 4999 and such additional amounts as may be necessary to place Employee in a financial position he would have been had such taxes not been imposed as provided in Section 4.5(f) of the Agreement; or (v) unspecified claims which arise after the execution of this Release.

Employee further acknowledges that he has been advised to consult with an attorney prior to executing this Release, and that Employee has been given a period of forty-five (45) days within which to consider and execute this Release, but that Employee may voluntarily choose to execute this Release earlier. Employee understands that he has seven (7) days following Employee’s execution of this Release to revoke it in writing. If not revoked earlier, this Release will be effective on November 20, 2009, the eighth day after it is executed (the “Effective Date”). For such revocation to be effective, notice must be received by the Company’s Human Resources department, 1500 Eckington Place, N.E., Washington, D.C. 20002, no later than 11:59 p.m. on the seventh calendar day after the date on which Employee signed this Release.

6. The Agreement and this Release constitute the entire agreement between Employee and the Company with respect to Employee’s separation from employment and separation pay and other benefits, and it supersedes any other discussions, negotiations, commitments or understandings, whether written or oral, related thereto. This Release may not be altered, modified or amended except in writing and signed by Sirius XM Radio Inc.’s CEO and Employee. This Release is binding upon and shall inure to the benefit of Employee and the Company and their respective successors, assigns and heirs (including, without limitation, any surviving or succeeding persons or entities resulting from a merger, stock sale, sale of assets or other change of control involving the Company). The failure of the Company at any time to require performance of any of Employee’s obligations under Article 5 of the Agreement shall in no manner affect its right to enforce the same at a later date. No waiver by the Company of any condition or breach of the Agreement or this Release shall be deemed to be or construed as a continuing waiver of any such condition or breach.

7. The Parties acknowledge that this Release is a settlement of disputed potential claims and is not an admission of liability or of the accuracy of any alleged fact or claim. 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 Employee. The Parties expressly agree that this Release shall not be construed as an admission 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.

8. Should any provision of the Agreement or this Release 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 the Agreement or this Release.

9. Except as otherwise specifically set forth in this Release, all provisions of the Agreement shall continue in full force and effect.

By signing this Release, Employee understands that this is a GENERAL RELEASE and that Employee will receive good and sufficient consideration in the form of benefits under the Agreement and the establishment of the Trust.

Dated: November 12, 2009

/s/ Gary M. Parsons

Gary M. Parsons

SIRIUS XM RADIO INC.

Dated: November 12, 2009

By: /s/ Patrick Donnelly

Patrick Donnelly

Executive Vice President,

General Counsel and Secretary

XM SATELLITE RADIO HOLDINGS INC.

Dated: November 12, 2009

By: /s/ Patrick Donnelly

Patrick Donnelly

Secretary

XM SATELLITE RADIO INC.

Dated: November 12, 2009

By: /s/ Patrick Donnelly

Patrick Donnelly

Secretary

EXHIBIT A

TRUST

THIS AGREEMENT, made this ___th day of November, 2009 by and between Sirius XM Radio Inc. ("Company") and Morgan Stanley Trust, N.A. ("Trustee");

WHEREAS, Company wishes to establish a trust (hereinafter called "Trust") and to contribute to the Trust assets that shall be held therein, subject to the claims of Company's creditors in the event of Company's Insolvency, as herein defined, until paid to Executive (as defined below) and his beneficiaries in such manner and at such times as specified in Sections 4.5(d)(i) and 4.5(d)(iii) of the employment agreement by and between Gary M. Parsons ("Executive") and XM Satellite Radio Holdings Inc. and XM Satellite Radio Inc. dated August 6, 2004, as amended by an Amendment No. 1 to Employment Agreement dated April 4, 2007, an Amendment No. 2 to Employment Agreement dated February 27, 2008, and an Amendment No. 3 to Employment Agreement dated June 26, 2008 (collectively, the "Agreement");

WHEREAS, it is the intention of the parties that this Trust shall not cause the Agreement to be treated as other than an unfunded arrangement maintained for the purpose of providing deferred compensation for Executive, a highly compensated employee, for purposes of Title I of the Employee Retirement Income Security Act of 1974;

