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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) November 21, 2011**

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**EXPEDIA, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-51447**  
(Commission  
File Number)

**20-2705720**  
(I.R.S. Employer  
Identification No.)

**333 108<sup>th</sup> Avenue NE**  
**Bellevue, Washington 98004**  
(Address of principal executive offices) (Zip code)

**(425) 679-7200**  
Registrant's telephone number, including area code

**Not Applicable**  
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events.**

On April 7, 2011, Expedia, Inc. (“Expedia”) announced that its Board of Directors had preliminarily approved a plan to spin-off the domestic and international operations previously associated with Expedia’s TripAdvisor Media Group into a new, separately traded public company (the “Spin-Off”). Upon completion of the Spin-Off, the spun-off operations will be held by TripAdvisor, Inc. (“TripAdvisor”).

Expedia and TripAdvisor previously filed a joint Registration Statement on Form S-4 (File Nos. 333-175828 and 333-175828-1) in connection with the annual meeting of stockholders of Expedia scheduled to be held on December 6, 2011, at which, among other matters, stockholders of Expedia will consider and vote upon certain Spin-Off-related proposals. As disclosed in the Registration Statement, Expedia expects, at the time of the Spin-Off (a) that it will enter into an amended and restated Governance Agreement with Liberty Interactive Corporation (formerly Liberty Media Corporation) (“Liberty”) and Mr. Barry Diller and that Liberty and Mr. Diller will enter into an amended and restated Stockholders Agreement with respect to Expedia, and (b) that TripAdvisor will enter into a Governance Agreement with Liberty and Mr. Diller and that Liberty and Mr. Diller will enter into a Stockholders Agreement with respect to TripAdvisor. The forms of such agreements expected to be entered into at the time of the Spin-Off are attached to this report as Exhibits 99.1, 99.2, 99.3 and 99.4, respectively, and are incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Form of Amended and Restated Governance Agreement among Expedia, Inc., Liberty Interactive Corporation and Barry Diller
99.2	Form of Amended and Restated Stockholders Agreement between Liberty Interactive Corporation and Barry Diller (with respect to Expedia, Inc.)
99.3	Form of Governance Agreement among TripAdvisor, Inc., Liberty Interactive Corporation and Barry Diller
99.4	Form of Stockholders Agreement between Liberty Interactive Corporation and Barry Diller (with respect to TripAdvisor, Inc.)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**EXPEDIA, INC.**

By: /s/ Dara Khosrowshahi

\_\_\_\_\_  
Dara Khosrowshahi

President and Chief Executive Officer

Dated: November 21, 2011

**EXHIBIT INDEX**

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**AMENDED AND RESTATED  
GOVERNANCE AGREEMENT**

**among**

**EXPEDIA, INC.,**

**LIBERTY INTERACTIVE CORPORATION,**

**and**

**BARRY DILLER**

**Dated as of [—], 20[11]**

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TABLE OF CONTENTS

Page

ARTICLE I

TRANSFEREES

ARTICLE II

BOARD OF DIRECTORS AND RELATED MATTERS

Section 2.01.	Board of Directors	2
Section 2.02.	Management of the Business	2
Section 2.03.	Contingent Matters	3
Section 2.04.	Notice of Events	4
Section 2.05.	Certain Hedging Transactions	5
Section 2.06.	Notice of Sale of Company Class B Stock	5

ARTICLE III

PREEMPTIVE RIGHTS

Section 3.01.	Liberty Preemptive Rights	5
---------------	---------------------------	---

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01.	Representations and Warranties of the Company	6
Section 4.02.	Representations and Warranties of the Stockholders	7

ARTICLE V

DISTRIBUTION TRANSACTION AND BLOCK SALE

Section 5.01.	Distribution Transaction	8
Section 5.02.	Block Sale; Purchase/Exchange Right	9

ARTICLE VI

DEFINITIONS

Section 6.01.	“Affiliate”	12
Section 6.02.	“Beneficial Ownership”	13
Section 6.03.	“Block Sale”	13
Section 6.04.	“Block Sale Transferee”	13
Section 6.05.	“business day”	13

Section 6.06.	“Chairman”	13
Section 6.07.	“Chairman Termination Date”	13
Section 6.08.	“Commission”	13
Section 6.09.	“Company”	13
Section 6.10.	“Company Class B Stock”	13
Section 6.11.	“Company Common Shares”	13
Section 6.12.	“Company Common Stock”	14
Section 6.13.	“Consenting Party”	14
Section 6.14.	“Demand Registration”	14
Section 6.15.	“DGCL”	14
Section 6.16.	“Disabled”	14
Section 6.17.	“Distribution Transaction”	14
Section 6.18.	“EBITDA”	14
Section 6.19.	“Effective Time”	14
Section 6.20.	“Equity Securities”	14
Section 6.21.	“Exchange Act”	15
Section 6.22.	“Excluded Issuance”	15
Section 6.23.	“Expedia”	15
Section 6.24.	“Fair Market Value”	15
Section 6.25.	“Hedging Transaction”	15
Section 6.26.	“Insider”	15
Section 6.27.	“Issue Price”	15
Section 6.28.	“Lapse Date”	16
Section 6.29.	“Liberty”	16
Section 6.30.	“Liberty Director”	16
Section 6.31.	“Liberty Holdco”	16
Section 6.32.	“Liberty Holders”	16
Section 6.33.	“Liberty Proxy”	16
Section 6.34.	“Liberty Spinco”	16
Section 6.35.	“Litigation”	16
Section 6.36.	“Mr. Diller”	16
Section 6.37.	“Ownership Percentage”	16
Section 6.38.	“Permitted Transferee”	16
Section 6.39.	“Person”	17
Section 6.40.	“Qualified Distribution Transferee”	17
Section 6.41.	“Restricted Equity Security”	17
Section 6.42.	“Restricted Stock”	17
Section 6.43.	“Sale Transaction”	17
Section 6.44.	“Securities Act”	17
Section 6.45.	“Standstill Agreement”	17
Section 6.46.	“Stockholder Group”	17
Section 6.47.	“Stockholders”	17
Section 6.48.	“Stockholders Agreement”	17
Section 6.49.	“Subsidiary”	17
Section 6.50.	“Third-Party Transferee”	18
Section 6.51.	“Total Debt”	18

Section 6.52.	“Total Debt Ratio”	18
Section 6.53.	“Total Equity Securities”	18
Section 6.54.	“Transfer”	18
Section 6.55.	“TripAdvisor”	18
Section 6.56.	“Voting Securities”	19

ARTICLE VII

MISCELLANEOUS

Section 7.01.	Notices	19
Section 7.02.	Amendments; No Waivers	20
Section 7.03.	Company Consent Right to Waiver of Liberty Conversion Obligations in Stockholders Agreement	20
Section 7.04.	Successors And Assigns	21
Section 7.05.	Governing Law; Consent To Jurisdiction	21
Section 7.06.	Counterparts	22
Section 7.07.	Specific Performance	22
Section 7.08.	Registration Rights	22
Section 7.09.	Termination	23
Section 7.10.	Severability	23
Section 7.11.	Cooperation	23
Section 7.12.	Adjustment of Share Numbers and Prices	23
Section 7.13.	Effective Time	24
Section 7.14.	Entire Agreement	24
Section 7.15.	Interpretation	24
Section 7.16.	Headings	24

**Exhibit A Form of Standstill Agreement**



## Amended and Restated Governance Agreement

Amended and Restated Governance Agreement, dated as of [—], 20[11] (the “Agreement”), among Expedia, Inc., a Delaware corporation (“Expedia,” or the “Company”), Liberty Interactive Corporation, a Delaware corporation formerly known as Liberty Media Corporation, for itself and on behalf of the members of its Stockholder Group (“Liberty”), and Mr. Barry Diller (“Mr. Diller”) for himself and on behalf of the members of his Stockholder Group.

WHEREAS, the parties hereto have agreed that the Company, Liberty and Mr. Diller shall enter into this Agreement in order to amend and restate in its entirety the respective rights and obligations of the parties set forth in the Governance Agreement, dated as of August 9, 2005, as amended on June 19, 2007.

WHEREAS, the Company, Liberty and Mr. Diller desire to establish in this Agreement certain provisions concerning Liberty’s and Mr. Diller’s relationships with the Company.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the Company, Liberty and Mr. Diller hereby agree as follows:

### ARTICLE I

#### TRANSFEREES

No Third Party Transferee shall have any rights or obligations under this Agreement, except as specifically provided for in this Agreement and except that (a) if such Third Party Transferee shall acquire Beneficial Ownership of more than 5% of the outstanding Total Equity Securities upon consummation of any Transfer or series of related Transfers from a Stockholder, to the extent such Stockholder has the right to Transfer a Demand Registration and assigns such right in connection with a Transfer, such Third Party Transferee shall have the right to initiate one or more Demand Registrations pursuant to Section 7.08 or any registration rights agreement that replaces or supersedes Section 7.08 (and shall be entitled to such other rights that a Stockholder would have applicable to such Demand Registration) and (b) if such Third Party Transferee shall acquire Beneficial Ownership of 5% or less of the outstanding Total Equity Securities but shall acquire Beneficial Ownership of Company Common Shares (or other equity securities of the Company) with a Fair Market Value of at least \$250,000,000 upon consummation of any Transfer or series of related Transfers from a Stockholder, to the extent such Stockholder has the right to Transfer a Demand Registration and assigns such right in connection with a Transfer, such Third Party Transferee shall have the right to initiate one (but not more than one) Demand Registration pursuant to Section 7.08 or any registration rights agreement that replaces or supersedes Section 7.08 (and shall be entitled to such other rights that a Stockholder would have applicable to such Demand Registration), provided that, in the case of this clause (b), such Third Party Transferee may exercise such Demand Registration only in connection with a registered public offering of Company Common Stock having a Fair Market Value at least equal to \$100,000,000, subject (in each of clauses (a) and (b)) to the obligations of such Stockholder applicable to such demand (and the number of Demand Registrations to which such Stockholder is entitled under Section 7.08 hereof shall be correspondingly decreased).

**ARTICLE II**

**BOARD OF DIRECTORS AND RELATED MATTERS**

Section 2.01. Board of Directors.

(a) Liberty shall have the right to nominate up to such number of Liberty Directors as is equal to 20% of the total number of directors on the Board of Directors (rounded up to the next whole number if the total number of directors on the Board of Directors is not an even multiple of 5) so long as Liberty Beneficially Owns at least 16,825,982 Equity Securities (so long as the Ownership Percentage of Liberty is at least equal to 15% of the Total Equity Securities). Liberty shall have the right to nominate one Liberty Director so long as Liberty Beneficially Owns at least 11,217,321 Equity Securities (so long as Liberty's Ownership Percentage is at least equal to 5% of the Total Equity Securities). As of the date hereof, the Liberty Directors are John C. Malone and William R. Fitzgerald.

(b) The Company shall cause each Liberty Director to be included in the slate of nominees recommended by the Board of Directors to the Company's stockholders for election as directors at each annual meeting of the stockholders of the Company and shall use all reasonable efforts to cause the election of each Liberty Director, including soliciting proxies in favor of the election of such persons.

(c) Within a reasonable time prior to the filing with the Commission of its proxy statement or information statement with respect to each meeting of stockholders at which directors are to be elected, the Company shall, to the extent Liberty is entitled to representation on the Company's Board of Directors in accordance with this Agreement, provide Liberty with the opportunity to review and comment on the information contained in such proxy or information statement applicable to the director nominees designated by Liberty.

(d) In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without cause) of any Liberty Director, Liberty shall have the right to designate a replacement Liberty Director to fill such vacancy, and the Company agrees to use its best efforts to cause such vacancy to be filled with the replacement Liberty Director so designated. Upon the written request of Liberty, each Stockholder shall vote (and cause each of the members of its Stockholder Group to vote, if applicable), or act by written consent with respect to, all Equity Securities Beneficially Owned by it and otherwise take or cause to be taken all actions necessary to remove the director designated by Liberty and to elect any replacement director designated by Liberty as provided in the first sentence of this Section 2.01(d).

Section 2.02. Management of the Business. Except as indicated in Section 2.03 below or as required by Delaware law or the Certificate of Incorporation of the Company and the By-Laws and the agreements contemplated thereby, Mr. Diller, so long as he is Chairman and has not become Disabled, will continue to have full authority to operate the day-to-day business

affairs of the Company to the same extent as prior to the date hereof. The Company shall use its reasonable best efforts to cause one Liberty Director designated by Liberty for such purpose to be appointed as a member of a committee of the Board of Directors and, to the extent such person qualifies under applicable law (including stock exchange requirements, as applicable, and tax laws) and Section 16(b) under the Exchange Act or other similar requirements, all committees and subcommittees of the Board of Directors that make determinations relating to the compensation of executives of the Company.

