

# SIRIUS XM HOLDINGS INC.

Filed by  
**LIBERTY MEDIA CORP**

## **FORM SC 13D/A** (Amended Statement of Beneficial Ownership)

Filed 01/03/14

Address	1221 AVENUE OF THE AMERICAS 36TH FLOOR NEW YORK, NY 10020
Telephone	212-584-5100
CIK	0000908937
Symbol	SIRI
SIC Code	4832 - Radio Broadcasting Stations
Industry	Broadcasting & Cable TV
Sector	Services
Fiscal Year	12/31

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**SCHEDULE 13D/A <sup>(1)</sup>**

**Under the Securities Exchange Act of 1934**

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**SIRIUS XM HOLDINGS INC.**

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(as successor to Sirius XM Radio Inc.)  
(Name of Issuer)

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**Common Stock, par value \$0.001 per share**

(Title of Class of Securities)

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**82968B103**

(CUSIP Number)

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**Richard N. Baer, Esq.  
Senior Vice President and General Counsel  
Liberty Media Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112  
(720) 875-5400**

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(Name, Address and Telephone Number of Persons  
Authorized to Receive Notices and Communications)

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**January 3, 2014**

(Date of Event Which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box  
 .

The information required in the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (the “Act”), or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the *Notes* ).

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(1) *Note* : This statement constitutes Amendment No. 3 of the Report on Schedule 13D of the reporting person Liberty Media Corporation.

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of Above Persons (Entities only)  
Liberty Media Corporation
- 
2. Check the Appropriate Box if a Member of a Group (See Instructions)
- (a)
- 
- (b)
- 
3. SEC Use Only
- 
4. Source of Funds (See Instructions)  
OO
- 
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Item 2(d) or 2(e)
- 
6. Citizenship or Place of Organization  
Delaware
- 
7. Sole Voting Power  
3,255,062,556 shares (1), (2)
- 
- Number of Shares Beneficially Owned by Each Reporting Person With
8. Shared Voting Power  
None
- 
9. Sole Dispositive Power  
3,255,062,556 shares (1), (2)
- 
10. Shared Dispositive Power  
None
- 
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
3,255,062,556 shares (1), (2)
- 
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)   
Excludes shares beneficially owned by the executive officers and directors of the Reporting Person.
- 
13. Percent of Class Represented by Amount in Row (11)  
53.4% (3)
- 
14. Type of Reporting Person (See Instructions)  
CO
- 
-

(1) Sole voting power and dispositive power of such shares is held indirectly through control of wholly-owned subsidiaries of Liberty Media Corporation.

(2) Includes (x) 719,919,656 shares of Common Stock pledged in connection with a margin loan agreement, (y) 5,974,509 shares of Common Stock issuable upon the exchange of \$11 million aggregate principal amount of the Exchange Notes beneficially owned by the Reporting Person, and (z) 92,888,561 shares of Common Stock subject to a Share Repurchase Agreement, dated as of October 9, 2013, between the Reporting Person and the Issuer, as amended by the letter agreement, dated November 13, 2013 (see Item 4 below).

(3) Based on shares of Common Stock outstanding as of October 22, 2013, as reported by the Issuer in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 (as adjusted for the repurchase by the Issuer of the first tranche of shares under the Share Repurchase Agreement referenced in footnote (2) above).

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**SCHEDULE 13D/A**  
**(Amendment No. 3)**

Statement of

**LIBERTY MEDIA CORPORATION**

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

in respect of

**SIRIUS XM HOLDINGS INC.**  
(as successor to Sirius XM Radio Inc.)

This Report on Schedule 13D relates to the shares of common stock, par value \$0.001 per share (the “Common Stock”), of Sirius XM Holdings Inc., a Delaware corporation (the “Issuer”). On November 15, 2013, Sirius XM Radio Inc., a Delaware corporation (“Radio”), reorganized its corporate structure (the “Reorganization”) whereby Radio became a direct, wholly owned subsidiary of the Issuer. As reported on the Issuer’s Form 8-K12B, dated November 15, 2013, in connection with the Reorganization, effective as of such date, the Issuer became the successor issuer to Radio, pursuant to Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Pursuant to Rule 12g-3(a) under the Exchange Act, the shares of the Issuer’s Common Stock, as successor issuer, are deemed registered under Section 12(b) of the Exchange Act.

