

**FCC FORM 703 - FEDERAL COMMUNICATIONS COMMISSION
APPLICATION FOR CONSENT TO TRANSFER CONTROL OF CORPORATION
HOLDING STATION LICENSE**

(This application must be filed before Transfer of Control takes place)

1. Name of corporate licensee: XM Radio LLC

Attention: James S. Blitz

Street Address: 1221 Avenue of the Americas, 36th Floor

PO Box:

City: New York State: NY Zip Code: 10020

Country:

E-mail Address: james.blitz@siriusxm.com

XM
0019-EX-TU-2012

2. Call sign and radio service of each station: WB2XCA XD

3. Transferee Name: Liberty Media Corporation

Attention: Craig Troyer

Street Address: 12300 Liberty Boulevard

PO Box:

City: Englewood State: CO Zip: 80112

Country:

E-mail Address: craig@libertymedia.com

4. Subsequent to the Transfer of Control, will the licensee corporation be the same corporate entity? That is, will it retain its present name, corporate charter, State of incorporation, etc.? If "NO", submit an exhibit giving details. - Y

5. Subsequent to the Transfer of Control, will the licensee corporation be a representative of any foreign government? If "YES", submit an exhibit giving details. - N

6. Name of Corporate Licensee: XM Radio LLC

7. Corporate Licensee Mailing Address:

Street Address: 1221 Avenue of the Americas

P.O. Box:

Mail Stop:

City: New York State: NY Zip: 10020

Country:

Email Address: james.blitz@siriusxm.com

8.

CERTIFICATION

- Applicant waives any claim to the use of any particular frequency regardless of prior use by licensee or otherwise
- Applicant will have unlimited access to the radio equipment and will control access to exclude unauthorized persons;
- Neither applicant nor any member thereof is a foreign government or representative thereof;
- Applicant certifies that all statements made in this application and attachments are true, complete and made in good faith;
- Neither the applicant nor any other party to the application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a

controlled substance.

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312 (A)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Signature of Authorized Employee of Licensee Corporation: See Exhibit 1 See Exhibit 1 Date: Aug 17 2012 3:34PM

Signature of Transferee of Control: Craig Troyer Date: Aug 17 2012 3:34PM

Officer

EXHIBIT 1

Sirius XM intends to cooperate fully with the FCC in its evaluation of Liberty Media's applications. Sirius XM has not signed the licensee and transferor portions of the applications because it is not in possession of all the facts required to make the certifications.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

_____)	
Application of)	
Liberty Media Corporation)	File Nos.
For Consent to Transfer of <i>De Jure</i>)	Docket No.
Control of Sirius XM Radio Inc.)	
_____)	

**LIBERTY MEDIA'S REQUEST FOR WAIVER OF TRANSFEROR/LICENSEE
SIGNATURE REQUIREMENTS FOR APPLICATIONS FOR
CONSENT TO TRANSFER OF *DE JURE* CONTROL**

Liberty Media Corporation ("Liberty Media") requests the limited waiver of the Federal Communication Commission's ("Commission") rules as set forth herein. Liberty Media is filing an Application for Consent to Transfer of *De Jure* Control ("Application") of Sirius XM Radio Inc. ("Sirius") and the space station, satellite earth station, wireless, experimental and other FCC licenses¹ and authorizations held by Sirius and/or its subsidiaries. As described in Exhibit 1, which was prepared by Sirius, Sirius has declined to execute the Application. Sirius has represented that it will cooperate fully with the Commission's evaluation of the Application. *Id.*

More specifically, Liberty Media respectfully requests, pursuant to Sections 1.3 and 1.925 of the Commission's Rules, a waiver of the Commission's rules to allow the electronic filing of Form 312, Form 603 and Form 703 applications for consent to transfer of *de jure* control of the Sirius FCC licenses and authorizations without the transferor and/or licensee

¹ A list of the FCC licenses and authorizations held by Sirius and/or its subsidiaries and subject to this waiver request is annexed as Schedule I.

electronic signatures. Each of the applications includes all transferor/licensee information. Sirius has reviewed the transferor/licensee portions of the Form 312 applications, and Sirius has prepared the transferor/licensee portions of the Form 603 and Form 703 applications. The Commission should grant this waiver request and accept the application forms without the transferor and/or licensee authorized electronic signatures because the application forms include all transferor/licensee information and Sirius has agreed to cooperate fully with the Commission in its evaluation of the applications. Liberty Media respectfully submits that this approach will conserve the Commission's administrative resources and enable each Commission Bureau to consider its respective electronic applications in the normal course.