WHEREAS, it is the intention of Company to make contributions to the Trust to provide itself with a source of funds to assist it in the meeting of its liabilities under the Agreement;

NOW, THEREFORE, THE PARTIES DO HEREBY ESTABLISH THE TRUST AND AGREE THAT THE TRUST SHALL BE COMPRISED, HELD AND DISPOSED OF AS FOLLOWS:

Section 1. *Establishment Of Trust*

(a) Company hereby deposits with Trustee in trust \$2,622,699 (the "Trust Amount"), which shall become the principal of the Trust to be held, administered and disposed of by Trustee as provided in this Trust Agreement, subject to Section 11(b).

(b) The Trust shall be irrevocable.

(c) The Trust is intended to be a grantor trust, of which Company is the grantor, within the meaning of subpart E, part I, subchapter J, chapter 1, subtitle A of the Internal Revenue Code of 1986, as amended, and shall be construed accordingly.

(d) The principal of the Trust, and any earnings thereon shall be held separate and apart from other funds of Company and shall be used exclusively for the uses and purposes as herein set forth. Executive and his beneficiaries shall have no preferred claim on, or any beneficial ownership interest in, any assets of the Trust. Any rights created under the Agreement and this Trust Agreement shall be mere unsecured contractual rights of Executive and his beneficiaries against the Company. Any assets held by the Trust will be subject to the claims of

Company's general creditors under federal and state law in the event of Insolvency, as defined in Section 3(a) herein.

(e) The Company may at any time, or from time to time, make additional deposits of cash or other property acceptable to Trustee in the Trust to augment the Trust Amount to be held, administered and disposed of by Trustee as provided in this Trust Agreement.

Section 2. *Payments to Executive and His Beneficiaries*

(a) On May 13, 2010 (or upon Executive's death, if earlier), Trustee shall pay to Executive the Trust Amount plus interest and/or dividends earned pursuant to Section 2(c) on such Trust Amount and less applicable withholding as set forth in this Section 2(a). Prior to such date, the Company shall advise Trustee, and Trustee shall remit to the Company an amount required to be withheld with respect to the payment of benefits pursuant to the terms of this Agreement for reporting and withholding of any federal, state or local taxes that may be required. The Company shall pay amounts so remitted by Trustee to the appropriate taxing authorities as well as making any required reporting of such withholding and payment.

(b) Company may make payment of benefits directly to Executive or his beneficiaries as they become due under the terms of the Agreement. Company shall notify Trustee of its decision to make payment of benefits directly prior to the time amounts are payable to Executive or his beneficiaries and, in the event of such a notification, Trustee shall not make such a payment.

(c) Prior to May 13, 2010 (or Executive's death, if earlier), Trustee shall invest the Trust Amount in money markets or other risk-free investments, and Executive shall be entitled to all interest earned on the Trust Amount from the effective date of this Agreement through May 13, 2010 (or Executive's death, if earlier). Specifically, the Trustee is authorized:

(i) to invest assets of the Trust in mutual funds for which affiliates of the Trustee act as investment advisor or investment manager, principal underwriter and/or distributor and/or for which the Trustee and/or its affiliates provide services. It is specifically acknowledged that the Trustee and its affiliates receive compensation from such affiliated mutual funds and the receipt of such compensation by the Trustee and its affiliates in addition to the trustee's fees is specifically authorized.

(ii) to delegate investment management functions to an affiliate of the Trustee and it is specifically acknowledged that the Trustee shall compensate such affiliate for such services from its Trustee's fees.

(iii) to execute securities transactions without providing written contemporaneous confirmation thereof to any beneficiary and to execute securities transactions through any broker/dealer, including an affiliate of Trustee. Confirmation of such transactions shall be included in the periodic trust statement.

(iv) to divide or distribute principal in kind or in money, or partly in each, or by way of undivided interests, pro rata or non-pro rata, in such manner as Trustee shall deem advisable.

