SIRIUS XM HOLDINGS INC.

CHARTER OF THE AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS

Purpose

The primary purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) is to oversee the accounting and financial reporting processes of the Company and the audits of the Company’s financial statements.

Composition

The Committee shall consist of at least three Directors, and the Committee’s composition will meet the requirements for audit committees of the NASDAQ:

- No member may have a relationship to the Company that may interfere with the exercise of his or her independence from management and the Company;
- Each member shall be “independent” as provided under the requirements of the NASDAQ and under 10A-3(b)(1) of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”);
- No member shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years;
- Each member shall be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement; and
- At least one member shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

It is also expected that at least one member of the Committee will be an “audit committee financial expert” as defined by SEC rules. This person may be the same person with the financial sophistication described above.

The determination of any member’s qualification to serve on the Audit Committee, including assessments of independence, financial literacy and financial sophistication shall be made by the Board in keeping with the applicable requirements and definitions of the NASDAQ.

Responsibilities, including Structure and Processes

The Committee’s job is one of oversight, recognizing that the Company’s management is responsible for preparing the Company’s financial statements and for developing and maintaining systems of internal accounting and financial controls and that outside auditors are ultimately accountable to the Committee and the Board for their review of the financial statements and internal controls of the Company. The Committee also recognizes that the financial management and the
internal and outside auditors have more knowledge and information about the Company’s financial statements than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company’s financial statements or internal controls or any professional certification as to the outside auditor's work. To the fullest extent permissible under applicable law, each member of the Audit Committee is entitled to rely in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Audit Committee by any of the Company’s officers, employees or committees, the independent accountants, the internal auditors or any other person as to matters the member reasonably believes are within such person’s professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

The following functions shall be the common recurring activities of the Committee in carrying out its oversight responsibilities, and the Committee may, as it deems appropriate, act as a whole, through subcommittees or through the Committee Chair. In discharging its oversight role, the Committee shall have full access to all books, records, facilities and personnel of the Company and the authority to retain outside counsel, auditors or other experts. The Company shall provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to any outside auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (ii) compensation to any advisers employed by the Committee and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

1. The Committee shall review and reassess the adequacy of this Charter on an annual basis and shall make recommendations to the Board, as conditions dictate, to update this Charter.

2. The Committee shall be directly responsible for the appointment, compensation, retention, oversight and termination of any outside auditor engaged (including the resolution of disagreements between management and such firm regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. Such outside auditor shall report directly to the Committee.

3. The Committee shall have the responsibility to evaluate the outside auditor annually.

4. The Committee shall have the authority and responsibility to approve all audit and permissible non-audit services performed by the outside auditor in accordance with Section 202 of the Sarbanes-Oxley Act of 2002.

5. The Committee shall review and approve the appointment or termination of the Company's Controller and any internal auditor.

6. The Committee, or Chair, shall meet regularly and separately with the Company's Chief Financial Officer, Controller, internal auditor and outside auditors.

7. The Committee shall review and discuss with management and the outside auditors the audited financial statements, including the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the
statement as to internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, to be included in the Company's Annual Report on Form 10-K, and the Committee shall, prior to the filing of the Form 10-K, discuss with the outside auditors the matters required to be discussed pursuant to the applicable auditing standards adopted by the Public Company Accounting Oversight Board (the “PCAOB”).

8. The Committee shall review and discuss with management and the outside auditors the audited financial statements, including the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company's Quarterly Report on Form 10-Q, and the Committee shall, prior to the release of earnings or the filing of the Form 10-Q, discuss with the outside auditors the matters required to be discussed pursuant to the applicable auditing standards adopted by the PCAOB.

9. The Committee shall review any significant disagreement between management and the internal or outside auditors in connection with the preparation of the financial statements.

10. The Committee shall:

   • receive from the outside auditors, at least annually, a formal written statement delineating all relationships between the auditor and the Company consistent with the applicable requirements of the PCAOB regarding the outside auditor’s independence;

   • review and discuss with the outside auditors any relationships or services that may impact the objectivity and independence of the outside auditor; and

   • if necessary, take, or recommend that the Board take, appropriate action to oversee the independence of the outside auditor.

11. Based on the applicable review and discussions, the Committee shall determine whether to recommend to the Board that the Company’s audited financial statements be included in the Company’s Annual Report on Form 10-K.

12. The Committee shall prepare its report required by the rules of the SEC to be included in the Company’s annual proxy statement.

13. The Committee shall discuss with management, the Company's Controller, internal auditors and the outside auditor the quality and adequacy of the Company's internal controls.

14. The Committee shall receive reports on legal compliance and litigation matters and review the significant reports as well as management's responses thereto.

15. The Committee shall maintain minutes or other record of its meeting and make regular reports on its meetings to the Board.
16. The Committee should report regularly to the Board regarding any issues that arise with respect to the quality or integrity of the Company’s financial statements, the Company’s compliance with legal or regulatory requirements and the qualification, performance, and independence of the Company’s outside auditors.

17. The Committee shall establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.