The Schedule 13D originally filed with the Securities and Exchange Commission (the “Commission”) with respect to the Issuer (as successor to Radio) by Liberty Media Corporation, a Delaware corporation (the “Reporting Person” or “Liberty”), on January 22, 2013, as amended by Amendment No. 1 filed with the Commission on May 10, 2013 and Amendment No. 2 filed with the Commission on October 15, 2013 (together, the “Liberty Schedule 13D”), is hereby amended and supplemented to include the information set forth herein.

This amended Statement on Schedule 13D/A (this “Amendment”) constitutes Amendment No. 3 to the Liberty Schedule 13D. Capitalized terms not defined herein have the meanings given to such terms in the Liberty Schedule 13D. Except as set forth herein, the Liberty Schedule 13D is unmodified.

**Item 3. Source and Amount of Funds or Other Consideration**

The information contained in Item 3 of the Liberty Schedule 13D is supplemented by adding the following thereto:

The information contained in Item 4 of this Amendment is incorporated herein by reference.

**Item 4. Purpose of Transaction**

The information contained in Item 4 of the Liberty Schedule 13D is supplemented by adding the following thereto:

On January 3, 2014, Liberty made a proposal to the Issuer (the “Proposal Letter”), outlining the terms by which the Issuer’s shareholders, other than Liberty and its subsidiaries, would become direct shareholders of Liberty in a tax-free transaction in which each share of the Issuer’s Common Stock, other than those held by Liberty and its subsidiaries, would be converted into 0.0760 of a share of a new Liberty Series C non-voting common stock. Immediately prior to such conversion, Liberty intends to distribute, on a 2:1 basis, shares of Liberty Series C common stock to all holders of record of Liberty Series A Common Stock, par value \$0.01 per share, and Series B Common Stock, par value \$0.01 per share, to create a liquid trading market for the Liberty Series C common stock. The 0.0760 exchange ratio is equivalent to a 0.0253 exchange ratio prior to the distribution of the Series C common stock dividend.

The proposed transaction and contemporaneous distribution of the Liberty Series C common stock dividend would result in the Issuer's shareholders, other than Liberty and its subsidiaries, owning approximately 39% of Liberty's post-closing outstanding common stock on a *pro forma basis*.

As described in the Proposal Letter, the proposed transaction would be subject to the negotiation and execution of mutually acceptable definitive transaction documents, the terms of which would be approved by a special committee of independent directors of the Issuer, and would also be subject to a non-waivable condition requiring the approval of a majority of the shares of the Issuer's common stock not owned by Liberty or its affiliates. The approval by Liberty shareholders of the issuance of its Series C common stock to the Issuer's public shareholders in the proposed transaction would also be required under applicable Nasdaq Stock Market requirements. Other than applicable filings with the Securities and Exchange Commission, Liberty does not anticipate that any additional regulatory approvals would be required.

In the Proposal Letter, Liberty also proposed to defer the Issuer's obligation to make any additional repurchases under the Share Repurchase Agreement pending the completion of Liberty's negotiations relating to the proposed transaction.

Additional information regarding the foregoing and the proposed transaction can be found in the press release issued by Liberty on January 3, 2014 and the Proposal Letter, which are attached hereto as Exhibits 7(d) and 7(e), respectively, and are incorporated by reference herein.

#### **Item 5. Interest in Securities of the Issuer**

The information contained in Item 5 of the Liberty Schedule 13D is supplemented by adding the following thereto:

The Reporting Person beneficially owns 3,255,062,556 shares of Common Stock (including (x) 719,919,656 shares of Common Stock pledged in connection with a margin loan agreement, (y) 5,974,509 shares of Common Stock issuable upon the exchange of \$11 million aggregate principal amount of the Exchange Notes beneficially owned by the Reporting Person, and (z) 92,888,561 shares of Common Stock subject to the Share Repurchase Agreement), which represent 53.4% of the shares of Common Stock deemed outstanding (as calculated pursuant to Rule 13d-3 of the Securities Exchange Act of 1934, as amended). The number of shares deemed outstanding is based upon (x) 6,135,513,195 shares of Common Stock outstanding as of October 22, 2013, as reported by the Issuer in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, less (y) 43,712,265 shares of Common Stock repurchased by the Issuer under the Share Repurchase Agreement on November 12, 2013.

The information contained in Item 4 of this Amendment is incorporated herein by reference.