Section 2.03. Contingent Matters. So long as Liberty or Mr. Diller Beneficially Owns, in the case of Liberty, at least 14,956,428 Equity Securities (so long as such Ownership Percentage equals at least 5% of the Total Equity Securities), or, in the case of Mr. Diller, at least 2,500,000 Company Common Shares with respect to which he has a pecuniary interest and the Chairman Termination Date (as defined in the Stockholders Agreement and not as defined in this Agreement) has not occurred and Mr. Diller has not become Disabled, neither the Company nor any Subsidiary shall take any of the following actions (any such action, a "Contingent Matter") without the prior approval of Mr. Diller and/or Liberty, whichever (or both) satisfy the foregoing Beneficial Ownership requirements:

(a) any transaction not in the ordinary course of business, launching new or additional channels or engaging in any new field of business, in any case, that will result in, or will have a reasonable likelihood of resulting in, Liberty or Mr. Diller or any Affiliate thereof being required under law to divest itself of all or any part of its Beneficial Ownership of Company Common Shares, or interests therein, or any other material assets of such Person, or that will render such Person's continued ownership of such securities, shares, interests or assets illegal or subject to the imposition of a fine or penalty, or that will impose material additional restrictions or limitations on such Person's full rights of ownership (including, without limitation, voting) thereof or therein. This Contingent Matter will be applied based only on the Beneficial Ownership of Company Common Shares, interests therein or other material assets of Liberty or Mr. Diller or any Affiliate thereof as of the date hereof; or

(b) if the Company or any of its Subsidiaries incurs any obligations (other than in respect of the customary refinancing of an amount not to exceed the principal amount of the existing obligation being refinanced) included within the definition of Total Debt (the "Incurred Debt") upon which (and after giving effect to such) incurrance the Total Debt Ratio equals or exceeds 8:1 (for this purpose (x) calculating Total Debt as if the Incurred Debt had been incurred on the last day of the most recently ended fiscal quarter of the Company (the "Balance Sheet Date") and (y) if the Incurred Debt is being incurred in whole or in part to fund the acquisition by the Company or any of its Subsidiaries of any Person or business (whether by way of a merger, stock purchase, asset purchase or otherwise) (an "Acquisition") then (A) in addition to the adjustment set forth in clause (x) above, Total Debt shall be calculated to be Total Debt of the Company and its Subsidiaries plus Total Debt of the Person or business acquired in the Acquisition (substituting, for this purpose, such Person or business for the Company and its Subsidiaries in the definition of Total Debt) as of the Balance Sheet Date to the extent applicable to the business(es) or assets being acquired and (B) there shall be added to the EBITDA otherwise used in calculating the Total Debt Ratio at the Balance Sheet Date an amount equal to the EBITDA of the acquired Person or business (substituting, for this purpose, such Person or business for the Company and its Subsidiaries in the definition of EBITDA) for the four fiscal

quarter period ending as of the Balance Sheet Date to the extent applicable to the business(es) or assets being acquired), then, for so long as the Total Debt Ratio continues to equal or exceed 8:1:

(i) any acquisition or disposition (including pledges), directly or indirectly, by the Company or any of its Subsidiaries of any assets (including debt and/or equity securities) or business (by merger, consolidation or otherwise), the grant or issuance of any debt or equity securities of the Company or any of its Subsidiaries (other than, in the case of any of the foregoing, as contemplated by Section 3.01 of this Agreement), the redemption, repurchase or reacquisition of any debt or equity securities of the Company or any of its Subsidiaries, by the Company or any such Subsidiary, or the incurrence of any indebtedness, or any combination of the foregoing, in any such case, in one transaction or a series of transactions in a six-month period, with a value of 10% or more of the market value of the Total Equity Securities at the time of such transaction, provided that the prepayment, redemption, repurchase or conversion of prepayable, callable, redeemable or convertible securities in accordance with the terms thereof shall not be a transaction subject to this paragraph;

(ii) voluntarily commencing any liquidation, dissolution or winding up of the Company or any material Subsidiary;

(iii) any material amendments to the Certificate of Incorporation or Bylaws of the Company (including the issuance of preferred stock pursuant to the "blank check" authorization in the Certificate of Incorporation, having super voting rights (more than 1 vote per share) or entitled to vote as a class on any matter (except to the extent such class vote is required by Delaware law or to the extent the holder of such preferred stock may have the right to elect directors upon the occurrence of a default in payment of dividends or redemption price));

(iv) engagement by the Company in any line of business other than online and offline travel services and products and related businesses, or other businesses engaged in by the Company as of the date of determination of the Total Debt Ratio;

(v) adopting any stockholder rights plan (or any other plan or arrangement that could reasonably be expected to disadvantage any stockholder on the basis of the size or voting power of its shareholding) that would adversely affect Liberty or Mr. Diller; and

(vi) entering into any agreement with any holder of Equity Securities in such stockholder's capacity as such, which grants such stockholder approval rights similar in type and magnitude to those set forth in this Section 2.03.

Section 2.04. Notice of Events. In the event that (a) the Company intends to engage in a transaction of a type that is described in Section 2.03, and (b) the Company does not intend to

seek consent from Liberty and/or Mr. Diller, whichever (or both) are required to consent to a Contingent Matter (a “Consenting Party.”) due to the Company’s good faith belief that the specific provisions of Section 2.03 do not require such consent but that reasonable people acting in good faith could differ as to whether consent is required pursuant to such Section, the Company shall notify the Consenting Parties as to the material terms of the transaction (including the Company’s estimate of the timing thereof) by written notice (including a statement of the Total Debt Ratio) delivered as far in advance of engaging in such transaction as is reasonably practicable unless such transaction was previously publicly disclosed.

Section 2.05. Certain Hedging Transactions. Prior to entering into any Hedging Transaction with respect to more than 4.9% of the outstanding Company Common Shares (based on the number of Company Common Shares outstanding as reported in the Company’s most recently filed report on Form 8-K, Form 10-Q or Form 10-K), Liberty shall give notice to the chief financial officer of the Company (including a brief description of the general structure of the Hedging Transaction contemplated and the potential timing of such Hedging Transaction), which notice must be received no less than one full business day (but not less than 24 hours), but no more than ten business days, prior to the proposed date of effectiveness of such Hedging Transaction. Upon receipt of such notice, the Company will have the right, which must be exercised by notice to Liberty delivered no more than 24 hours after receipt of such notice from Liberty, to require Liberty to delay such Hedging Transaction if (i) the Company has determined in good faith that such Hedging Transaction would adversely affect a contemplated significant corporate transaction (including financing) of the Company and (ii) all Insiders of the Company have been prohibited during such delay period from buying or selling equity securities of the Company (other than transactions between an Insider and the Company in accordance with the terms of any Company equity security or any plan or agreement pursuant to which any such security was granted or issued). The period during which Liberty will be required to delay such Hedging Transaction will not exceed ten business days after the proposed date (as specified in such notice) of effectiveness of such Hedging Transaction, or, if sooner, the date the Company informs Insiders that they may trade in equity securities of the Company.

Section 2.06. Notice of Sale of Company Class B Stock. Prior to effecting any Transfer of Company Class B Stock other than to a member of such transferring Stockholder’s Stockholder Group, the transferring Stockholder shall deliver written notice to the Company, which shall deliver such notice to the Board of Directors of the Company, which notice shall specify (i) the Person to whom the transferring Stockholder proposes to make such Transfer and (ii) the number or amount of the shares of Company Class B Stock to be Transferred.

**ARTICLE III**

**PREEMPTIVE RIGHTS**

Section 3.01. Liberty Preemptive Rights. (a) In the event that after the date hereof, the Company issues or proposes to issue (other than to the Company and its Affiliates or Liberty and its Affiliates, and other than pursuant to an Excluded Issuance) any Company Common Shares (including Company Common Shares issued upon exercise, conversion or exchange of options, warrants and convertible securities (other than shares of Company Common Stock issued upon conversion of shares of Company Class B Stock)) and such issuance, together with any prior

issuances aggregating less than 1% with respect to which Liberty's preemptive right has not become exercisable, shall be in excess of 1% of the total number of Company Common Shares outstanding after giving effect to such issuance (an "Additional Issuance"), the Company shall give written notice to Liberty not later than five business days after the issuance, specifying the number of Company Common Shares issued or to be issued and the Issue Price (if known) per share. Liberty shall have the right (but not the obligation) to purchase or cause one or more of the Liberty Holdcos to purchase for cash a number (but not less than such number) of Company Common Shares (allocated between Company Common Stock and Company Class B Stock in the same proportion as the issuance or issuances giving rise to the preemptive right hereunder, except to the extent that Liberty opts to receive Company Common Stock in lieu of Company Class B Stock), so that Liberty and the Liberty Holdcos shall collectively maintain the identical percentage equity Beneficial Ownership interest in the Company that Liberty and the Liberty Holdcos collectively owned immediately prior to the Additional Issuance requiring notice from the Company to Liberty described in the first sentence of this paragraph (but not in excess of 20.01% of the outstanding Total Equity Securities) after giving effect to such Additional Issuance and to shares of Company Common Stock that are to be issued to Liberty and the Liberty Holdcos pursuant to this Section 3.01, by sending an irrevocable written notice to the Company not later than fifteen business days after receipt of such notice of an Additional Issuance (or, if later, two business days following the determination of the Issue Price) from the Company that it elects to purchase or to cause one or more of the Liberty Holdcos to purchase all of such Company Common Shares (the "Additional Shares"). The closing of the purchase of Additional Shares shall be the later of ten business days after the delivery of the notice of election by Liberty and five business days after receipt of any necessary regulatory approvals.

(b) The purchase or redemption of any Company Common Shares by the Company or any of its Affiliates shall not result in an increase in the percentage of Company equity that Liberty may be entitled to acquire pursuant to the preemptive right in Section 3.01(a) above.

#### ARTICLE IV

#### REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Company. The Company represents and warrants to Mr. Diller and Liberty that: (a) the Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to enter into this Agreement and to carry out its obligations hereunder; (b) the execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or any of the transactions contemplated hereby; (c) this Agreement has been duly executed and delivered by the Company and constitutes a valid and binding obligation of the Company, and, assuming this Agreement constitutes a valid and binding obligation of each Stockholder, is enforceable against the Company in accordance with its terms; (d) neither the execution, delivery or performance of this Agreement by the Company constitutes a breach or violation of or conflicts with the Company's Certificate of Incorporation or By-laws or any material agreement to which the

Company is a party; (e) none of such material agreements would impair in any material respect the ability of the Company to perform its obligations hereunder; and (f)(i) the shares of Company Common Stock (or such other securities of the Company into which such shares are then convertible) issuable to Liberty in the exchange contemplated by Section 5.02(c) and the shares of Company Class B Stock issuable to Mr. Diller pursuant to the Purchase/Exchange Right, in each case, upon issuance will be duly authorized, validly issued, fully paid and nonassessable and not subject to, or issued in violation of, any purchase option, redemption, call option, right of first refusal, preemptive right, subscription right or any similar right in any such case granted by, or exercisable for the benefit of, the Company (other than any such restrictions or rights under this Agreement, the Stockholders Agreement or applicable state and federal securities laws) and (ii) in the case of the shares of Company Common Stock issuable to Liberty in the exchange contemplated by Section 5.02(c), if the Company Common Stock (or such securities of the Company into which such shares are then convertible) is then listed on a national securities exchange, the Company will use its reasonable best efforts to cause such shares of Company Common Stock or such other securities to be approved for listing on such national securities exchange upon issuance (subject only to official notice of issuance).

Section 4.02. Representations and Warranties of the Stockholders. Each Stockholder, severally as to itself (and, in the case of Mr. Diller, as applicable), represents and warrants to the Company and the other Stockholder that (a) it is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and he or it, as the case may be, has the power and authority (corporate or otherwise) to enter into this Agreement and to carry out his or its obligations hereunder, (b) the execution and delivery of this Agreement by such Stockholder and the consummation by such Stockholder of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Stockholder and no other proceedings on the part of such Stockholder are necessary to authorize this Agreement or any of the transactions contemplated hereby, (c) this Agreement has been duly executed and delivered by such Stockholder and constitutes a valid and binding obligation of such Stockholder, and, assuming this Agreement constitutes a valid and binding obligation of the Company and the other Stockholder, is enforceable against such Stockholder in accordance with its terms, (d) neither the execution, delivery or performance of this Agreement by such Stockholder constitutes a breach or violation of or conflicts with its certificate of incorporation or by-laws (or similar governing documents) or any material agreement to which such Stockholder is a party and (e) none of such material agreements would impair in any material respect the ability of such Stockholder to perform its obligations hereunder.

ARTICLE V

DISTRIBUTION TRANSACTION AND BLOCK SALE

Section 5.01. Distribution Transaction.