Section 3. Trustee Responsibility Regarding Payments to Trust Beneficiary When Company Is Insolvent

(a) Trustee shall cease payment of benefits to Executive and his beneficiaries if the Company is Insolvent. Company shall be considered "Insolvent" for purposes of this Trust Agreement if (i) Company is unable to pay its debts as they become due, or (ii) Company is subject to a pending proceeding as a debtor under the United States Bankruptcy Code.

(b) At all times during the continuance of this Trust, as provided in Section 1(d) hereof, the principal and income of the Trust shall be subject to claims of general creditors of Company under federal and state law as set forth below:

(1) The Board of Directors of Company shall have the duty to inform Trustee in writing of Company's Insolvency. If a person claiming to be a creditor of Company alleges in writing to Trustee that Company has become Insolvent, Trustee shall determine whether Company is Insolvent and, pending such determination, Trustee shall discontinue payment of benefits to Executive or his beneficiaries.

(2) Unless Trustee has actual knowledge of Company's Insolvency, or has received notice from Company or a person claiming to be a creditor alleging that Company is Insolvent, Trustee shall have no duty to inquire whether Company is Insolvent. Trustee may in all events rely on such evidence concerning Company's solvency as may be furnished to Trustee and that provides Trustee with a reasonable basis for making a determination concerning Company's solvency.

(3) If at any time Trustee has determined that Company is Insolvent, Trustee shall discontinue payments to Executive or his beneficiaries and shall hold the assets of the Trust for the benefit of Company's general creditors. Nothing in this Trust Agreement shall in any way diminish any rights of Executive or his beneficiaries to pursue their rights as general creditors of Company with respect to benefits due under the Agreement or otherwise.

(4) Trustee shall resume the payment of benefits to Executive or his beneficiaries in accordance with Section 2 of this Trust Agreement only after Trustee has determined that Company is not Insolvent (or is no longer Insolvent).

Section 4. Investment Authority

All rights associated with assets of the Trust shall be exercised by Trustee or the person designated by Trustee, and shall in no event be exercisable by or rest with Executive. Trustee shall hold the assets of the Trust in cash or in such risk-free investment vehicle as Trustee shall select, including mutual funds for which affiliates of the Trustee act as investment advisor or investment manager, as set forth in Section 2(c) above.

Section 5. Disposition of Income

During the term of this Trust, all income received by the Trust, net of expenses and taxes, shall be accumulated and reinvested.

Section 6. Accounting by Trustee

Trustee shall keep accurate and detailed records of all investments, receipts, disbursements, and all other transactions required to be made, including such specific records as shall be agreed upon in writing between Company and Trustee. Within forty five (45) days following the close of each calendar quarter and within forty-five (45) days after the removal or resignation of Trustee, Trustee shall deliver to Company a written account of its administration of the Trust during such year or during the period from the close of the last preceding quarter to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions effected by it, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities and other property held in the Trust at the end of such quarter or as of the date of such removal or resignation, as the case may be.

Section 7. Responsibilities of Trustee

(a) Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, provided, however, that Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval given by Company that is contemplated by, and in conformity with, the terms of the Agreement or this Trust and is given in writing by Company. In the event of a dispute between Company and a party, Trustee may apply to a court of competent jurisdiction to resolve the dispute.

(b) If Trustee undertakes or defends any litigation arising in connection with this Trust, Company agrees to indemnify Trustee against Trustee's reasonable costs, expenses and liabilities (including, without limitation, attorneys' fees and expenses) relating thereto and to be primarily liable for such payments. If Company does not pay such costs, expenses and liabilities in a reasonably timely manner, Trustee may obtain payment from the Trust.

(c) Trustee may consult with legal counsel with respect to any of its duties or obligations hereunder.

(d) Trustee may hire agents, accountants, actuaries, investment advisors, financial consultants or other professionals to assist it in performing any of its duties or obligations hereunder.