Section 1.3 of the Commission's Rules states that the Commission may waive any provision of its Rules, either on its own motion or in response to a petition demonstrating "good cause" for the waiver requested. 47 C.F.R. §1.3. The Commission generally finds that good cause exists for a waiver of its rules "where the particular facts make strict compliance inconsistent with the public interest" under the circumstances presented, and "when the relief requested would not undermine the policy objective of the rule in question." *See, e.g., Enhanced 911 Calling Systems*, 20 FCC Rcd. 7709 (2005), at ¶9. The party seeking a waiver must show that, due to "unique or unusual factual circumstances," application of the rule would be "inequitable, unduly burdensome or contrary to the public interest," or would leave the applicant with "no reasonable alternative." *See* 47 C.F.R. §1.925(b); *see also WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), *appeal after remand*, 459 F.2d 1203 (D.C. Cir. 1972), *cert. denied*, 409 U.S. 1027 (1972) (agency discretion to proceed through general rules "is intimately linked to the existence of a safety valve procedure for consideration of an application for exemption based on special circumstances").

As set forth in the Application, Liberty Media is seeking Commission consent to the transfer of *de jure* control of Sirius from the current shareholders of Sirius to Liberty Media. Liberty Media already owns 47.3% of the total outstanding shares of Sirius common stock on an as-converted basis² and has stated in its Application that it will have purchased sufficient shares of Sirius' common stock and will convert its Preferred Shares such that the transfer of control will be completed within 60 days of Commission consent. However, Liberty Media will not convert its Preferred Shares in sufficient quantities to own more than 50% of the outstanding common stock of Sirius until the Commission grants its *de jure* transfer of control applications.

Here, Liberty Media is unable to file the necessary electronic applications for consent to the transfer of *de jure* control of the Sirius FCC licenses and authorizations with electronic transferor and/or licensee signatures because as described in Exhibit 1 Sirius declines to execute the application forms and become a party to the applications. Consequently, in order to file the application forms required to obtain Commission consent, Liberty Media respectfully requests a waiver of the following Commission regulations requiring transferor and/or licensee signatures of application forms:

- Section 1.917 requiring electronic signatures for wireless license applications (47 C.F.R §1.917);
- Section 5.57 requiring electronic signatures for experimental authorization applications (47 C.F.R. §5.57); and
- Section 25.112(a) requiring electronic signatures for satellite and earth station license applications (47 C.F.R. §25.112(a)).

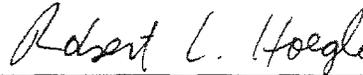
² Pursuant to a second forward purchase contract into which Liberty Media entered, Liberty Media intends to acquire 41,087,753 common shares on the settlement date, which is scheduled for October 14, 2012. As explained in the Application, Liberty Media will own 48% of the total outstanding shares of Sirius (on an as-converted basis) after the October 14 settlement date.

Conclusion

Liberty Media respectfully requests that the Commission waive its application signature rules and accept the application forms for filing. Each of the application forms includes all of the required information for the transferor/licensee which Sirius has confirmed or provided. Only Sirius' signature as a party to the application forms is lacking, for the reasons described in Exhibit 1. Grant of this waiver request is fully justified to enable Commission review of the application forms required of Liberty Media. Further, such grant will conserve the Commission's administrative resources and permit use of the Commission's standard electronic application filing systems.

Respectfully submitted,

LIBERTY MEDIA CORPORATION



Robert L. Hoegle, Esquire
Timothy J. Fitzgibbon, Esquire
Thomas F. Bardo, Esquire

Nelson Mullins Riley & Scarborough LLP
101 Constitution Avenue, N.W., Suite 900
Washington, D.C. 20001
(202) 712-2800

August 16, 2012

Schedule 1

FCC LICENSES & AUTHORIZATIONS

Sirius XM Radio Inc.