(a) In the event Liberty desires to effect a Distribution Transaction in which it will Transfer all of the Company Common Shares Beneficially Owned by it (other than any Restricted Equity Securities) to a Qualified Distribution Transferee (which Transfer, for the avoidance of doubt, will be deemed to occur on the date such Qualified Distribution Transferee ceases to be a Subsidiary of Liberty), the Company, Mr. Diller, Liberty and the Qualified Distribution Transferee and, if applicable under the proviso to this Section 5.01(a), the Liberty Spinco, will enter into an amendment to this Agreement on or prior to the date of consummation of such Distribution Transaction to: (i) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) assign all rights and obligations of Liberty under this Agreement (including its rights pursuant to Articles II and III and Section 7.08 hereof) to the Qualified Distribution Transferee, (ii) have such Qualified Distribution Transferee agree to accept, as of immediately prior to the effective time of such Distribution Transaction (but subject to the consummation of the Distribution Transaction), such assignment of rights and agree to assume and perform all liabilities and obligations of Liberty hereunder to be performed following the effective time of such Distribution Transaction, (iii) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) substitute such Qualified Distribution Transferee for Liberty (and the stockholder group of the Qualified Distribution Transferee for the Liberty Stockholder Group) for all purposes under this Agreement and (iv) provide for (w) a representation from Liberty that such amendment is being entered into in connection with a Distribution Transaction involving the Qualified Distribution Transferee pursuant to Section 5.01 of this Agreement, (x) Liberty's acknowledgement that it shall not be entitled to any benefits under this Agreement following such Distribution Transaction, (y) each of the Company's and Mr. Diller's acknowledgement that Liberty shall not be subject to any liability under this Agreement to it or him, as applicable, following such Distribution Transaction (except for any liability arising from any breach of this Agreement by Liberty or relating to any actions or events occurring, in each case, on or prior to the date of the Distribution Transaction) and (z) Liberty's acknowledgement that neither the Company nor Mr. Diller shall be subject to any liability to Liberty under this Agreement following such Distribution Transaction (except for any liability arising from any breach of this Agreement by the Company or Mr. Diller, as applicable, or relating to any actions or events occurring, in each case, on or prior to the date of the Distribution Transaction); provided, that if the Qualified Distribution Transferee is not the Liberty Spinco, then the Liberty Spinco shall also become a party to this Agreement and in such case each reference in the foregoing clauses (i) through (iv) to Qualified Distribution Transferee shall be to the Liberty Spinco and the Qualified Distribution Transferee shall become a party to this Agreement as a member of the Liberty Spinco's stockholder group.

(b) The Company agrees that:

(i) it shall not adopt any stockholder rights plan or similar plan or agreement (or amend or modify any such plan or agreement) or adopt or



approve any charter or by-law provision, in each case, the purpose or reasonably evident effect of which is to (x) restrict or limit Liberty's ability to engage in a Distribution Transaction with a Qualified Distribution Transferee or (y) impose on the Qualified Distribution Transferee, or cause the Qualified Distribution Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of its receipt or continued ownership of Company Common Shares or other equity securities of the Company Transferred to it in a Distribution Transaction; provided that, any adoption, approval, amendment or modification by the Company of any stockholder rights plan (or similar plan or agreement) or charter or by-law provision having anti-takeover provisions of general applicability, which does not cause Liberty to incur or suffer material economic detriment as a result of its ownership of Company Common Shares or other equity securities of the Company upon such adoption, approval, amendment or modification (and, assuming the Distribution Transaction occurred on such date, would not cause a Qualified Distribution Transferee to incur or suffer such effects upon the consummation of the Distribution Transaction), shall not be deemed to have any purpose or effect specified in clause (y) above; and

(ii) as promptly as reasonably practicable following the written request of Liberty and prior to the consummation of a Distribution Transaction involving a Qualified Distribution Transferee, the Board of Directors will approve the Transfer of Company Common Shares to the Qualified Distribution Transferee in such Distribution Transaction for purposes of Section 203(a)(1) of the DGCL in the event that the Qualified Distribution Transferee's ownership of Company Common Shares immediately following the Distribution Transaction would cause it to become an "interested stockholder" for purposes of Section 203 of the DGCL.

Section 5.02. Block Sale; Purchase/Exchange Right.

(a) Liberty shall have the rights and obligations set forth in Section 5.02(b) and Section 5.02(c) in respect of a Block Sale provided that the following conditions are satisfied at the time of such proposed Block Sale:

(i) Mr. Diller still holds the Liberty Proxy;

(ii) Liberty does not Beneficially Own Equity Securities in excess of 30% of the Total Equity Securities (excluding, for such purposes, any increase in Liberty's Beneficial Ownership resulting from any redemption, repurchase or reacquisition of any Equity Securities by the Company);

(iii) if such proposed Block Sale would be consummated on or prior to the second anniversary of [insert date of the spinoff], the Company and

TripAdvisor have consented in writing to such Block Sale (which consent will be delivered by the Company and TripAdvisor if the Company and TripAdvisor acting in good faith determine that either (x) any of the “Safe Harbors” set forth in Treas. Reg. § 1.355-7(d) applies to such Block Sale or (y) there was no “agreement, understanding, arrangement or substantial negotiations” with the Block Sale Transferee regarding such Block Sale or any “similar acquisition” (as such terms are defined in Treas. Reg. § 1.355-7(h)) during the two-year period ending on [insert date of the spinoff]); and

(iv) Liberty has complied with its obligations under Sections 4.2, 4.3 and 4.4 of the Stockholders Agreement in connection with such proposed Block Sale.

(b) The Company agrees that as promptly as reasonably practicable following receipt of a written request therefor from Liberty, in connection with any Block Sale that complies with Section 5.02(a):

(i) to the extent necessary, it shall amend any stockholder rights plan or similar plan or agreement (or take all steps necessary to amend any charter or bylaw provision) then in effect (x) the purpose or reasonably evident effect of which is to restrict or limit Liberty’s ability to engage in a Block Sale that complies with Section 5.02(a) or (y) that would impose on the Block Sale Transferee, or cause the Block Sale Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, of the Block Sale Transferee’s equity or voting power or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of the Block Sale Transferee’s and its Affiliates’ receipt or continued ownership of Company Common Shares or other equity securities of the Company in the Block Sale, such that the acquisition and continued ownership by the proposed Block Sale Transferee of Company Common Shares or other equity securities of the Company in such Block Sale or thereafter in an amount permitted by the Standstill Agreement will not result in the imposition of any such restriction, limitation or economic detriment or cost under any such plan or agreement (or charter or bylaw provision having anti-takeover provisions); provided that such amendment shall be conditioned upon the Block Sale Transferee entering into a Standstill Agreement with the Company; and

(ii) prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company and subject to the execution by the Block Sale Transferee of a Standstill Agreement with the Company and the accuracy of the representation contained in Section 6.2(b) of the Standstill Agreement, the Board of Directors shall approve (x) the Block Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block

Sale for purposes of Section 203(a)(1) of the DGCL (but, for the avoidance of doubt, the Board of Directors shall have no obligation to approve any such transaction with respect to a Subsequent Transferee (as defined in the Standstill Agreement)).

(c) In the event that Liberty is required to exchange Company Class B Stock for newly issued shares of Company Common Stock or other securities pursuant to Section 4.4(b)(ii) of the Stockholders Agreement, the Company hereby agrees that it will exchange all remaining shares of Company Class B Stock not acquired by Mr. Diller pursuant to Sections 4.3 or 4.4 of the Stockholders Agreement for the number and type of shares of Company Common Stock (or such other securities of the Company into which such shares of Company Class B Stock are then convertible) Liberty would have received upon conversion of such shares of Company Class B Stock and shall keep available in its treasury and not cancel such shares of Company Class B Stock exchanged by Liberty until the termination of the Purchase/Exchange Right as described below. After such exchange, or, in the event the conditions to such exchange are not satisfied and Liberty is instead required to convert its remaining shares of Company Class B Stock in accordance with Section 4.4(b)(i) of the Stockholders Agreement (by reason of the proviso to Section 4.4(b)(ii) of the Stockholders Agreement), then after such conversion, Mr. Diller shall have the right (the "Purchase/Exchange Right"), exercisable at any time and from time to time on or prior to the second anniversary of the date of the Block Sale or the transaction giving rise to the obligation of Liberty to exchange or convert its Company Class B Stock as described above (subject to the provisos in Section 5.02(d)(i) and Section 5.02(d)(ii)) (the "Purchase/Exchange Period"), either to:

(i) purchase from the Company a number of shares of Company Class B Stock up to the number of shares of Company Class B Stock that Liberty exchanged for, or converted into, Company Common Stock (or such lesser amount of Company Class B Stock), at a price per share of Company Class B Stock equal to the Fair Market Value of a share of Company Common Stock at the time of such purchase; or

(ii) exchange an equivalent number of shares of Company Common Stock for a number of shares of Company Class B Stock, up to the number of shares of Company Class B Stock that Liberty exchanged for, or converted into, Company Common Stock (or such lesser amount of Company Class B Stock).

(d) The Purchase/Exchange Right may be exercised by Mr. Diller directly or together with other third parties, provided that Mr. Diller retains voting control over any such Company Class B Stock purchased or exchanged, and provided further that during the Purchase/Exchange Period:

(i) the Purchase/Exchange Right will be suspended upon the entry by the Company into an agreement providing for a Sale Transaction and will remain suspended for so long as such agreement (or any successor agreement) has not been terminated; and

(ii) the Purchase/Exchange Right will terminate upon the consummation of a tender or exchange offer for securities representing more than 50% of the total voting power of all outstanding Voting Securities of the Company or consummation of a Sale Transaction.

(e) The Board of Directors of the Company, or a committee thereof consisting of non-employee directors (as such term is defined for purposes of Rule 16b-3 under the Exchange Act), shall with respect to each exercise of the Purchase/Exchange Right or as may be otherwise requested by Mr. Diller, adopt resolutions and otherwise take all actions necessary to cause any acquisitions or deemed acquisitions from the Company of Company Class B Stock transferred to Mr. Diller pursuant to this Agreement and the Purchase/Exchange Right and any dispositions or deemed dispositions to the Company of Company Common Stock pursuant to this Agreement and the Purchase/Exchange Right to be exempt under Rule 16b-3 under the Exchange Act.

(f) In connection with a Block Sale pursuant to the conditions of Section 5.02(a) in which the Block Sale Transferee receives the right to nominate candidates to the Board of Directors pursuant to the Standstill Agreement: (i) Liberty shall, on or prior to consummation of the Block Sale, cause the Liberty Directors to resign from the Board of Directors effective as of the consummation of such Block Sale; and (ii) the Company shall use its best efforts to cause such vacancy to be filled with the candidate(s) nominated by the Block Sale Transferee (subject to the approval of such candidates by the nominating committee or equivalent committee of the Board of Directors (or the Board of Directors) as described in the Standstill Agreement).

(g) For the avoidance of doubt, none of the provisions of Section 5.02(a), 5.02(b), or 5.02(f) shall be applicable in the event Liberty Transfers all of the Company Common Shares (or other equity securities of the Company) Beneficially Owned by it (other than any Restricted Equity Securities) to a Third-Party Transferee and such Third Party Transferee elects not to enter into a Standstill Agreement or such Third Party Transferee's Ownership Percentage exceeds or, upon consummation of such Transfer would exceed, 30% of the Total Equity Securities.

## ARTICLE VI

### DEFINITIONS

For purposes of this Agreement, the following terms shall have the following meanings:

Section 6.01. "Affiliate" shall have the meaning set forth in Rule 12b-2 under the Exchange Act (as in effect on the date of this Agreement). For purposes of this definition, (i) natural persons shall not be deemed to be Affiliates of each other, (ii) none of Mr. Diller, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of the Company or its Affiliates, (iii) none of the Company, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of Mr. Diller or his Affiliates, (iv) none of the Company, Mr. Diller or any of their respective Affiliates shall be deemed to be an Affiliate of Liberty or its Affiliates, (v) the Company shall not be deemed to be an Affiliate of TripAdvisor based upon the common control of the Company and TripAdvisor by the Stockholders and (vi) the Company shall not be deemed to be an Affiliate of IAC/InterActiveCorp to the extent such relationship would otherwise be based on the common control of the Company and IAC/InterActiveCorp by Mr. Diller.

Section 6.02. “Beneficial Ownership” or “Beneficially Own” shall have the meaning given such term in Rule 13d-3 under the Exchange Act and a Person’s Beneficial Ownership of Company Common Shares shall be calculated in accordance with the provisions of such Rule; provided, however, that for purposes of Beneficial Ownership, (a) a Person shall be deemed to be the Beneficial Owner of any Equity Securities which may be acquired by such Person (disregarding any legal impediments to such Beneficial Ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Mr. Diller shall be deemed to be exercisable), rights or other securities issued by the Company or any Subsidiary thereof and (b) no Person shall be deemed to Beneficially Own any Equity Securities solely as a result of such Person’s execution of this Agreement (including by virtue of holding a proxy with respect to any Equity Securities), or the Stockholders Agreement, or with respect to which such Person does not have a pecuniary interest.