#### **Item 7. Material to be Filed as Exhibits**

The information contained in Item 7 of the Liberty Schedule 13D is supplemented by adding the following thereto:

- 7(d) Press Release issued by Liberty Media Corporation dated January 3, 2014 (filed as Exhibit 99.1 to the Reporting Person's Current Report on Form 8-K (SEC File No. 001-35707) dated January 3, 2014 and incorporated herein by reference).
- 7(e) Proposal Letter, dated January 3, 2014, by Liberty Media Corporation to Sirius XM Holdings Inc.

**Signature**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 3, 2014

LIBERTY MEDIA CORPORATION

By: /s/ Craig Troyer

Craig Troyer

Vice President and Deputy General Counsel

## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
7(a)	Investment Agreement, dated as of February 17, 2009, between Sirius XM Radio Inc. (predecessor to the Issuer) and Liberty Radio, LLC (filed as Exhibit 4.55 to the Issuer's Annual Report on Form 10-K (SEC File No. 000-24710) dated March 9, 2009 and incorporated herein by reference).
7(b)	Assistant Secretary's Certificate of Liberty Media Corporation (filed as Exhibit 7(b) to the Reporting Person's Schedule 13D (SEC File No. 005-50791) dated January 22, 2013 and incorporated herein by reference).
7(c)	Share Repurchase Agreement, dated as of October 9, 2013, by and between Liberty Media Corporation and Sirius XM Radio Inc. (predecessor to the Issuer) (filed as Exhibit 99.2 to the Reporting Person's Current Report on Form 8-K (SEC File No. 001-35707) dated October 10, 2013 and incorporated herein by reference).
7(d)	Press Release issued by Liberty Media Corporation dated January 3, 2014 (filed as Exhibit 99.1 to the Reporting Person's Current Report on Form 8-K (SEC File No. 001-35707) dated January 3, 2014 and incorporated herein by reference).
7(e)	Proposal Letter, dated January 3, 2014, by Liberty Media Corporation to Sirius XM Holdings Inc.

**Liberty Media Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112**

January 3, 2014

BY HAND-DELIVERY AND E-MAIL

Board of Directors  
Sirius XM Holdings Inc.  
1221 Avenue of the Americas, 36th Floor  
New York, NY 10020

Dear Members of the Board:

Liberty Media Corporation (“Liberty”) is pleased to propose a business combination with Sirius XM Holdings Inc. (“Sirius” or the “Company”) pursuant to which Sirius’ shareholders, other than Liberty and its subsidiaries, would become direct shareholders of Liberty in a tax-free transaction (the “Proposed Transaction”). We anticipate that the Proposed Transaction would take the form of a stock-for-stock merger in which the holders of shares of Sirius common stock (“Sirius Common Stock”), other than Liberty and its subsidiaries, would exchange their existing shares of Sirius Common Stock for shares of Liberty Series C non-voting common stock (“Liberty Series C Common Stock”), at a *pro forma* exchange ratio of 0.0760 of a share of Liberty Series C Common Stock for each share of Sirius Common Stock (which exchange ratio reflects the contemplated dividend of Liberty Series C Common Stock described below and is equivalent to an exchange ratio of 0.0253 relative to the *status quo* shares of Liberty Series A common stock). In parallel with the submission of this proposal, Liberty will announce its intention to distribute shares of Liberty Series C Common Stock to its shareholders by way of a 2:1 dividend to be effected immediately prior to the closing of the Proposed Transaction. The Proposed Transaction and contemporaneous distribution of the Series C Common Stock dividend will result in Sirius’ shareholders, other than Liberty and its subsidiaries, owning approximately 39% of Liberty’s outstanding shares of common stock on a *pro forma* basis.

We believe the unification of the shareholder bases of Liberty and Sirius will produce significant benefits and future opportunities for all shareholders of the combined company, including:

- Continued and significant participation in Sirius’ future prospects plus significant participation in Liberty’s broader portfolio of businesses, assets and investment opportunities.
  - Potential uplift in the valuation of a combined Liberty and Sirius as the result of:
    - Eliminating any perceived ambiguity regarding the nature of Liberty’s and Sirius’ long-term relationship;
    - Further alignment and focus of management at all levels on maximizing the overall value of Liberty/Sirius’ combined portfolio of businesses, assets and investment opportunities;
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- The combined company being better able to optimize its consolidated capital structure;
  - Greater scale and better coordination in the deployment of capital to pursue both organic and strategic investment opportunities, including greater flexibility to use equity capital shares of the combined company when and if appropriate; and
  - The combined company having greater flexibility to maximize returns to shareholders.
- Enhanced stock market liquidity for Sirius' existing public shareholders, who will become significant shareholders of an enlarged Liberty that will have a *pro forma* equity market capitalization of approximately \$27 billion based on the closing prices of Liberty's shares of Series A common stock and Series B common stock and Sirius Common Stock on Friday, January 3, 2014.