Call Sign	Class	Expiration
E040363	Earth station	10/19/2019
E060276	Earth station	9/5/2021
E060277	Earth station	10/3/2021
E060363	Earth station	10/30/2021
E080168	Earth station	2/17/2024
E080185	Earth station	10/9/2023
E110172	Earth station	2/15/2027
E990291	Earth station	3/20/2026
S2710	Satellite	8/25/2017
WQKI298	Business radio	5/29/2019
WQPD459	Business radio	4/13/2022
WE2XSS	Experimental	

XM Radio LLC

Call Sign	Class	Expiration
S2118	Satellite	5/31/2014
S2119	Satellite	3/31/2014
S2616	Satellite	12/15/2014
S2617	Satellite	4/20/2013
S2786	Satellite	12/2/2018
E040204	Earth station	8/6/2019
E000724	Earth station	1/22/2026
E000158	Earth station	3/20/2026
WQJP534	Wireless	10/1/2012
WB2XCA	Experimental	9/1/2012

Satellite CD Radio LLC

Call Sign	Class	Expiration
S2105	Satellite	2/11/2017
S2812	Satellite	

Nelson Mullins

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September 17, 2012

VIA ELECTRONIC FILING

Mindel De La Torre, Esquire
Chief, International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Applications of Liberty Media Corporation for Consent to Transfer of *De Jure* Control of Sirius XM Radio, Inc., File Nos. SES-T/C-20120821-00776, SES-T/C-20120821-00777, SES-T/C-20120821-00792, SAT-T/C-20120817-00133, SAT-T/C-20120817-00134, SAT-T/C-20120817-00135, SAT-T/C-20120817-00136; WTB-0005353974, WTB-0005353880, 0019-EX-TU-2012, and 0020-EX-TU-2012

Dear Ms. De La Torre:

The above-referenced applications for consent to transfer of *de jure* control of Sirius XM Radio, Inc. ("Sirius") were submitted on August 17, 2012, but have not yet been accepted for filing. Consistent with Section 1.65 of the Commission's Rules, Liberty Media is submitting this letter to advise the Commission of certain changes in the information contained in the above-referenced applications.

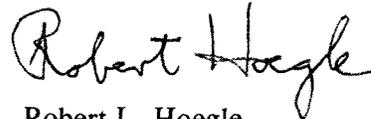
The applications stated that, as of the filing date, Liberty Media "currently holds 12,500,000 Series B-1 Preferred Shares" of Sirius. Liberty Media also stated in the applications that, absent Commission approval, it would not convert Preferred Shares in quantities sufficient to own more than 50% of the outstanding common stock of Sirius. This is to report that Liberty Media today exercised its right to convert a portion of the Preferred Shares to common shares. As a result, Liberty Media now owns 6,250,100 Series B-1 Preferred Shares and a total of 1,863,203,483 common shares of Sirius (not including 41,087,753 shares that may be purchased under a forward purchase contract scheduled to be settled on October 10, 2012), representing approximately 32% of the outstanding common stock of Sirius.

Mindel De La Torre, Esquire
September 17, 2012
Page 2 of 2

Pending Commission review and approval of its applications, Liberty Media presently does not intend to take any action to replace directors of Sirius with its own designees prior to the next regularly scheduled annual meeting of the Sirius shareholders. However, under Sirius' bylaws, Liberty Media will be required to name its slate of nominees no later than March 13, 2013. The last annual meeting occurred on May 22, 2012.

If you have any questions about this matter, please contact me.

Respectfully submitted,



Robert L. Hoegle
Counsel for Liberty Media Corporation

RLH:tjf

cc: Ruth Milkman, Esquire, Chief, Wireless Telecommunications Bureau
Mr. Julius Knapp, Chief Engineer, OET
Karl Kensinger, Esquire, Associate Division Chief, Satellite Division
Jeffrey Tobias, Esquire, Wireless Telecommunications Bureau
Bruce A. Romano, Esquire, Associate Chief, Legal, OET
Richard E. Wiley, Esquire

Before the
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APPLICATION FOR CONSENT
TO TRANSFER OF *DE JURE* CONTROL

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Counsel for Liberty Media Corporation