Section 6.03. “Block Sale” shall mean a Transfer, in a single transaction (other than a Transfer to a Qualified Distribution Transferee) of all of the Equity Securities Beneficially Owned by Liberty (other than any Restricted Equity Securities) at such time to a Person (other than Mr. Diller, a Permitted Transferee, a Permitted Designee or the Company) not affiliated with Liberty (i) whose Ownership Percentage upon, and giving effect to, such Transfer does not exceed 30% of the Total Equity Securities and (ii) who enters into a standstill agreement with the Company in the form attached as Exhibit A to this Agreement (a “Standstill Agreement” and such Transferee, the “Block Sale Transferee”).

Section 6.04. “Block Sale Transferee” shall have the meaning set forth in Section 6.03.

Section 6.05. “business day” shall mean any day other than a Saturday, a Sunday or any other day on which banks in New York, New York may, or are required to, remain closed.

Section 6.06. “Chairman” shall mean the Chairman of the Board of Directors of the Company or any successor entity.

Section 6.07. “Chairman Termination Date” shall mean the date that Mr. Diller no longer serves as Chairman.

Section 6.08. “Commission” shall mean the Securities and Exchange Commission.

Section 6.09. “Company” shall have the meaning set forth in the Recitals to this Agreement.

Section 6.10. “Company Class B Stock” shall mean class B common stock, \$0.001 par value per share, of the Company.

Section 6.11. “Company Common Shares” shall mean shares of Company Common Stock and Company Class B Stock.

Section 6.12. “Company Common Stock” shall mean common stock, \$0.001 par value per share, of the Company.

Section 6.13. “Consenting Party” shall have the meaning set forth in Section 2.04.

Section 6.14. “Demand Registration” shall have the meaning set forth in Section 7.08(b).

Section 6.15. “DGCL” shall mean the General Corporation Law of the State of Delaware.

Section 6.16. “Disabled” shall mean the disability of Mr. Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a physician selected by Liberty and reasonably acceptable to Mr. Diller, his spouse or a personal representative designated by Mr. Diller; provided that Mr. Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. Total disability shall mean mental or physical incapacity that prevents Mr. Diller from managing the business affairs of the Company.

Section 6.17. “Distribution Transaction” shall mean any transaction pursuant to which the equity interests of a Subsidiary of Liberty which directly or indirectly holds all Company Common Shares Beneficially Owned (other than any Restricted Equity Securities) by Liberty at such time (a “Liberty Spinco”) are distributed, directly or indirectly (whether by redemption, dividend, share distribution, merger or otherwise) to all or substantially all of the holders of one or more classes or series of the common stock of Liberty that are registered under Section 12(b) or 12(g) of the Exchange Act (such holders of one or more such classes or series, “Liberty Holders”), on a pro rata basis with respect to each such class or series (other than with respect to the payment of cash in lieu of fractional shares), or such equity interests of such Liberty Spinco are available to be acquired by Liberty Holders (including through any rights offering, exchange offer, exercise of subscription rights or other offer made available to Liberty Holders), on a pro rata basis with respect to each such class or series (other than with respect to the payment of cash in lieu of fractional shares), whether voluntary or involuntary.

Section 6.18. “EBITDA” shall mean, for any period, for the Company and its Subsidiaries (on a pro forma basis to the extent the applicable period includes any period prior to the separation of TripAdvisor from the Company), on a combined consolidated basis: net income plus (to the extent reflected in the determination of net income) (i) provision for income taxes, (ii) minority interest, (iii) interest income and expense, (iv) depreciation and amortization, (v) amortization of cable distribution fees, and (vi) amortization of non-cash distribution and marketing expense and non-cash compensation expense.

Section 6.19. “Effective Time” shall have the meaning set forth in Section 7.13.

Section 6.20. “Equity Securities” shall mean the equity securities of the Company calculated on a Company Common Stock equivalent basis, including the Company Common Shares and those shares issuable upon exercise, conversion or redemption of other securities of the Company not otherwise included in this definition.

Section 6.21. "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 6.22. "Excluded Issuance" shall mean any issuance of Company Common Shares (i) in a Sale Transaction, or (ii) which is "restricted stock" or the ownership of which is otherwise subject to forfeiture ("Restricted Stock"), provided that for purposes of this definition and Section 3.01 of this Agreement any stock covered by the provisions of clause (ii) shall be deemed to have been issued for purposes of Section 3.01 of this Agreement on the date (the "Lapse Date") the restrictions on such stock lapse or on which the stock is no longer subject to forfeiture.

Section 6.23. "Expedia" shall have the meaning set forth in the recitals to this Agreement.

Section 6.24. "Fair Market Value" for a security publicly traded on a recognized exchange shall be the average closing price of such security for the three trading days ending on the applicable day (or, if such day is not a trading day, the trading day immediately preceding the applicable day), and for all other securities or property "Fair Market Value" shall be determined, by a nationally recognized investment banking firm which has not been engaged by the Company or Liberty or their respective Affiliates (including with respect to the Company, (a) for so long as Mr. Diller is Senior Executive of TripAdvisor, TripAdvisor and (b) for so long as Mr. Diller is Senior Executive of IAC/InterActiveCorp, IAC/InterActiveCorp) for the prior three years, selected by (i) the Company and (ii) Liberty; provided that, if the Company and Liberty cannot agree on such an investment banking firm within 10 business days, such investment banking firm shall be selected by a panel designated in accordance with the rules of the American Arbitration Association. The fees, costs and expenses of the American Arbitration Association and the investment banking firm so selected shall be borne equally by the Company and Liberty.

Section 6.25. "Hedging Transaction" shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.26. "Insider" shall mean all directors of the Company and all officers of the Company required to file a statement with respect to the Company pursuant to Section 16(a) of the Exchange Act.

Section 6.27. "Issue Price" shall mean the price per share equal to (i) in connection with an underwritten offering of Company Common Shares, the initial price at which the stock is offered to the public or other investors, (ii) in connection with other sales of Company Common Shares for cash, the cash price paid for such stock, (iii) in connection with the deemed issuances of Restricted Stock, the Fair Market Value of the stock on the Lapse Date (as defined in the definition of "Excluded Issuance" above), (iv) in connection with the issuance of Company Common Shares as consideration in an acquisition by the Company, the average of the Fair Market Value of the stock for the five trading days ending on the third trading day immediately

preceding (a) the date upon which definitive agreements with respect to such acquisition were entered into if the number of Company Common Shares issuable in such transaction is fixed on that date, or (b) such later date on which the consideration, or remaining portion thereof, issuable in such transaction becomes fixed, (v) in connection with a compensatory issuance of shares of Company Common Shares, the Fair Market Value of the Company Common Stock, and (vi) in all other cases, including, without limitation, in connection with the issuance of Company Common Shares pursuant to an option, warrant or convertible security (other than in connection with issuances described in clause (v) above), the Fair Market Value of the Company Common Shares on the date of issuance.

Section 6.28. "Lapse Date" shall have the meaning set forth in Section 6.22.

Section 6.29. "Liberty" shall have the meaning set forth in the Recitals to this Agreement.

Section 6.30. "Liberty Director" shall mean (a) any executive officer or director of Liberty designated by Liberty to serve on the Company's Board of Directors, provided that the Company's Board of Directors is not unable, in the exercise of its fiduciary responsibilities, to recommend that the Company's stockholders elect such individual to serve on the Company's Board of Directors, or (b) any other Person designated by Liberty who is reasonably acceptable to the Company.

Section 6.31. "Liberty Holdco" shall mean any holding company wholly owned by Liberty and reasonably acceptable to the Company, formed solely for the purpose of acquiring and holding an equity interest in the Company.

Section 6.32. "Liberty Holders" shall have the meaning set forth in Section 6.17.

Section 6.33. "Liberty Proxy" shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.34. "Liberty Spinco" shall have the meaning set forth in Section 6.17.

Section 6.35. "Litigation" shall have the meaning set forth in Section 7.05.

Section 6.36. "Mr. Diller" shall have the meaning set forth in the Recitals to this Agreement.

Section 6.37. "Ownership Percentage" means, with respect to any Stockholder, at any time, the ratio, expressed as a percentage, of (i) the Equity Securities Beneficially Owned by such Stockholder (disregarding any legal impediments to such Beneficial Ownership) and its Affiliates to (ii) the sum of (x) the Total Equity Securities and (y) with respect to such Stockholder, any Company Common Shares included in clause (i) that are issuable upon conversion, exchange or exercise of Equity Securities that are not included in clause (x).

Section 6.38. "Permitted Transferee" shall mean Liberty or Mr. Diller and the members of their respective Stockholder Groups.



Section 6.39. “Person” shall mean any individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, government or department or agency of a government.

Section 6.40. “Qualified Distribution Transferee” shall mean any Person that meets the following conditions: (i) at the time of any acquisition by it of Beneficial Ownership of Equity Securities, it is a Subsidiary of Liberty, (ii) thereafter, by reason of a Distribution Transaction, it ceases to be a Subsidiary of Liberty, (iii) if the Distribution Transaction pursuant to which such Person ceases to be a Subsidiary of Liberty occurs prior to the second anniversary of the Effective Time, then, immediately prior to such Distribution Transaction, such Person (or, if such Person is not the Liberty Spinco, the Liberty Spinco) is a wholly owned Subsidiary of Liberty, and (iv) prior to such Distribution Transaction (a) it and, if required by Section 5.01(a), the Liberty Spinco, enters into the amendment contemplated by Section 5.01(a) hereof and (b) it and, if required by Section 5.1 of the Stockholders Agreement, the Liberty Spinco enters into the amendment contemplated by Section 5.1 thereof.

Section 6.41. “Restricted Equity Security” shall mean any option, warrant, right or other security issued by the Company that by its terms is not transferable by the holder of such option, warrant, right or other security at such time of determination.

Section 6.42. “Restricted Stock” shall have the meaning set forth in Section 6.22.

Section 6.43. “Sale Transaction” shall mean a merger, consolidation or amalgamation between the Company and another entity (other than an Affiliate of the Company) in which the Company is to be acquired by such other entity or a Person who controls such entity, or a sale of all or substantially all of the assets of the Company to another entity, other than an Affiliate of the Company.

Section 6.44. “Securities Act” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 6.45. “Standstill Agreement” shall have the meaning set forth in Section 6.03.

Section 6.46. “Stockholder Group” shall mean (a) in respect of Liberty, the Liberty Stockholder Group (as defined in the Stockholders Agreement) and (b) in respect of Mr. Diller, the Diller Stockholder Group (as defined in the Stockholders Agreement).

Section 6.47. “Stockholders” shall mean Liberty and Mr. Diller.

Section 6.48. “Stockholders Agreement” shall mean the Amended and Restated Stockholders Agreement dated as of the date hereof between Liberty and Mr. Diller.

Section 6.49. “Subsidiary” shall mean, as to any Person, any corporation or other Person at least a majority of the shares of stock or other ownership interests of which having general voting power under ordinary circumstances to elect a majority of the Board of Directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency) is, at the time as of which the determination is being made, owned by such Person, or one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries.

Section 6.50. “Third-Party Transferee” shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.51. “Total Debt” shall mean all obligations of the Company and its Subsidiaries for money borrowed, at such time (including all long-term senior and subordinated indebtedness, all short-term indebtedness, the stated amount of all letters of credit issued for the account of the Company or any of its Subsidiaries and (without duplication) all unreimbursed draws thereunder (but excluding trade letters of credit)), net of cash (other than working capital) or cash equivalent securities, as shown on the consolidated quarterly or annual financial statements, including the notes thereto, of the Company and its Subsidiaries included in the Company’s filings under the Exchange Act for such period, determined in accordance with GAAP, provided, however, that Total Debt shall not include hedging, pledging, securitization or similar transactions involving securities owned by the Company or its Subsidiaries to monetize the underlying securities, to the extent such securities are the sole means of satisfying such obligations and otherwise the fair value thereof.

Section 6.52. “Total Debt Ratio” shall mean, at any time, the ratio of (i) Total Debt of the Company and its Subsidiaries on a combined consolidated basis as of such time to (ii) EBITDA for the four fiscal quarter period ending as of the last day of the most recently ended fiscal quarter as of such time.

Section 6.53. “Total Equity Securities” at any time shall mean, subject to the next sentence, the total number of the Company’s outstanding equity securities calculated on a Company Common Stock equivalent basis. Any Equity Securities Beneficially Owned by a Person that are not outstanding Voting Securities but that, upon exercise, conversion or exchange, would become Voting Securities, shall be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of Equity Securities owned by such Person but shall not be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of the Equity Securities owned by any other Person.

