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P: 202.828.0120 F: 202.833.2141
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July 28, 2005

VIA FACSIMILE & CERTIFIED MAIL

Sirius Satellite Radio Inc.
1221 Avenue of the Americas, 36th Floor
New York, NY 10020
Attn: General Counsel

Re: Late Fees Applicable Under SDARS Performance and Ephemeral License Agreement Dated March 18, 2003
Licensee ID No. 1101

To Whom It May Concern:

A review of the royalty payments from Sirius Satellite Radio Inc. ("Sirius") to SoundExchange, Inc. ("SoundExchange") pursuant to the provisions of the SDARS Performance and Ephemeral License Agreement entered into between Sirius and SoundExchange on March 18, 2003 (the "Agreement"), revealed that Sirius has failed to make five royalty payments by the deadlines specified in the Agreement.

Sections 4.2(b) and (c) of the Agreement provide that Sirius's quarterly royalty payments are due *on or before* the first day of each calendar quarter of 2004 and 2005, respectively. Only in the event that the first day of a calendar quarter falls on a weekend or holiday is payment deferred until the next business day. See Section 4.7.

Under Section 4.6 of the Agreement, "[i]f a Licensee fails to make any payment under this Agreement when due, the Licensee shall pay a late fee on any overdue amount of 0.75% per month, or the highest lawful rate, whichever is lower, from the due date until the date full payment is received by SoundExchange."

We have calculated that Sirius owes late fees totaling $10,500.00. The enclosed spreadsheet details how we arrived at this amount. Please remit a check in the amount of $10,500.00 by no later than August 17, 2005, to satisfy the late fee obligation set forth in Section 4.6 of the Agreement.

Please call me at 202.828.0126 if you have any questions.

Sincerely,

Gary R. Greenstein
General Counsel

FINAL

SDARS Ex. 28

SE 0022414

CALCULATION OF LATE FEES PAYABLE BY
SIRIUS SATELLITE RADIO INC.

Service	Due date	Calendar Day	Received	Days late	Amount paid	Late fee (.75%)	Late fee per day	Total
SIRIUS	4/1/2004	Thursday	4/5/2004	4	$ 750,000.00	$ 5,625.00	$ 187.50	$ 750.00
SIRIUS	7/1/2004	Thursday	7/6/2004	5	$ 750,000.00	$ 5,625.00	$ 187.50	$ 937.50
SIRIUS	10/1/2004	Friday	10/4/2004	3	$ 750,000.00	$ 5,625.00	$ 187.50	$ 562.50
SIRIUS	4/1/2005	Friday	4/7/2005	6	$ 2,750,000.00	$ 20,625.00	$ 687.50	$ 4,125.00
SIRIUS	7/1/2005	Friday	7/7/2005	6	$ 2,750,000.00	$ 20,625.00	$ 687.50	$ 4,125.00

Total= $ **10,500.00**

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