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**APPLICATION FOR CONSENT
TO TRANSFER OF *DE JURE* CONTROL**

Liberty Media Corporation (“Liberty Media”) respectfully submits this application for consent to the transfer of *de jure* control of Sirius XM Radio Inc. (“Sirius”) and the various space station, satellite earth station, wireless, experimental and other Federal Communications Commission (“FCC”) licenses and authorizations held by Sirius or its subsidiaries.¹ Liberty Media already owns 47.3% of the total outstanding shares of Sirius common stock on an as-converted basis and intends to purchase sufficient additional common shares of Sirius such that, upon conversion of the Preferred Shares that it already owns, Liberty Media will own more than 50% of the outstanding common shares of Sirius, thereby exercising *de jure* control over Sirius. As set forth herein, Liberty Media’s acquisition of *de jure* control over Sirius will serve the public interest, convenience and necessity.

¹ A list of the FCC licenses and authorizations held by Sirius and its subsidiaries is annexed as Schedule 1.

INTRODUCTION AND BACKGROUND

I. Liberty Media's Current Ownership Interest In Sirius

Liberty Radio, LLC ("Liberty Radio"), an indirect wholly-owned subsidiary of Liberty Media, entered into an Investment Agreement with Sirius, dated February 17, 2009 ("Investment Agreement"), pursuant to which Sirius issued to Liberty Radio: (a) 1,000,000 shares of convertible Series B-1 Preferred Stock; and (b) 11,500,000 shares of convertible Series B-2 Preferred Stock.² The Series B-2 Preferred Shares subsequently were converted to Series B-1 Preferred Shares, such that Liberty Media currently holds 12,500,000 Series B-1 Preferred Shares. The Preferred Shares, which are convertible at the discretion of Liberty Media into common shares of Sirius, represent approximately 40% of the total outstanding common shares of Sirius on an as-converted basis.

In addition to the Preferred Shares, as Liberty Media previously reported to the Commission, it purchased 60,350,000 additional shares of Sirius common stock in open market purchases on May 8 and 9, 2012 and had entered into a forward purchase contract for 302,198,700 additional common shares of Sirius, which purchase closed on July 11, 2012. Since then, Liberty Media purchased 89,970,000 additional shares of Sirius common stock in open market purchases on August 10, 13 and 14, 2012. Pursuant to a second forward purchase contract into which Liberty Media entered, Liberty Media intends to acquire 41,087,753 common shares on the settlement date, which is scheduled for October 14, 2012. Together with the Preferred Shares, Liberty Media presently owns 47.3% of the total

² Sirius filed the Investment Agreement with the Securities and Exchange Commission on March 10, 2009, as Exhibit 4.55 to its Form 10-K Report for the year ended December 31, 2008.

outstanding shares of Sirius (on an as-converted basis) and will own 48% of the total outstanding shares of Sirius (on an as-converted basis) after the October 14 settlement date.³

II. Liberty Media's Previous Applications for Consent to Transfer of *De Facto* Control

On March 20, 2012, Liberty Media filed a series of applications, seeking consent to the transfer of *de facto* control of Sirius to Liberty Media. See IBFS File Nos. SAT-STA-20120320-00053, SAT-STA-20120320-00054, SAT-STA-20120320-00055, SAT-STA-20120320-00056, SES-STA-20120320-00280, SES-STA-20120320-00281, SES-STA-20120320-00282, ULS File Nos. 0005137812 and 0005137854, Experimental License File Nos. 0007-EX-TC-2012, 0008-EX-TC-2012, 0009-EX-TC-2012.⁴ However, the International Bureau and Office of Engineering and Technology dismissed the Form 312 and Form 703 transfer of *de facto* control applications in response to a Petition to Dismiss or Deny filed by Sirius. See Letter dated May 4, 2012 to Robert L. Hoegle (DA 12-717) ("Bureau Decision"). The Bureau Decision concluded that Liberty Media had not established that it "intends to take actions, such as the conversion of preferred to common stock and installation of a board majority, that would constitute exercise of *de facto* or *de jure* control" over Sirius. *Id.* at 3. The Wireless Telecommunications Bureau also dismissed the Form 603 transfer of *de facto* control applications, concluding that Liberty Media did not "sufficiently describe how and