Section 6.54. “Transfer” shall mean, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Company Common Shares Beneficially Owned by such Stockholder or any interest in any Company Common Shares Beneficially Owned by such Stockholder, provided, however, that, a merger or consolidation in which a Stockholder is a constituent corporation shall not be deemed to be the Transfer of any Company Common Shares Beneficially Owned by such Stockholder (provided, that a significant purpose of any such transaction is not to avoid the provisions of this Agreement). For purposes of this Agreement, the conversion of Company Class B Stock into Company Common Stock shall not be deemed to be a Transfer.

Section 6.55. “TripAdvisor” means TripAdvisor, Inc., a Delaware corporation.

Section 6.56. "Voting Securities" shall mean at any particular time the shares of any class of capital stock of the Company which are then entitled to vote generally in the election of directors.

## ARTICLE VII

### MISCELLANEOUS

Section 7.01. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy) and shall be given, if to Liberty, to:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, Colorado 80112  
Attention: General Counsel  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts L.L.P.  
30 Rockefeller Plaza  
44th Floor  
New York, New York 10112  
Attention: Frederick H. McGrath  
Facsimile: (212) 408-2501

if to Mr. Diller, to:

Barry Diller  
Chairman  
Expedia, Inc.  
c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, New York 10011  
Attention: General Counsel  
Facsimile: (212) 632-9551

with a copy to:

Expedia, Inc.  
333 108th Avenue N.E.  
Bellevue, Washington 98004  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

if to the Company, to:

Expedia, Inc.  
333 108th Avenue N.E.  
Bellevue, Washington 98004  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

or such address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. Each such notice, request or other communication shall be effective when delivered personally, telegraphed, or telecopied, or, if mailed, five business days after the date of the mailing.

Section 7.02. Amendments; No Waivers. (a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the party whose rights or obligations hereunder are affected by such amendment, or in the case of a waiver, by the party or parties against whom the waiver is to be effective. Any amendment or waiver by the Company shall be authorized by a majority of the Board of Directors (excluding for this purpose any director who is a Liberty Director as provided for in this Agreement), except as otherwise provided in Section 7.03.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.03. Company Consent Right to Waiver of Liberty Conversion Obligations in Stockholders Agreement. Any waiver by Mr. Diller of Liberty's obligation (or the obligation of any member of Liberty's Stockholder Group), pursuant to Section 4.4(b) of the Stockholders Agreement, to convert or exchange shares of Company Class B Stock into shares of Company Common Stock before Transferring shares of Company Class B Stock to a third party (including as required in connection with any Hedging Transaction) will be subject to the consent of the Company (the Company's right to so consent, the "Waiver Consent Right"), which consent will

be exercisable by the vote of (i) a majority of the members of the Board of Directors who are “independent directors” as defined by applicable stock exchange listing rules (which, for this purpose, shall exclude any director who is a Liberty Director) or (ii) a majority of the members of a committee of the Board of Directors composed solely of such independent directors (each of (i) and (ii), a “Special Committee”). If, pursuant to Sections 6.2(a) or 6.2(b) of the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee), Mr. Diller has ceased to be entitled to exercise his rights under the Stockholders Agreement, the Waiver Consent Right will terminate and no such consent will thereafter be required in connection with Liberty’s Transfer of shares of Company Class B Stock.

In the event the Stockholders Agreement is mutually terminated by Mr. Diller and Liberty, then:

(a) if, at the time the Stockholders Agreement is mutually terminated, Mr. Diller would, but for such mutual termination, have ceased to be entitled to exercise his rights under the Stockholders Agreement pursuant to Sections 6.2(a) or 6.2(b) thereof (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee), the Waiver Consent Right will terminate at the same time the Stockholders Agreement is mutually terminated; or

(b) if, at the time the Stockholders Agreement is mutually terminated, Mr. Diller would have been entitled to exercise his rights under the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee) had such mutual termination not occurred, then the Waiver Consent Right will continue until the earlier of: (i) such time as Mr. Diller would have, pursuant to Sections 6.2(a) or 6.2(b) of the Stockholders Agreement, ceased to be entitled to exercise his rights under the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee) had the Stockholders Agreement remained in full force and effect and (ii) the one-year anniversary of the date the Stockholders Agreement is mutually terminated.

Section 7.04. Successors And Assigns. Except as provided in Article I or as provided for in Section 5.01(a), neither this Agreement nor any of the rights or obligations under this Agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger of Liberty with another Person a significant purpose of which is not to avoid the provisions of this Agreement), by any party without the prior written consent of the other parties hereto. Subject to the foregoing, the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 7.05. Governing Law; Consent To Jurisdiction. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority (“Litigation”) arising out of or relating to this Agreement and the transactions

contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.06. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 7.07. Specific Performance. The Company, Mr. Diller and Liberty each acknowledge and agree that the parties' respective remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of that fact, agree that, in the event of a breach or threatened breach by Mr. Diller, the Company or Liberty of the provisions of this Agreement, in addition to any remedies at law, Mr. Diller, Liberty and the Company, respectively, without posting any bond shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available.

Section 7.08. Registration Rights. (a) Liberty and Mr. Diller shall be entitled to customary registration rights relating to Company Common Stock owned by them as of the date hereof or acquired from the Company (including upon conversion of Company Class B Stock) in the future (including the ability to transfer registration rights as set forth in this Agreement in connection with the sale or other disposition of Company Common Stock).

(b) If requested by a Stockholder, the Company shall be required promptly to cause the Company Common Stock owned by such Stockholder or its Affiliates to be registered under the Securities Act in order to permit such Stockholder or such Affiliate to sell such shares in one or more (but not more than (i) in the case of Liberty, four and (ii) in the case of Mr. Diller, three) registered public offerings (each, a "Demand Registration"). Each Stockholder shall also be entitled to customary piggyback registration rights. If the amount of shares sought to be registered by a Stockholder and its Affiliates pursuant to any Demand Registration is reduced by more than 25% pursuant to any underwriters' cutback, then such Stockholder may elect to request the Company to withdraw such registration, in which case, such registration shall not count as one of such Stockholder's Demand Registrations. If a Stockholder requests that any Demand Registration be an underwritten offering, then such Stockholder shall select the underwriter(s) to administer the offering, provided that such underwriter(s) shall be reasonably satisfactory to the Company. If a Demand Registration is an underwritten offering and the managing underwriter advises the Stockholder initiating the Demand Registration in writing that in its opinion the total number or dollar amount of securities proposed to be sold in such offering is such as to materially and adversely affect the success of such offering, then the Company will

include in such registration, first, the securities of the initiating Stockholder, and, thereafter, any securities to be sold for the account of others who are participating in such registration (as determined on a fair and equitable basis by the Company). In connection with any Demand Registration or inclusion of a Stockholder's or its Affiliate's shares in a piggyback registration, the Company, such Stockholder and/or its Affiliates shall enter into an agreement containing terms (including representations, covenants and indemnities by the Company and such Stockholder), and shall be subject to limitations, conditions, and blackout periods, customary for a secondary offering by a selling stockholder. The costs of the registration (other than underwriting discounts, fees and commissions) shall be paid by the Company. The Company shall not be required to register such shares if a Stockholder would be permitted to sell the Company Common Stock in the quantities proposed to be sold at such time in one transaction under Rule 144 of the Securities Act or under another comparable exemption therefrom.

(c) If the Company and a Stockholder cannot agree as to what constitutes customary terms within ten days of such Stockholder's request for registration (whether in a Demand Registration or a piggyback registration), then such determination shall be made by a law firm of national reputation mutually acceptable to the Company and such Stockholder.

Section 7.09. Termination. Except as otherwise provided in this Agreement, this Agreement shall terminate (a) as to Liberty, at such time that Liberty Beneficially Owns Equity Securities representing less than 5% of the Total Equity Securities and (b) as to Mr. Diller, at such time that the Chairman Termination Date has occurred or at such time as he becomes Disabled. In respect of "Contingent Matters," such provisions shall terminate as to Mr. Diller and Liberty as set forth therein.

Section 7.10. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, provided that the parties hereto shall negotiate in good faith to attempt to place the parties in the same position as they would have been in had such provision not been held to be invalid, void or unenforceable.

Section 7.11. Cooperation. Each of Liberty and Mr. Diller covenants and agrees with the other to use its reasonable best efforts to cause the Company to fulfill the Company's obligations under this Agreement.

Section 7.12. Adjustment of Share Numbers and Prices. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of capital stock referred to in this Agreement, then, in any such event, the numbers and types of shares of such capital stock referred to in this Agreement and, if applicable, the prices of such shares, shall be adjusted to the number and types of shares of such capital stock that a holder of such number of shares of such capital stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event, and the prices for such shares shall be similarly adjusted.

Section 7.13. Effective Time. This Agreement shall become effective as of the date hereof, immediately following consummation of TripAdvisor's spin-off from the Company and transactions relating thereto (the "Effective Time").

Section 7.14. Entire Agreement. Except as otherwise expressly set forth herein, this Agreement and the Stockholders Agreement embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way (including, without limitation, effective upon the date hereof, all stockholders agreements relating to the Company (other than the Stockholders Agreement) between Liberty and Mr. Diller).

Section 7.15. Interpretation. References in this Agreement to Articles and Sections shall be deemed to be references to Articles and Sections of this Agreement unless the context shall otherwise require. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of such agreement or instrument.

Section 7.16. Headings. The titles of Articles and Sections of this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.



IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Governance Agreement to be duly executed as of the day and year first above written.

EXPEDIA, INC.

By \_\_\_\_\_  
Name:  
Title:

LIBERTY INTERACTIVE CORPORATION

By \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
BARRY DILLER

**[SIGNATURE PAGE TO AMENDED AND RESTATED EXPEDIA GOVERNANCE AGREEMENT]**

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**EXHIBIT A**

**FORM OF STANDSTILL AGREEMENT**

## FORM OF STANDSTILL AGREEMENT

This STANDSTILL AGREEMENT, dated as of [—] and effective as of the Effective Date (as defined below) (this “Agreement”), is entered into by and among the Persons set forth on Annex A hereto (collectively, the “Block Sale Transferee”) and Expedia, Inc., a Delaware corporation (the “Company,” which term shall, for purposes of this Agreement, include its direct and indirect subsidiaries) (each, a “Party” and collectively, the “Parties”).

### WITNESSETH:

WHEREAS, the Company is a party to a governance agreement dated as of [—], 20[11] (the “Governance Agreement”), among the Company, Liberty Interactive Corporation (“Liberty”), for itself and on behalf of the members of its Stockholder Group and Mr. Barry Diller (“Mr. Diller”), for himself and on behalf of the members of his Stockholder Group;

WHEREAS, the Governance Agreement requires that, prior to the consummation of a Transfer qualifying as a Block Sale, the Block Sale Transferee shall have executed a standstill agreement with the Company;

WHEREAS, pursuant to Section 5.02(b)(ii) of the Governance Agreement, the Company has agreed that, prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company, the Board of Directors of the Company will approve (x) the Block Sale Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block Sale for purposes of Section 203(a)(1) of the DGCL, with the condition that the Block Sale Transferee execute this Agreement;

WHEREAS, this Agreement shall be effective as of the date of consummation of the Block Sale (the “Effective Date”); and

WHEREAS, capitalized terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Governance Agreement.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement and other consideration, the adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

### 1. **Definitions.**

1.1 The term “Actual Ownership” (and the related term “Actually Own”) shall mean as of any date of determination, an amount equal to the sum of (a) the number of Company Common Shares (or other Voting Securities) issued and outstanding and actually owned by Mr. Diller and his Affiliates as of such date (excluding shares of Company Common Stock that Mr. Diller and his Affiliates could exchange pursuant to clause (c)), plus (b) the number of shares of Company Class B Stock owned by any third party that has acquired shares of Company Class B Stock pursuant to the exercise of the Purchase/Exchange Right in accordance with Section

5.02(d) of the Governance Agreement, plus (c) the number of shares of Company Class B Stock Mr. Diller and his Affiliates would actually own if Mr. Diller exercised (directly or with an Affiliate) the Purchase/Exchange Right pursuant to Section 5.02(c)(ii) of the Governance Agreement utilizing the shares of Company Common Stock issued and outstanding and actually owned by Mr. Diller and his Affiliates as of such date; provided, that, notwithstanding anything to the contrary in this Section 1.1, for the avoidance of doubt, Actual Ownership shall not include Company Common Shares (or other equity securities of the Company) which are deemed Beneficially Owned by Mr. Diller solely by virtue of voting power granted to Mr. Diller pursuant to a proxy granted by Liberty.