(e) Trustee shall have, without exclusion, all powers conferred on trustees by applicable law, unless expressly provided otherwise herein, provided, however, that if an insurance policy is held as an asset of the Trust, Trustee shall have no power to name a beneficiary of the policy other than the Trust, to assign the policy (as distinct from conversion of the policy to a different form) other than to a successor Trustee, or to loan to any person the proceeds of any borrowing against such policy.

(f) Notwithstanding any powers granted to Trustee pursuant to this Trust Agreement or to applicable law, Trustee shall not have any power that could give this Trust the objective of

carrying on a business and dividing the gains therefrom, within the meaning of section 301.7701 -2 of the Procedure and Administrative Regulations promulgated pursuant to the Internal Revenue Code.

Section 8. *Compensation and Expenses of Trustee*

Company shall pay all administrative and Trustee's fees and expenses. If not so paid, the fees and expenses shall be paid from the Trust. Trustee's fees will be determined in accordance with the Schedule of Fees attached hereto.

Section 9. *Resignation and Removal of Trustee*

(a) Trustee may resign at any time by written notice to Company, which shall be effective thirty (30) days after receipt of such notice unless Company and Trustee agree otherwise.

(b) Trustee may be removed by Company on thirty (30) days notice or upon shorter notice accepted by Trustee.

(c) Upon resignation or removal of Trustee and appointment of a successor Trustee, all assets shall subsequently be transferred to the successor Trustee. The transfer shall be completed within thirty (30) days after receipt of notice of resignation, removal or transfer, unless Company extends the time limit.

(d) If Trustee resigns or is removed, a successor shall be appointed, in accordance with Section 11 hereof, by the effective date of resignation or removal under paragraph(s) (a) or (b) of this Section. If no such appointment has been made, Trustee may apply to a court of competent jurisdiction for appointment of a successor or for instructions. All expenses of Trustee in connection with the proceeding shall be allowed as administrative expenses of the Trust.

Section 10. *Appointment of Successor*

(a) If Trustee resigns or is removed in accordance with Section 9(a) or (b) hereof, Company may appoint any third party, such as a bank trust department or other party that may be granted corporate trustee powers under state law, as a successor to replace Trustee upon resignation or removal. The appointment shall be effective when accepted in writing by the new Trustee, who shall have all of the rights and powers of the former Trustee, including ownership rights in the Trust assets. The former Trustee shall execute any instrument necessary or reasonably requested by Company or the successor Trustee to evidence the transfer.

(b) The successor Trustee need not examine the records and acts of any prior Trustee and may retain or dispose of existing Trust assets, subject to Sections 6 and 7 hereof. The successor Trustee shall not be responsible for and Company shall indemnify and defend the successor Trustee from any claim or liability resulting from any action or inaction of any prior Trustee or from any other past event, or any condition existing at the time it becomes successor Trustee.

Section 11. *Amendment or Termination*

(a) This Trust Agreement may be amended by a written instrument executed by Trustee and Company. Notwithstanding the foregoing, no such amendment shall conflict with the terms of the Agreement or shall make the Trust revocable after it has become irrevocable in accordance with Section 1(b) hereof.

(b) The Trust shall not terminate until the date on which Executive and his beneficiaries are no longer entitled to benefits pursuant to the terms of the Agreement, at which time the Trust shall terminate. Company shall provide Trustee with notice that Executive and his beneficiaries are no longer entitled to benefits pursuant to the terms of the Agreement, and Trustee shall be entitled to rely on such notice. Upon termination of the Trust any assets remaining in the Trust shall be returned to Company.

Section 12. *Miscellaneous*

(a) The Company shall designate those persons authorized by it to give instructions to the Trustee on behalf of the Company. Such persons shall be designated in a Certificate of Authorized Persons which contains a specimen signature of each such person. A copy of the initial Certificate of Authorized Persons is attached hereto. Company agrees to furnish to the Trustee a new Certificate of Authorized Persons in the event of any change in the then present Authorized Persons. Until such new Certificate is received, the Trustee shall be fully protected in acting upon the instructions of such present Authorized Persons.