³ Sirius reported that there were 3,833,253,534 shares of Sirius common stock outstanding on August 3, 2012. See *Sirius XM Radio Inc. Form 10-Q Quarterly Report as filed with the Securities and Exchange Commission on August 7, 2012.*

⁴ Because Sirius had refused to provide the passwords and other information required to utilize the FCC's electronic application filing systems, Liberty Media also filed a request to waive certain FCC rules to allow the submission of manual Form 603 and Form 703 transfer of control application forms. See Liberty Media Request for Waiver of Electronic Filing and Transferor/Licensee Signature Requirements for Applications for Consent to Transfer of *De Facto* Control.

when the proposed transaction is expected to occur.” See WTB Notices of Dismissal, Reference Nos. 5370148 & 5370149, dated May 10, 2012 (“WTB Dismissal Notices”).

On May 30, 2012, Liberty Media petitioned for reconsideration of the Bureau Decision and the WTB Dismissal Notices. See Liberty Media Petition for Reconsideration of Dismissal of Applications for Consent to Transfer of *De Facto* Control, filed May 30, 2012 (“Liberty Media Petition”). Among other things, the Liberty Media Petition informed the Commission of Liberty Media’s additional purchases of Sirius common stock and provided specific information regarding the actions that Liberty Media intended to take to assert *de facto* control over Sirius. Liberty Media stated that it intended to continue purchasing Sirius common shares in the open market, depending upon the market price and other conditions, and that it might purchase sufficient additional common shares of Sirius to enable Liberty Media to exercise *de jure* control over Sirius. See Liberty Media Petition at 16. Liberty Media further stated that, in the event that it decided to purchase sufficient shares to exercise *de jure* control over Sirius, it would amend the pending applications to seek consent to the transfer of *de jure* control if the Commission accepted and had not yet granted those applications.

III. Liberty Media’s Application for Consent to Transfer of *De Jure* Control

However, because the Bureau Decision and the WTB Dismissal Letters dismissed Liberty Media’s applications for consent to transfer of *de facto* control, there are no pending applications to amend. As a result, Liberty Media is filing this application for FCC consent to the transfer of *de jure* control of Sirius to Liberty Media and is simultaneously withdrawing the Liberty Media Petition. Liberty Media intends to purchase sufficient additional shares of Sirius common stock such that, upon conversion of its Preferred Shares, it will own more than 50% of the total outstanding shares of Sirius, giving it *de jure* control of Sirius including the

ability to control the membership of the Sirius Board of Directors. Liberty Media intends to purchase such additional common shares of Sirius as soon as practicable, subject to market conditions. However, Liberty Media will not convert its Preferred Shares in sufficient quantities to own more than 50% of the outstanding common stock of Sirius until the Commission grants this application. Consistent with its certifications in the accompanying applications, Liberty Media will have purchased sufficient shares of Sirius' common stock and will convert its Preferred Shares such that the transfer of control will be completed within 60 days of Commission consent.

APPLICATION

I. Description of the Parties

A. Liberty Media

Liberty Media, the applicant and proposed transferee, is a Delaware corporation holding ownership interests in a broad range of businesses. Liberty Media's consolidated wholly-owned subsidiaries include the following:

- Starz, LLC -- provides premium subscription video programming to U.S. multichannel video programming distributors, including cable operators, satellite television providers and telecommunications companies. Starz provides sixteen different programming networks, including the Starz channel and its five multiplex channels, the Encore channel and its seven multiplex channels, MoviePlex, IndiePlex, and RetroPlex, most of which are available in both standard definition and high definition feeds. Starz also licenses the subscription video on demand services, Starz on Demand, Encore on Demand, and MoviePlex on Demand.⁵
- Atlanta National League Baseball Club, Inc. -- owns and operates the Atlanta Braves Major League Baseball franchise.

⁵ On August 8, 2012, Liberty Media announced that it intends to effect a spinoff transaction that will result in the business of Starz, LLC, on the one hand, and the other businesses of Liberty Media, on the other hand, being held by two separate publicly traded corporations.

- TruePosition, Inc. -- develops and markets technology for locating wireless phones and other wireless devices, enabling wireless carriers, application providers and other enterprises to provide E-911 services domestically and other location-based services to mobile users both domestically and worldwide.