1.2 The term "business day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of New York.

1.3 The term "DGCL" means the General Corporation Law of the State of Delaware, as amended.

1.4 The term "group" shall have the meaning given to that term (or as that term is used) in Section 13(d)(3) of the Exchange Act.

1.5 The term "proxy" shall have the meaning ascribed to such term in Rule 14a-1 promulgated under the Exchange Act.

1.6 The term "Rights Offering" means the issuance by the Company to holders of Company Common Stock (or other equity securities of the Company) of rights to buy, within a fixed time period, a proportional number of newly issued shares of Company Common Stock (or other equity securities of the Company).

1.7 The term "SEC" means the Securities and Exchange Commission.

1.8 The term "solicitation" shall have the meaning ascribed to such term in Rule 14a-1 promulgated under the Exchange Act.

## 2. Share Ownership.

2.1 Limitation on Share Ownership. From the Effective Date until the third anniversary of the Effective Date (the "Standstill Period"), the Block Sale Transferee and its Affiliates shall not acquire Beneficial Ownership of any Equity Securities that would cause the Block Sale Transferee, its Affiliates or any group of which any of them are a part to Beneficially Own in the aggregate more than thirty percent (30%) of the Total Equity Securities (subject to adjustment pursuant to this Section 2.1, the "Ownership Limitation"); provided, however, that the Block Sale Transferee shall not be in breach of the Ownership Limitation to the extent that its Beneficial Ownership of Equity Securities exceeds the Ownership Limitation as a result of (x) a reduction in the number of Total Equity Securities (whether due to a redemption, share buyback, reverse stock split or similar transaction effected by the Company or any of its Subsidiaries), (y) a distribution that was made by the Company pursuant to a Rights Offering or a distribution that was made generally to holders of Company Common Shares (or other equity securities of the Company) as a result of their ownership of Company Common Shares (or other equity securities of the Company) including, without limitation, pursuant to a shareholder rights plan or similar

plan or agreement, or (z) the acquisition by the Block Sale Transferee or its Affiliates of any Company Common Shares (or other equity securities of the Company) as a result of the exercise (or exchange) of any rights (1) distributed to the Block Sale Transferee or its Affiliates by the Company pursuant to clause (y) above and (2) acquired, directly or indirectly, by the Block Sale Transferee or its Affiliates from third parties (“Third Party Rights”), subject, as to the exercise (or exchange) of the Third Party Rights, to the following limitations: (A) in the event that the Company or any of its Subsidiaries enters into an agreement with a standby purchaser or underwriter (a “Standby Purchaser”) pursuant to which such Standby Purchaser will purchase and exercise rights or otherwise purchase Company Common Shares (or other equity securities) that would have been issuable upon the exercise of rights which expire unexercised upon the expiration of such offering or distribution (such offering or distribution, an “Underwritten Offering”), then the Block Sale Transferee and its Affiliates will only be permitted to exercise such Third Party Rights to the extent that, assuming the Standby Purchaser exercised rights or acquired shares in accordance with its obligations under such agreement with the Company, such exercise would not result in the Block Sale Transferee and its Affiliates exceeding the Ownership Limitation in effect immediately prior to the commencement of such Rights Offering or other distribution and (B) in the event such offering or distribution is not an Underwritten Offering, or in the event of a separation or distribution of rights pursuant to a shareholder rights plan or similar plan or agreement, the Block Sale Transferee and its Affiliates will not be entitled to exercise (or exchange) Third Party Rights to the extent that after giving effect to the exercise (or exchange) of all rights distributed to the Block Sale Transferee and its Affiliates by the Company, such exercise (or exchange) of Third Party Rights would result in the Block Sale Transferee and its Affiliates having Beneficial Ownership of Equity Securities, determined immediately following the closing of such offering or distribution or (in the case of a shareholder rights plan or similar plan or agreement) at such time as all of the Company’s stockholders electing to exercise rights (excluding any “acquiring person”) have exercised such rights or, if applicable, the Company has exchanged the rights held by all of the Company’s stockholders (other than by the “acquiring person”), in an amount that exceeds the Ownership Limitation in effect immediately prior to the commencement of such offering, distribution or separation, as applicable. In the event that the Block Sale Transferee’s Beneficial Ownership of Equity Securities exceeds the Ownership Limitation as a result of actions referred to in clauses (x) or (z) of this Section 2.1 (or any combination thereof and the Block Sale Transferee is otherwise in compliance with the provisions of this Section 2.1), then the Ownership Limitation shall be deemed increased to that percentage which is equal to the Block Sale Transferee’s Beneficial Ownership of Total Equity Securities immediately following (i) for purposes of clause (x), the event that caused such increase and (ii) for purposes of clause (z), the closing of such Rights Offering or distribution or (in the case of a shareholder rights plan or similar plan or agreement) at such time as all of the Company’s stockholders electing to exercise rights (excluding any “acquiring person”) have exercised such rights or, if applicable, the Company has exchanged the rights held by all of the Company’s stockholders (other than by the “acquiring person”), and thereafter the Block Sale Transferee and its Affiliates shall not acquire any Company Common Shares (or other equity securities of the Company) that would result in it exceeding such adjusted Ownership Limitation except as otherwise permitted by this Section 2.1. The Block Sale Transferee acknowledges and agrees that nothing in this Section 2.1 is intended to limit or restrict the operation of any shareholder rights plan or similar plan or agreement adopted by the Company.

2.2 Share Ownership Notice. Within 5 business days after the end of each calendar quarter during the Standstill Period, commencing with the quarter ending [—], the Block Sale Transferee shall provide written notice to the Company of the number of Equity Securities

Beneficially Owned by the Block Sale Transferee at the end of such quarter. Upon a written request by the Block Sale Transferee to the Company, the Company shall provide within 10 business days of the receipt of such written request a written notice to the Block Sale Transferee of the number of Equity Securities Beneficially Owned and Actually Owned by Mr. Diller as of such date, and the Block Sale Transferee agrees to hold the information contained in such notice in confidence (except in the event that the Block Sale Transferee is required by law, regulation, legal process, regulatory authority (including, without limitation, any stock exchange) or other applicable judicial or governmental order to disclose the information contained in such notice or to the extent necessary to exercise or enforce any of its rights under this Agreement).

3. **Standstill and Related Provisions.**

3.1 **Standstill Provisions.** During the Standstill Period, unless expressly authorized in writing to do so by a majority of the members of the Board of Directors, acting through a committee of directors that qualify as “independent directors” as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>1</sup>, the Block Sale Transferee shall not, and shall cause its Affiliates not to, directly or indirectly, acting alone or as part of a group:

- (a) make, or in any way participate in any solicitation of any proxy [(but without regard to the exclusion set forth in Rule 14a-1(l)(2)(iv) under the Exchange Act from the definition of “solicitation”)]<sup>2</sup> to vote any Company Common Shares (or other equity securities of the Company) with respect to any matter (including, without limitation, any contested solicitation for the election of directors with respect to the Company), other than solicitations or acting as a participant in support of all of the Company’s nominees [including, without limitation, the nominees of the Block Sale Transferee pursuant to Article 5]<sup>3</sup>;
- (b) form, join in or in any way participate in a group (for the avoidance of doubt, the Block Sale Transferee shall not be deemed to have formed, joined in or in any way participated in a group with the Company as a result of the Block Sale Transferee’s execution of this Agreement) with respect to the Company Common Shares (or other equity securities of the Company) or deposit any Company Common Shares (or other equity securities of the Company) in a voting trust or similar arrangement or subject any Company Common Shares (or other equity securities of the Company) to any voting agreement or similar arrangement, or grant any proxy with respect to any Company Common Shares (or other equity securities of the Company) (other than to a designated representative of the Company pursuant to a proxy statement of the Company), other than as contemplated by the Governance Agreement or the Stockholders Agreement or the transactions contemplated thereby;

<sup>1</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>2</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>3</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

- (c) seek to call, or to request the calling of, or call a special meeting of the stockholders of the Company, or seek to make, or make, a stockholder proposal (whether pursuant to Rule 14a-8 under the Exchange Act or otherwise) at any meeting of the stockholders of the Company, or make a request for a list of the Company's stockholders, or[, other than pursuant to the Block Sale Transferee's nomination rights in accordance with Article 5 of this Agreement,]<sup>4</sup> seek election of a representative to the Board of Directors, seek to place a representative on the Board of Directors or seek the removal of any director from the Board of Directors, or otherwise acting alone, or by participating in a group, seek to control or influence the governance or policies of the Company;
- (d) effect or seek to effect (including, without limitation, by entering into any discussions, negotiations, agreements or understandings whether or not legally enforceable with any third Person), offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way assist or facilitate any other Person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in any acquisition of any Company Common Shares (or other equity securities of the Company) (or Beneficial Ownership thereof) in excess of the Ownership Limitation, except in accordance with Section 2.1; provided, that, for the avoidance of doubt, the Block Sale Transferee is permitted to Transfer to an unaffiliated third party any Company Common Shares (or other equity securities of the Company) Beneficially Owned by the Block Sale Transferee, subject to the provisions of Article 8 hereof, if applicable;
- (e) effect or seek to effect (including, without limitation, by entering into any discussions, negotiations, agreements or understandings whether or not legally enforceable with any third Person), offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way assist or facilitate any other Person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in (i) any tender offer or exchange offer, merger, acquisition, share exchange or other business combination involving the Company or any of its Subsidiaries, (ii) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or any of its Subsidiaries or any material portion of its or their businesses, or (iii) any acquisition of any material assets or businesses of the Company or any of its Subsidiaries;
- (f) publicly disclose, or cause or, in a material manner, facilitate the public disclosure (including without limitation through the filing by it of any document or report with the SEC or any other governmental agency or any disclosure to any journalist, member of the media or securities analyst) of any intent, purpose, plan or proposal to obtain any waiver, or consent under, or any amendment of, any of the provisions of Section 2.1, this Section 3.1, or Article 4 (except as described in Section 4.1) or bring any action to (i) contest the validity of Section 2.1, this Section 3.1 or Article 4, or (ii) seek a release from the restrictions contained in Section 2.1, this Section 3.1 or Article 4;

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<sup>4</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

- (g) unless required by law, make or issue or cause to be made or issued any public disclosure, announcement or statement (including without limitation the filing of any document or report with the SEC or any other governmental agency or any disclosure to any journalist, member of the media or securities analyst) (i) in support of any solicitation described in paragraph (a) above (other than solicitations by the Company), (ii) in support of any matter described in paragraph (c) above, (iii) concerning any potential matter described in paragraph (d) above; (iv) concerning any potential matter described in paragraph (e) above; or (v) negatively commenting upon the Company's corporate strategy, business, corporate activities, board of directors or management (for the avoidance of doubt, making any factual statement about the Company's corporate strategy, business, corporate activities, board of directors or management shall not be prohibited by this Section 3.1(g)(v)); or
- (h) enter into any discussions, negotiations, agreements or understandings with any Person with respect to any of the foregoing or advise, assist or seek to persuade others to take any action with respect to any of the foregoing.

Notwithstanding the foregoing, (a) [the restrictions in Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) (to the extent it relates to any of the foregoing) shall not apply at any time that (i) the Company fails to comply in all material respects with its obligations under Article 5 hereof, which failure continues unremedied for a period of 10 business days following receipt by the Company of a written notice from the Block Sale Transferee of such failure or (ii) the Block Sale Transferee has relinquished its nomination rights pursuant to Article 5 and all Block Sale Transferee nominated directors have resigned; or (b)]<sup>5</sup> in the event that (x) the Board of Directors determines that the Company should engage in any transaction described in Section 3.1(e)(i) or 3.1(e)(ii), the Block Sale Transferee shall be permitted to participate in such Board of Directors' approved transaction as a shareholder on the same terms and conditions as any other shareholder of the Company, (y) the Board of Directors determines that the Company should solicit from one or more Persons or enter into discussions with one or more Persons regarding, or invites any other Person or group to make a proposal (without similarly inviting the Block Sale Transferee to make a similar proposal) with respect to an acquisition of (i) all or substantially all of the equity securities or assets of the Company or any of its Subsidiaries (by merger, tender offer or otherwise) or (ii) any material assets or businesses of the Company or any of its Subsidiaries, the Block Sale Transferee shall have the right to make a non-public competing proposal to the Board of Directors in compliance with any written procedures generally applicable to Persons making proposals provided by the Company or the Board of Directors or (z) any third party that is not an Affiliate of the Block Sale Transferee makes a bona fide offer or proposal, with respect to a matter described in Section 3.1(d) or 3.1(e) above (a "Third Party Proposal"), the Block Sale Transferee (A) shall have the right to make a non-public competing proposal to the Board of Directors and may publicly

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<sup>5</sup> Note to form: enumerated restrictions to be removed if the Block Sale Transferee does not accept the board nomination rights.



announce that it has made a competing proposal to the Board of Directors so long as such public announcement does not constitute an offer or a solicitation to any recipient thereof and (B) may tender, exchange or otherwise sell or transfer its Company Common Shares (or other equity securities of the Company) to such third party in accordance with the Third Party Proposal; provided, however, that in the case of clauses (y) and (z), the Block Sale Transferee shall be prohibited from participating with, joining in a group with or providing financing to any such third party).