(b) Any provision of this Trust Agreement prohibited by law shall be ineffective to the extent of any such prohibition, without invalidating the remaining provisions hereof.

(c) Benefits payable to Executive and his beneficiaries under this Trust Agreement may not be anticipated, assigned (either at law or in equity), alienated, pledged, encumbered or subjected to attachment, garnishment, levy, execution or other legal or equitable process.

(d) This Trust Agreement shall be governed by and construed in accordance with the laws of the District of Columbia.

Section 13. *Effective Date*

The effective date of this Trust Agreement shall be November __, 2009.

[signature pages follow]

IN WITNESS WHEREOF, Patrick Donnelly, on behalf of Company, has signed this instrument.

Witnesses:

SIRIUS XM RADIO INC.

By: _____
Patrick Donnelly
Executive Vice President, General
Counsel and Secretary

CITY OF NEW YORK)
)
STATE OF NEW YORK)

SUBSCRIBED and SWORN TO before me by Patrick Donnelly, on behalf of Company, and by _____ and _____, the witnesses, who are personally known to me or who produced _____ as identification, on November __, 2009.

Notary Public
My Commission Expires

IN WITNESS WHEREOF, _____, on behalf of Trustee, has signed this instrument.

Witnesses:

Morgan Stanley Trust, NA

By: _____

Name:

Title:

CITY OF NEW YORK _____)

_____)

STATE OF NEW YORK _____)

SUBSCRIBED and SWORN TO before me by _____, on behalf of Company, and by _____ and _____, the witnesses, who are personally known to me or who produced _____ as identification, on _____, 2009.

Notary Public
My Commission Expires

SCHEDULE OF FEES

For its services as Trustee of this Trust, Morgan Stanley Trust, N.A. shall receive a onetime fee of \$5,000.

RE: Sirius XM Radio Inc. Trust Account (Gary Parsons)

ACCT. # _____

DATE: _____

Any one (1) of the following two (2) individuals is duly authorized by the Company to act in all respects with respect to the above-named account:

	<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
1.	Patrick L. Donnelly	Executive Vice President & General Counsel	_____
2.	William Prip	Senior Vice President & Treasurer	_____



**EDDY W. HARTENSTEIN TO SERVE AS
NON-EXECUTIVE CHAIRMAN OF SIRIUS XM BOARD OF DIRECTORS**

NEW YORK – November 12, 2009 – SIRIUS XM Radio (NASDAQ: SIRI) today announced that Gary Parsons has resigned as a director and Chairman of the company's Board of Directors. The company's Board of Directors has appointed Eddy W. Hartenstein, an independent director, to serve as non-executive Chairman.

"I could not be more proud of everything that has been accomplished in satellite radio," said Gary Parsons. "It has been a true honor to serve the stockholders of these companies since founding through delivery of an unparalleled service to millions of loyal and devoted subscribers. While it has been a privilege to serve SIRIUS XM as Chairman and to have guided the company successfully through the merger of SIRIUS and XM, I believe now is the right time to step aside. As SIRIUS XM, we have achieved significant synergies while bringing together two incredibly talented teams and unique service offerings. Moreover, despite the challenging economic environment, we have begun to generate positive cash flow and have substantially improved our financial condition. While challenges remain, I'm confident that under the direction of Mel Karmazin and with the assistance of Eddy Hartenstein, SIRIUS XM will continue to grow and flourish."

Parsons was founder of XM Satellite Radio and was the Chairman of XM Satellite Radio, prior to the merger of SIRIUS and XM.

Mr. Hartenstein said, "It is a great honor to have been appointed to the position of Chairman by my fellow Directors. For several years I have worked closely with the Board, Mel and the rest of the management team and I look forward to assisting the company in this role. Gary leaves big shoes to fill. His understanding of our industry and our technology is impressive, as is his vision for what this exciting service can offer our subscribers. SIRIUS XM is an extraordinary company that is well positioned for success as it maintains and builds on its strong position in the months and years ahead."