See Liberty Media Corporation Form 10-K for the Fiscal Year Ended December 31, 2011, filed with the Securities and Exchange Commission on Feb. 23, 2012 ("Liberty Media Form 10-K"), at I-4 to I-6.

Liberty Media also has ownership interests in entities that are accounted for as equity or cost investments, including the following:

- Live Nation Entertainment -- Live Nation is organized into five business segments: concert promotion and venue operations, sponsorship, ticketing solutions, e-commerce and artist management. Liberty Media held approximately 25.6% of Live Nation's outstanding common stock as of June 30, 2012.
- Barnes & Noble, Inc. -- Barnes & Noble, the world's largest bookseller and a Fortune 500 company, operates bookstores in 50 states and conducts its online business through BN.com. Liberty Media holds certain preferred shares of Barnes & Noble stock convertible into an approximate 17% equity interest in Barnes & Noble.

Liberty Media Form 10-K at I-3, I-7. Liberty Media also holds non-attributable ownership interests in other entities, including Crown Media Holdings, Inc. (3%), Sprint Nextel Corporation (1%), Time Warner Cable Inc. (1%), Time Warner Inc. (1%) and Viacom Inc. (1%).

On September 23, 2011, Liberty Interactive Corporation ("Liberty Interactive") completed the split-off of Liberty Media into a separate publicly traded company. Following the split-off, Liberty Media and Liberty Interactive operate as separate publicly-traded companies. Because Liberty Media and Liberty Interactive share certain executive officers and directors and there are certain overlapping ownership interests, they may be deemed to hold

attributable ownership interests in each other under the Commission's ownership attribution rules.

Liberty Interactive owns interests in subsidiaries and other companies that primarily are engaged in the video and online commerce industries. Liberty Interactive's consolidated subsidiaries include:

- QVC, Inc. -- markets and sells a wide variety of consumer products in the U.S. and several foreign countries, primarily by means of televised shopping programs and via the Internet through its domestic and international websites.
- Provide Commerce, Inc. -- operates an e-commerce marketplace of branded websites offering high quality, perishable products shipped directly from the supplier to the consumer.
- Backcountry.com, Inc. -- operates an e-commerce marketplace for outdoor adventure, cycling and action sports gear and clothing. Liberty Interactive holds an 87.5% ownership interest in Backcountry.

See Liberty Interactive Corporation, Form 10-K for the Fiscal Year Ended December 31, 2011, filed with the Securities and Exchange Commission on Feb. 23, 2012 ("Liberty Interactive Form 10-K"), at I-4 to I-6.

Liberty Interactive also has ownership interests in entities which are accounted for as equity or cost investments, including:

- HSN, Inc. -- HSN is a retailer and interactive lifestyle network offering an assortment of products through television home shopping programming and HSN.com. Liberty Interactive holds approximately 34% of HSN's outstanding common stock and has the right to nominate 20% of the members of HSN's board of directors.
- Expedia, Inc. -- Expedia is among the world's leading travel services companies, making travel products and services available to leisure and corporate travelers through a diversified portfolio of brands, including Expedia.com, Hotels.com, Venere.com, Vacations and a range of other domestic and international brands and businesses. Liberty Interactive holds an approximate 26% equity interest and 60% voting interest in

Expedia. Liberty Interactive has entered into governance arrangements pursuant to which Mr. Barry Diller, Chairman of the Board and Senior Executive Officer of Expedia, may vote Liberty Interactive's shares of Expedia subject to certain limitations.⁶

Liberty Interactive Form 10-K at I-8.

B. Sirius

Sirius is a publicly traded Delaware company and holds numerous FCC satellite, earth station, wireless and other authorizations as listed in Schedule 1. Sirius provides music, sports, entertainment, comedy, talk, news, traffic and weather audio channels in the United States on a subscription fee basis through two proprietary satellite radio systems -- the Sirius system and the XM system. The programming offered by Sirius includes the following: (1) music, including an extensive selection of genres ranging from rock, pop and hip-hop to country, dance, jazz, Latin and classical; (2) sports, including games/matches of the National Football League, Major League Baseball, NASCAR, National Basketball Association, National Hockey League, PGA Tour, and NCAA Division I football and basketball games; (3) talk and entertainment, including popular talk personalities such as Oprah Winfrey and Martha Stewart, comedy channels and religious programming; and (4) news and information, including a range of national, international and financial news from BBC World Service News, Bloomberg Radio, CNBC, CNN, FOX News, HLN, MSNBC, NPR and World Radio Network. *See Sirius XM Radio Inc. Form 10-K for the Fiscal Year Ended December 31, 2011, filed with the Securities and Exchange Commission on Feb. 9, 2012, at 1-2.* As of June 30, 2012, Sirius had