[For the avoidance of doubt, any discussions involving the directors nominated by the Block Sale Transferee pursuant to Article 5 hereof (i) at a meeting of the Board of Directors or (ii) with management of the Company, other members of the Board of Directors or any of the Company's advisors or representatives, in the case of clauses (i) and (ii), while acting in such directors' capacity as members of the Board of Directors, shall not be deemed to violate any of the provisions of this Article 3.]<sup>6</sup>

#### 4. Restriction on Business Combinations

4.1 If, at the Effective Date and after taking into consideration the effect of the Block Sale, the Block Sale Transferee would be an "interested stockholder" for purposes of Section 203(c)(5) of the DGCL, then during the Standstill Period any "business combination" (as such term is defined in Section 203(c)(3) of the DGCL) between the Company and the Block Sale Transferee or any of its Affiliates will require approval by the Board of Directors, acting through a committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term will, for this purpose, exclude any directors nominated by the Block Sale Transferee)]; provided, that the execution and delivery by the Company or any of its Subsidiaries of any contract or agreement with respect to a proposed "business combination" of the type described in Section 203(c)(3)(v) of the DGCL to which the Block Sale Transferee or its "affiliates" (as such term is defined in Section 203(c)(1) of the DGCL) is a party shall constitute conclusive evidence of such approval only with respect to such contract or agreement (and the performance thereof) to the Block Sale Transferee; and provided, further, that the entrance into such contract shall constitute a waiver of the restrictions in Section 3.1(f) with respect to such contract or agreement.

#### 5. Board Representation

5.1 The Block Sale Transferee shall have the right to nominate up to such number of directors to the Board of Directors as is equal to 20% of the total number of directors on the Board of Directors (rounded up to the next whole number if the total number of directors on the Board of Directors is not an even multiple of 5) so long as the Block Sale Transferee Beneficially Owns at least 16,825,982 Equity Securities (so long as the Ownership Percentage of the Block Sale Transferee is at least equal to 15% of the Total Equity Securities), provided that all Liberty Directors have resigned from the Board of Directors. The Block Sale Transferee shall have the right to nominate one director to the Board of Directors so long as the Block Sale

<sup>6</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>7</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

Transferee Beneficially Owns at least 11,217,321 Equity Securities (so long as the Block Sale Transferee's Ownership Percentage is at least equal to 5% of the Total Equity Securities), provided that all Liberty Directors have resigned from the Board of Directors.

5.2 Each director nominee proposed by the Block Sale Transferee must qualify as an "independent director" as defined by applicable stock exchange listing rules. The director nominees proposed by the Block Sale Transferee must be approved by the nominating committee of the Board of Directors (which committee shall be comprised solely of "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)) (or by an equivalent committee of the Board of Directors or, if no such committee exists, by a committee of "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)), and, if such approval is not granted to one or more of the Block Sale Transferee's proposed nominees, the Block Sale Transferee shall have the right to propose additional nominees until approval has been granted to that number of nominees equal to the number of directors the Block Sale Transferee is entitled to nominate pursuant to Section 5.1.

5.3 Subject to the approval of the Block Sale Transferee's nominees as described in Section 5.2 and provided that the Block Sale Transferee has provided (or caused to be provided) the Company with all information reasonably requested by the Company relating to its nominees to the extent required under applicable law to be included in any proxy statement of the Company and in any other solicitation materials to be delivered to stockholders of the Company in connection with a stockholders meeting, the Company shall cause each director nominee of the Block Sale Transferee that has received such approval to be included in the slate of nominees recommended by the Board of Directors to the Company's stockholders for election as directors at each annual meeting of the stockholders of the Company and shall use all reasonable efforts to cause the election of each director nominee of the Block Sale Transferee that has received such approval, including soliciting proxies in favor of the election of such persons.

5.4 In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without Cause) of any Director nominated by the Block Sale Transferee pursuant to Section 5.1, or by any increase in the number of directors constituting the entire Board (such that the Block Sale Transferee, pursuant to Section 5.1, is entitled to additional representation on such Board to maintain its right to nominate directors constituting 20% (rounded up) of the total number of directors on the Board), the Block Sale Transferee shall, subject to Section 5.2, have the right to designate a replacement or additional Director to fill such vacancy, and the Company shall use all reasonable efforts to cause such vacancy to be filled with the replacement or additional Director so designated.

5.5 The Company shall use its best efforts to cause the candidate(s) nominated by the Block Sale Transferee (subject Section 5.2 hereof and Section 5.02(f) of the Governance Agreement) to be appointed to the Board of Directors at the next regularly scheduled meeting of the Board of Directors immediately following the Effective Date.]<sup>8</sup>

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<sup>8</sup> Note to form: to be included if Block Sale Transferee accepts the board nomination rights.

6. **Representations and Warranties.**<sup>9</sup>

6.1 **Authority; Binding Agreement of Company; Anti-takeover.** The Company represents that (a) this Agreement and the performance by the Company of its obligations hereunder (i) has been duly authorized, executed and delivered by it, and is a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, (ii) does not require the approval of the stockholders of the Company, and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational document of the Company, or any stock exchange rule or regulation, (b) prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company and subject to the execution by the Block Sale Transferee of this Agreement and the accuracy of the representation contained in Section 6.2(b), the Board of Directors has approved (x) the Block Sale Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block Sale for purposes of Section 203(a)(1) of the DGCL and (c) the Company has amended any stockholder rights plan or similar plan or agreement (or taken all steps necessary to amend any charter or bylaw provision) then in effect that would impose on the Block Sale Transferee, or cause the Block Sale Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, of the Block Sale Transferee’s equity or voting power or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of the Block Sale Transferee’s and its Affiliates’ receipt or continued ownership of Company Common Shares or other equity securities of the Company in the Block Sale, such that the acquisition and continued ownership by the proposed Block Sale Transferee of Company Common Shares or other equity securities of the Company in such Block Sale or thereafter in an amount permitted by this Agreement will not result in the imposition of any such restriction, limitation or economic detriment or cost under any such plan or agreement (or charter or bylaw provision having anti-takeover provisions).

6.2 **Authority; Binding Agreement of Block Sale Transferee; Ownership of Shares.** Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that (a) this Agreement and the performance by such Person of its obligations hereunder (i) has been duly authorized, executed and delivered by such Person, and is a valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, (ii) does not require approval by any owners or holders of any equity interest in such Person (except as has already been obtained), and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational documents of such Person, as amended, or constitute a breach or violation of or conflict with any material agreement to which such Person is bound and none of such material agreements would impair in any material respect the ability of such Person to perform its obligations hereunder, (b) prior to the approval described in Section 6.1(b) above, the Block Sale Transferee was not an “interested stockholder” within the meaning

<sup>9</sup> Nothing contained in Article 6 shall constitute consent by the committee of directors that qualify as “independent directors” as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee) to any waiver of any obligation to convert Company Class B Stock into shares of Company Common Stock.

of Section 203(c)(5) of the DGCL with respect to the Company and (c) as of the date hereof, after taking into account the Company Common Shares to be acquired by the Block Sale Transferee in the Block Sale and based upon the number of Company Common Shares outstanding as set forth in the Company's latest Report on Form 10-K or Form 10-Q, as applicable, the Block Sale Transferee does not Beneficially Own Company Common Shares in excess of the Ownership Limitation.

6.3 Interests in Company Common Shares. Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that, as of the Effective Date, it is or will be, as applicable, the Beneficial Owner of the number and type of Company Common Shares (or other equity securities of the Company) set forth (including, without limitation, as to the form of ownership) on Annex B hereto.

6.4 Compliance with Laws. Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that (a) it is aware, and that it has advised and will advise its Affiliates, that federal and state securities laws prohibit any Person who has material, non-public information about a company from purchasing or selling securities of such a company or from communicating such information to any other Person under circumstances in which it is reasonably foreseeable that the Person is likely to purchase or sell those securities, and (b) it will, and will cause its Affiliates to, comply with federal and state securities laws in connection with any purchase of the Company's securities contemplated by this Agreement.

7. **Termination**.

7.1 Termination. This Agreement will terminate and cease to be of any further force or effect, except with respect to Article 9 of this Agreement (with respect to actions, events or causes of action arising prior to, or in connection with, such termination), upon the earlier to occur of (i) the expiration of the Standstill Period or (ii) such time as (A) all or substantially all of the assets or equity securities of the Company have been acquired (whether by merger, tender offer or otherwise) by a third party and (B) the Block Sale Transferee or any of its Affiliates ceases to own any Company Common Shares (or other equity securities of the Company); provided that the provisions of Article 2 and Article 3 of this Agreement shall terminate and be of no further force and effect prior to the end of the Standstill Period upon the earlier to occur of:

- (a) such time as the Actual Ownership of Voting Securities represents in excess of 50% of the aggregate voting power of the total Voting Securities (provided that for purposes of calculating the aggregate voting power of the total Voting Securities for purposes of this Section 7.1(a), total Voting Securities shall: (1) include those shares of Company Class B Stock as to which Mr. Diller and his Affiliates at such time could receive pursuant to the Purchase/Exchange Right provided for in Section 5.02(c) of the Governance Agreement solely by exchanging an equivalent number of issued and outstanding shares of Company Common Stock actually owned by Mr. Diller and such Affiliates at such time, and (2) exclude such shares of Company Common Stock that could be exchanged as of such date by Mr. Diller and such Affiliates pursuant to clause (1)); or

- (b) such time as both (i) the Block Sale Transferee, its Affiliates or any group of which any of them are a part Beneficially Owns less than 12% of the aggregate voting power of the Total Equity Securities and (ii) Mr. Diller Beneficially Owns greater than 40% of the aggregate voting power of the Total Equity Securities (provided that for purposes of this Section 7.1(b)(ii), Mr. Diller's Beneficial Ownership shall not include Company Common Shares which are deemed Beneficially Owned by Mr. Diller solely by virtue of voting power granted to Mr. Diller pursuant to any Proxy granted by Liberty).

7.2 Notice of Termination of Article 2 and Article 3. In the event that any Party becomes aware of the occurrence of the events described in Section 7.1(a) or Section 7.1(b), such Party shall, within 2 business days, deliver a notice to each of the other Parties of its belief that Article 2 and Article 3 of this Agreement have terminated pursuant to Section 7.1(a) or Section 7.1(b), as applicable, and such notice shall describe in reasonable detail the basis for such Party's assertion that the applicable thresholds have been met. In the event that any of the other Parties dispute that such events of termination have occurred, such Party shall, within 2 business days, deliver a notice to the other Parties identifying the basis for such dispute. In connection with any termination pursuant to Section 7.1(a) or (b), any acquisitions or dispositions of Company Common Shares occurring after the date specified in the original notice of termination (the "Termination Date") will be disregarded, provided that if Article 2 and Article 3 of this Agreement shall have terminated pursuant to Section 7.1(b), the Block Sale Transferee shall have no agreement regarding the re-acquisition of the shares described in Section 7.1(b)(i).

**8. Subsequent Transferees.**<sup>10</sup>

8.1 Except in the event the Block Sale Transferee sells or transfers its Company Common Shares (or other equity securities of the Company) to a third party in accordance with a Third Party Proposal, the transferee of all or substantially all of the Company Common Shares transferred to the Block Sale Transferee in the Block Sale (the "Subsequent Transferee") shall agree to assume and perform all obligations and be subject to, and bound by all restrictions of the Block Sale Transferee pursuant to this Agreement during the remainder of the Standstill Period (other than (i) Article 6, (ii) the provisions of Article 4 if such transferee (a) is not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of the Block Sale Transferee at the time of such transfer and (b) was not such an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) on the Effective Date [and (ii) the provisions of Article 5 and Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) hereunder]<sup>11</sup>), as if such transferee were the Block Sale Transferee (provided, however, that the Effective Date shall continue to be defined as the date of consummation of the Block Sale). For the avoidance of doubt, the Parties acknowledge and agree that no Subsequent Transferee shall have a right to a waiver of Section 203(a)(1) of the DGCL in connection with such Subsequent Transferee's acquisition of Company Common Shares Transferred to the Block Sale Transferee in a Block Sale under this Agreement, the Governance Agreement or otherwise.

<sup>10</sup> Nothing contained in Article 8 shall constitute consent by the committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee) to any waiver of any obligation to convert Company Class B Stock into shares of Company Common Stock.