We believe the Proposed Transaction represents a sensible capital markets-related rationalization whereby Sirius' public shareholders will be moving from a position of holding a non-controlling economic stake at a subsidiary level to a similar non-controlling economic position in Liberty at the parent company level. The Proposed Transaction involves neither a change-of-control of Sirius nor a squeeze-out of the continuing equity interests of Sirius' public shareholders.

The Proposed Transaction would be subject to the approval by the Company's Board of Directors and the negotiation and execution of mutually acceptable definitive transaction documents. It is our expectation that Sirius' Board of Directors will appoint a special committee of independent directors to consider our proposal and make a recommendation to the Company's Board of Directors. We will not move forward with the Proposed Transaction unless it is approved by such a special committee. In addition, the Proposed Transaction will be subject to a non-waivable condition requiring the approval of a majority of the shares of Sirius Common Stock not owned by Liberty or its affiliates and, under applicable Nasdaq Stock Market requirements, the approval by the Liberty shareholders of the issuance of the Series C Common Stock in the Proposed Transaction. To the best of our knowledge, the Proposed Transaction will not be subject to any requirement to secure any consent from any lender or other third party, nor will it be subject to the requirement to secure any significant regulatory approvals. In addition, the Proposed Transaction is not subject to any financing condition or contingency. Finally, given Liberty's existing controlling stake in and history with the Company, we will need to perform only limited due diligence.

As you are aware, Liberty owns approximately 53% of the outstanding shares of Sirius Common Stock. In considering this proposal, you should be aware that, in our capacity as a shareholder of the Company, we are interested only in a transaction that achieves the results outlined above in respect of the shares of Sirius Common Stock not already owned by us and, as such, we have no interest in selling any shares of Sirius Common Stock owned by us. We would not expect, in our capacity as a shareholder of Sirius, to vote in favor of any alternative sale, merger or other extraordinary corporate transaction involving the Company. We note that neither the failure of the special committee

to recommend a transaction nor Sirius' public shareholders' failure to approve a transaction would adversely affect our on-going relationship with the Company. We intend to remain as a long-term shareholder under such circumstances.

With respect to the Share Repurchase Agreement, dated October 9, 2013, between Liberty and the Company, as amended by the letter agreement, dated November 13, 2013, we also propose to defer the Company's obligation to make any additional repurchases under such agreement pending the completion of our negotiations relating to the Proposed Transaction.

Please be aware that this proposal is an expression of interest only, and we reserve the right to withdraw or modify our proposal in any manner at any time. No legal obligation with respect to the Proposed Transaction or any other transaction shall arise unless and until execution of mutually acceptable definitive documentation between Liberty and the Company.

In accordance with its legal obligations, Liberty promptly will file an amendment to its Schedule 13D, including a copy of this proposal and any related documents. We believe it is appropriate, as well, for us to issue a press release regarding our proposal concurrently with the delivery of this letter to you. A copy of our press release is attached for your information.

In connection with this proposal, we have engaged Guggenheim Securities, LLC as our financial advisor and Baker Botts L.L.P. as our legal advisor, and we encourage the special committee to retain its own legal and financial advisors to assist in its review of our proposal. We and our advisors look forward to working with the special committee and its advisors to expeditiously negotiate and consummate a mutually acceptable transaction. We are available at your convenience to discuss any aspects of our proposal and this important transaction.

[continued on next page]

Should you have any comments or questions regarding our proposal or otherwise, please do not hesitate to contact me.

Sincerely,

/s/ Gregory B. Maffei

Gregory B. Maffei  
President and Chief Executive Officer

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cc: James E. Meyer, Chief Executive Officer,  
Sirius XM Holdings Inc.  
Patrick L. Donnelly, Executive Vice President, General Counsel and Secretary,  
Sirius XM Holdings Inc.

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