⁶ Effective December 20, 2011, Expedia completed the spin-off of TripAdvisor, Inc. ("TripAdvisor"), an online travel research company, as an independent public company. Liberty Interactive holds an approximate 26% equity interest and 60% voting interest in TripAdvisor. Liberty Interactive has entered into a stockholders' agreement pursuant to which Mr. Diller may vote Liberty Interactive's shares of TripAdvisor common stock, subject to certain limitations.

over 22,000,000 subscribers. *See Sirius XM Radio Inc. Form 8-K, filed with the Securities and Exchange Commission on Aug. 7, 2012, at Ex. 99.1.*

II. Grant of This Application Will Serve the Public Interest.

Under Section 310(d) of the Communications Act, the Commission must determine whether the transfer of *de jure* control of Sirius to Liberty Media will serve the public interest, convenience and necessity. *See* 47 U.S.C. §310(d). The public interest analysis requires the Commission to determine initially whether the transaction violates the Communications Act, other applicable statutes, or the Commission's rules. *See, e.g., News Corp. and The DIRECTV Group Inc., Transferors, and Liberty Media Corporation, Transferee, 23 FCC Rcd. 3265 (2008) ("Liberty Media-DIRECTV Approval Order"), at ¶22.* If the transaction does not violate a statute or regulation, the Commission will consider whether the transaction will result in public interest harms by frustrating or impairing the objectives or the implementation of the Communications Act. *Id.* The Commission then will balance the proposed transaction's potential public interest harms and potential public interest benefits. *Id.*

The public interest evaluation also encompasses the broad aims of the Communications Act, which generally include preserving and enhancing competition in relevant markets, accelerating private-sector deployment of advanced services, ensuring a diversity of information and services to the public, and managing spectrum in the public interest. *See, e.g., Applications of Comcast Corp., General Electric Co. and NBC Universal, Inc., for Consent to Assign Licenses and Transfer Control of Licensees, 26 FCC Rcd. 4238 (2011), at ¶23 (citations omitted).* Under the Commission's balancing process, where the potential harms posed by a transaction are great, the potential benefits must be great. Conversely, where the potential harms are small or nonexistent, the potential benefits need only be of a

similar scale. See, e.g., *Applications for Consent to the Assignment and/or Transfer of Control of Licenses, Adelphia Communications Corp., Assignors and Transferors, Comcast Corp. and Time Warner Inc., Assignees and Transferees*, 21 FCC Rcd. 8203 (2006), at ¶300.

The proposed transfer of *de jure* control of Sirius to Liberty Media does not violate the Communications Act or any Commission rules or policies. It does not implicate any aggregation, cross-ownership, multiple ownership, antitrust or similar restrictions in the Communications Act, the Commission's rules, or the antitrust statutes. Liberty Media's potential acquisition of control of Sirius will not adversely affect the "well-recognized public interest benefits" cited by the Commission in approving the Sirius-XM merger. See *Applications for Consent to the Transfer of Control of Licenses from XM Satellite Radio Holdings Inc., Transferor, to Sirius Satellite Radio Holding, Inc., Transferee*, 23 FCC Rcd. 12348 (2008), at ¶¶83, 88.

The Media Bureau recently noted that the audio services "marketplace has evolved since the [Sirius-XM] merger closed, and consumers now have additional audio entertainment choices:"

Indeed, it appears that since the *Merger Order* new audio services have emerged as viable consumer alternatives, including smartphone Internet streaming applications that can be used in mobile environments such as automobiles equipped with user-friendly interfaces. For example, Pandora Media Inc....which provides audio services via Internet streaming and smartphone apps, has demonstrated remarkable growth in popularity in the years since the merger. Other examples of apps that have emerged as alternatives since the *Merger Order* include Rhapsody, Slacker, Last.fm, and iheartradio. Ford, Toyota, MINI, GM, Mercedes-Benz, and Hyundai are introducing Internet-based streaming services in their vehicles. In addition, data suggest that HD radio has increased since the merger.

