

Although SiriusXM is permitted to increase prices to pass along increased costs of music royalties since March 20, 2007, the actual price increases effective 7/29/09 are far in excess of the increased costs. Royalty costs for 2007 were 6.0 per cent of revenues and have increased to 6.5 per cent, an increase of 0.5 per cent. However, subscription prices are increasing 15 per cent. How can this be justified?