Mel Karmazin, SIRIUS XM's Chief Executive Officer, said, "As Chairman of the Board, Gary has very effectively steered our company in the right direction, through our merger and beyond. He is a true pioneer; he believed in the promise of satellite radio before there were subscribers, programming or even satellites. I want to thank Gary for his vision, expertise and tireless commitment to SIRIUS XM. We greatly appreciate his many contributions and wish him all the best in all his future endeavors. I am also looking forward to working closely with Eddy in his new role. As an independent director, he will bring an important new perspective to the Chairmanship; a perspective that our stockholders will benefit from."

"The Board is delighted that Eddy W. Hartenstein has agreed to step into the role of Chairman," said James F. Mooney, Chairman of the company's Nominating and

Corporate Governance Committee. "The Board is committed to following "best practices" in governance matters, including the selection of an independent director as Chairman of the Board of Directors. Eddy is a strong voice of independence on the Board, and his existing role on the Board will also allow for a seamless transition."

As a result of Mr. Parsons' resignation, SIRIUS XM is in compliance with NASDAQ's independent director requirements for continued listing.

Eddy W. Hartenstein has been a director of SIRIUS XM since July 2008. From May 2005 until the closing of the merger with XM in July 2008, Mr. Hartenstein served as a director of XM Satellite Radio Holdings Inc. In August 2008, Mr. Hartenstein was named Publisher and CEO of the Los Angeles Times and continues in that capacity. Mr. Hartenstein was the Vice Chairman and a member of the board of directors of The DIRECTV Group, Inc. from December 2003 until his retirement in December 2004. Mr. Hartenstein served as Chairman and CEO of DIRECTV, Inc. from late 2001 to 2004 and as President of DIRECTV, Inc. from its inception in 1990 to 2001. Mr. Hartenstein also serves as a member of the board of directors of SanDisk Corporation, The City of Hope and Broadcom, Inc.

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About SIRIUS XM Radio

SIRIUS XM Radio is America's satellite radio company delivering to subscribers commercial-free music channels, premier sports, news, talk, entertainment, and traffic and weather.

SIRIUS XM Radio has content relationships with an array of personalities and artists, including Howard Stern, Martha Stewart, Oprah Winfrey, Rosie O'Donnell, Jamie Foxx, Barbara Walters, Opie & Anthony, Bubba the Love Sponge®, Bob Edwards, Chris "Mad Dog" Russo, Jimmy Buffett, The Grateful Dead, Willie Nelson, Bob Dylan and Tom Petty. SIRIUS XM Radio is the leader in sports programming as the Official Satellite Radio Partner of the NFL, Major League Baseball®, NASCAR®, NBA, NHL®, and PGA TOUR® and major college sports.

SIRIUS XM Radio has arrangements with every major automaker. SIRIUS XM Radio products are available at shop.sirius.com and shop.xmradio.com, and at retail locations nationwide, including Best Buy, RadioShack, Wal-Mart and independent retailers.

SIRIUS XM Radio also offers SIRIUS Backseat TV, the first ever live in-vehicle rear seat entertainment featuring Nickelodeon, Disney Channel and Cartoon Network; XM NavTraffic® service for GPS navigation systems delivers real-time traffic information, including accidents and road construction, for more than 80 North American markets.

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 the benefits of the business combination transaction involving SIRIUS and XM, including potential synergies and cost savings and the timing thereof, future financial and operating results, the combined company's 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," "anticipate," "believe," "plan," "estimate," "intend," "will," "should," "may," or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of SIRIUS' and XM's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond the control of SIRIUS and XM. 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 statement: our substantial indebtedness; the businesses of SIRIUS and XM may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; the useful life of our satellites; our dependence upon automakers and other third parties; our competitive position versus other forms of audio and video entertainment; and general economic conditions. Additional factors that could cause SIRIUS' and XM's results to differ materially from those described in the forward-looking statements can be found in

SIRIUS' Annual Report on Form 10-K for the year ended December 31, 2008 and XM's Annual Report on Form 10-K for the year ended December 31, 2008, which are 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 SIRIUS and XM 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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