See *Applications for Consent to the Transfer of Control of Licenses, XM Satellite Radio Holding Inc., Transferor, to Sirius Satellite Radio Inc., Transferee*, 26 FCC Rcd. 10539

(Med. Bur. 2011), at ¶7 (notes omitted). Liberty Media's acquisition of *de jure* control of Sirius XM will not adversely affect competition in the audio services marketplace.

Liberty Media is qualified to control Sirius-XM. Liberty Media and its current and previous subsidiaries have held numerous classes of FCC licenses. The FCC approved Liberty Media's qualifications to exercise *de facto* control of DIRECTV in 2008. *See Liberty Media-DIRECTV Approval Order*.

In accordance with the provisions of the Investment Agreement, Liberty Media made a substantial investment in Sirius in 2009 in return for an equity interest in the company. The Commission has recognized that it is "axiomatic" that an investment should "fairly reflect the benefits that [the investor] expects to receive in return for its investment." *See, e.g., Applications of GWI PCS, Inc. For Authority to Construct and Operate Broadband PCS Systems Operating on Frequency Block C*, 12 FCC Rcd. 6441 (WTB 1997), at ¶9. Likewise, the Commission has recognized that it is in the public interest for the Commission's transfer of control procedures to facilitate investment in entities licensed by the Commission and to permit investors to recognize the full value of their investments. *See, e.g., AmericaSky Corp., Application for Authority for Transfer of Control*, 11 FCC Rcd. 21134 (Int'l Bur. 1996), at ¶20. Therefore, Liberty Media respectfully requests grant of its application for transfer of *de jure* control of Sirius.⁷

⁷ In addition to holding the licenses identified in Schedule 1 hereto, Liberty Media understands that Sirius and/or its licensee subsidiaries have filed with the Commission certain pending applications and petitions and may file additional applications or petitions with the Commission in the future. Accordingly, Liberty Media requests that the Commission, in acting upon this application, include authority for the transfer of *de jure* control of: (1) any license or authorization issued to Sirius and/or its licensee subsidiaries during the pendency of this application prior to grant of the application or during the period specified in the Commission's rules for consummation following approval; and (2) any applications, petitions or other filings that have been filed by Sirius and/or its licensee subsidiaries and that are pending at the time of the consummation of the proposed transfer of *de jure* control.

CONCLUSION

For the reasons set forth above, grant of this application will serve the public interest, convenience and necessity. Liberty Media respectfully requests that the Commission grant this application for consent to the transfer of *de jure* control of Sirius to Liberty Media, so that Liberty Media may convert a sufficient number of the Preferred Shares to own more than 50% of the outstanding common stock of Sirius.

Respectfully submitted,

LIBERTY MEDIA CORPORATION

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Schedule 1

FCC LICENSES & AUTHORIZATIONS

Sirius XM Radio Inc.

Call Sign	Class	Expiration
E040363	Earth station	10/19/2019
E060276	Earth station	9/5/2021
E060277	Earth station	10/3/2021
E060363	Earth station	10/30/2021
E080168	Earth station	2/17/2024
E080185	Earth station	10/9/2023
E110172	Earth station	2/15/2027
E990291	Earth station	3/20/2026
S2710	Satellite	8/25/2017
WQKI298	Business radio	5/29/2019
WQPD459	Business radio	4/13/2022
WE2XSS	Experimental	

XM Radio LLC

Call Sign	Class	Expiration
S2118	Satellite	5/31/2014
S2119	Satellite	3/31/2014
S2616	Satellite	12/15/2014
S2617	Satellite	4/20/2013
S2786	Satellite	12/2/2018
E040204	Earth station	8/6/2019
E000724	Earth station	1/22/2026
E000158	Earth station	3/20/2026
WQJP534	Wireless	10/1/2012
WB2XCA	Experimental	9/1/2012

Satellite CD Radio LLC

Call Sign	Class	Expiration
S2105	Satellite	2/11/2017
S2812	Satellite	