<sup>11</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

8.2 Prior to and as a condition to the acquisition by the Subsequent Transferee of the Company Common Shares Transferred to the Block Sale Transferee in the Block Sale, the Block Sale Transferee (or any Subsequent Transferee who transfers such Company Common Shares) agrees to cause such Subsequent Transferee to execute an Assumption Agreement substantially in the form attached hereto as Annex C (the “Assumption Agreement”), which shall also be signed by the Company and the Block Sale Transferee.

9. **Miscellaneous.**

9.1 **Breach.** The Block Sale Transferee shall be responsible for any breach of this Agreement by it or any of its Affiliates of the terms applicable to its Affiliates, and the Block Sale Transferee agrees to take all reasonable measures to avoid any breach of this Agreement by any of its Affiliates of the terms applicable to its Affiliates. The foregoing obligation shall not limit the remedies available to the Company for any such breach of this Agreement.

9.2 **Adjustment of Shares Numbers.** If, after the execution of this Agreement (or the Assumption Agreement), there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of capital stock of the Company referred to in this Agreement, then, in any such event, the numbers and types of shares of such capital stock referred to in this Agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such capital stock that a holder of such number of shares of such capital stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

9.3 **Modification and Waiver.** This Agreement may be modified or waived only by a separate writing by the Company, acting through a committee of directors on the Board of Directors that qualify as “independent directors” as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>12</sup>, on the one hand, and the Block Sale Transferee, on the other hand, expressly so modifying or waiving this Agreement. The Company shall represent to the Block Sale Transferee that such committee has approved the execution and delivery by the Company of any such modification or waiver by an authorized officer of the Company, which representation will constitute conclusive evidence that such modification or waiver has been validly approved by the Company in accordance with the first sentence of this **Section 9.3**. It is understood and agreed that no failure or delay by the Company or the Block Sale Transferee in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9.4 **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be deemed limited or eliminated only to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.

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<sup>12</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

9.5 Entire Agreement. This Agreement contains the entire agreement between the Company and the Block Sale Transferee concerning the subject matter hereof.

9.6 Remedies. It is understood and agreed that money damages may not be a sufficient remedy for any breach of this Agreement and, in addition to all other remedies that any Party may have at law or in equity, each Party shall be entitled to equitable relief, including, without limitation, injunction and specific performance, as a remedy for any such breach and each Party hereby waives any requirement for the securing or posting of any bond in connection with such remedy.

9.7 Governing Law; Consent to Jurisdiction. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the Parties hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the Parties hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the Parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

9.8 Assignment; Binding Effect. Except as otherwise contemplated hereby, without the prior consent of the other Parties (which in the case of the Company shall be through a committee of directors on the Board of Directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>13</sup>), no Party may assign its rights or obligations (other than by operation of law) under this Agreement to any Person. This Agreement shall be binding upon the Block Sale Transferee and its successors and permitted assigns and shall inure to the benefit of, and be enforceable by, the Company and its successors and permitted assigns.

9.9 Expenses. All costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

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<sup>13</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

9.10 Headings. Headings included in this Agreement are for the convenience of the Parties only and shall be given no substantive or interpretive effect.

9.11 Counterparts; Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile or electronic transmission copies, each of which shall be deemed to be an original.

9.12 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy) and shall be given, if to the Block Sale Transferee, to:

[—]  
[—]  
[—],[—] [—]  
Attention: [—]  
Facsimile: [—]

with a copy to:

[—]  
[—]  
[—],[—] [—]  
Attention: [—]  
Facsimile: [—];

if to the Company, to:

Expedia, Inc.  
333 108th Avenue N.E.  
Bellevue, Washington 98004  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

or such address or facsimile number as such party may hereafter specify for the purpose by notice to the other Parties. Each such notice, request or other communication shall be effective when delivered personally, telegraphed, or telecopied, or, if mailed, 5 business days after the date of the mailing.



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*(Signature page follows)*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered as of the date first above written.

**EXPEDIA, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[BLOCK SALE TRANSFEREE]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Parties to the Agreement**

[Block Sale Transferee]

**Beneficial Ownership**

B-1

**FORM OF ASSUMPTION AGREEMENT**

**ASSUMPTION AGREEMENT**

This ASSUMPTION AGREEMENT (this “Agreement”) is made as of [—], by and among [Block Sale Transferee], [a [—]] (“Assignor”), [Subsequent Transferee], [a [—]] (“Assignee”), and Expedia, Inc., a Delaware corporation (the “Company,” which term shall, for purposes of this Agreement, include its direct and indirect subsidiaries).

**WITNESSETH:**

WHEREAS, Assignor is party to that certain Standstill Agreement, dated as of [—], by and between Assignor and the Company (the “Standstill Agreement”);

WHEREAS, capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Standstill Agreement;

WHEREAS, pursuant to Section 8.2 of the Standstill Agreement, prior to and as a condition to the acquisition by Assignee of all or substantially all of the Company Common Shares Transferred to Assignor in the Block Sale (the “Subsequent Transfer”), Assignor, Assignee and the Company agree to enter into this Agreement;

WHEREAS, Assignee desires to assume and perform all rights and obligations and be subject to, and bound by all restrictions under the Standstill Agreement; and

WHEREAS, Assignor and Assignee desire to enter into this Agreement in connection with the Subsequent Transfer.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assumption.** Effective as of the date hereof and immediately prior to the consummation of the Subsequent Transfer (but subject to the consummation of the Subsequent Transfer), Assignee assumes all rights of, and agrees to perform all obligations and be subject to, and bound by all restrictions imposed upon, the Assignor under the Standstill Agreement (other than the terms, covenants, conditions, and obligations arising under (i) Article 6 of the Standstill Agreement, [(ii) Article 4 of the Standstill Agreement]<sup>14</sup> or [(iii) Article 5 and Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) of the Standstill Agreement]<sup>15</sup>).
2. **Company Agreement.** The Company hereby consents to the assumption set forth herein and agrees that, unless the context of the Standstill Agreement otherwise requires, Assignee will be substituted for Assignor for all such purposes of the Standstill Agreement and will be

<sup>14</sup> Note to form: to be included if Subsequent Transferee is not an Affiliate of Assignor and was not an Affiliate of Assignor as of the Effective Date.

<sup>15</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

entitled to exercise any rights of the Assignor thereunder (other than any rights arising under Article 4 or Article 5 of the Standstill Agreement) and the Company will perform all of its obligations under the Standstill Agreement (other than the obligations arising under Article 4 or Article 5 of the Standstill Agreement).

3. **Representations and Warranties of the Assignee.** Each of the parties on Appendix A, severally as to itself, represents and warrants that (a) this Agreement and the performance by such party of its obligations hereunder (i) has been duly authorized, executed and delivered by such party, and is a valid and binding obligation of such party, enforceable against such party in accordance with its terms, (ii) does not require approval by any owners or holders of any equity interest in such party (except as has already been obtained), and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational documents of such party, as amended, or constitute a breach or violation of or conflict with any material agreement to which such party is bound and none of such material agreements would impair in any material respect the ability of such party to perform its obligations hereunder, (b) as of the date hereof, after taking into account the Company Common Shares to be acquired by the Assignee in the Subsequent Transfer and based upon the number of Company Common Shares outstanding as set forth in the Company's latest Report on Form 10-K or Form 10-Q, as applicable, the Assignee does not Beneficially Own Company Common Shares in excess of the Ownership Limitation, and (c) as of the date hereof, it is the Beneficial Owner of the number and type of Company Common Shares (or other equity securities of the Company) set forth (including, without limitation, as to the form of ownership) on Appendix B hereto. [Each of the parties on Appendix A, severally as to itself, represents and warrants that (a) as of the date hereof, it is an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.]<sup>16</sup>
4. **[Section 203 of the DGCL.** The parties hereto acknowledge and agree that the Company has not waived Section 203(a)(1) of the DGCL with respect to the Subsequent Transfer and the Assignee, and the execution by the Company of this Agreement shall not be construed to waive any of the provisions of Section 203(a)(1) of the DGCL.]<sup>17</sup>
5. **[Article 4 of the Standstill Agreement.** Assignee acknowledges and agrees that it will be bound by the provisions of Article 4 of the Standstill Agreement.]<sup>18</sup>
6. **Representations and Warranties of the Company.** The Company represents and warrants that a committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>19</sup> has approved the Company's acknowledgement and agreement of this Agreement.

<sup>16</sup> Note to form: insert if Assignee is, as of the assumption agreement, an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor, and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.

<sup>17</sup> Note to form: insert if the Company has not waived DGCL section 203(a)(1) with respect to the Subsequent Transfer and the Assignee.

<sup>18</sup> Note to form: insert if Assignee is (a) as of the date of the assumption agreement, an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor, and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.

<sup>19</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

7. **Further Assurances.** From time to time following the date hereof, and without any further consideration or other payment, Assignor shall execute and deliver such other instruments of conveyance, assignment, transfer and delivery and execute and deliver such other documents and take or cause to be taken such other actions as Assignee reasonably may request in order to consummate, complete and carry out the transactions contemplated by this Agreement.
8. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.
9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile or electronic transmission copies, each of which shall be deemed to be an original.
10. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto concerning the subject matter hereof
11. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be deemed limited or eliminated only to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.
12. **Governing Law.** This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

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*[The remainder of this page intentionally left blank.]*



IN WITNESS WHEREOF, the parties hereto hereby cause this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**ASSIGNOR:**

**[BLOCK SALE TRANSFEREE]**

By: \_\_\_\_\_

Name:

Title:

**ASSIGNEE:**

**[SUBSEQUENT TRANSFEREE]**

By: \_\_\_\_\_

Name:

Title:

**EXPEDIA, INC.**

By: \_\_\_\_\_

Name:

Title:

**Parties to the Agreement**

[Assignee]

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Appendix B

**Beneficial Ownership**

B-1

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**AMENDED AND RESTATED  
STOCKHOLDERS AGREEMENT**

**between**

**LIBERTY INTERACTIVE CORPORATION**

**and**

**BARRY DILLER**

**Dated as of [—], 20[11]**

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**EXPEDIA, INC.**

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE I DEFINITIONS	1
Section 1.1.    Certain Defined Terms	1
Section 1.2.    Other Defined Terms	6
Section 1.3.    Other Definitional Provisions	6
ARTICLE II RESERVED	6
ARTICLE III CORPORATE GOVERNANCE	6
Section 3.1.    Voting on Certain Matters	6
Section 3.2.    Restrictions on Other Agreements	7
Section 3.3.    Irrevocable Proxy of Liberty	8
Section 3.4.    Cooperation	9
ARTICLE IV TRANSFER OF COMMON SHARES	9
Section 4.1.    Restrictions on Transfer by Liberty and Diller	9
Section 4.2.    Tag-Along for Diller and Liberty for Transfers by the Other	10
Section 4.3.    Right of First Refusal Between Liberty and Diller	11
Section 4.4.    Transfers of Class B Shares	13
Section 4.5.    Transferees	15
Section 4.6.    Notice of Transfer	16
Section 4.7.    Compliance with Transfer Provisions	16
Section 4.8.    Hedging Transactions	16
ARTICLE V DISTRIBUTION TRANSACTION	17
Section 5.1.    Distribution Transaction	17
ARTICLE VI MISCELLANEOUS	18
Section 6.1.    Conflicting Agreements	18
Section 6.2.    Duration of Agreement	18
Section 6.3.    Further Assurances	18
Section 6.4.    Amendment and Waiver	18
Section 6.5.    Severability	18
Section 6.6.    Effective Time	19
Section 6.7.    Entire Agreement	19
Section 6.8.    Successors and Assigns	19
Section 6.9.    Counterparts	19
Section 6.10.   Liabilities Under Federal Securities Laws	19
Section 6.11.   Remedies	19

Section 6.12.	Notices	20
Section 6.13.	Adjustment of Shares Numbers	20
Section 6.14.	Governing Law; Consent to Jurisdiction	21
Section 6.15.	Interpretation	21

EXHIBIT A: Form of Liberty-Diller Letter Agreement

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT dated as of [—], 20[11] between Liberty Interactive Corporation (formerly known as Liberty Media Corporation), a Delaware corporation (“Liberty”), for itself and on behalf of the members of the Liberty Stockholder Group, and Mr. Barry Diller (“Diller”), for himself and on behalf of the members of the Diller Stockholder Group.

WHEREAS, the parties hereto have agreed that Liberty and Diller shall enter into this Agreement in order to amend and restate in its entirety the respective rights and obligations of the parties set forth in the Stockholders Agreement, dated as of August 9, 2005.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and obligations hereinafter set forth, the parties hereto hereby agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.1. Certain Defined Terms. As used herein the following terms shall have the following meanings:

“Affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries controls is controlled by or is under common control with such specified Person, for so long as such Person remains so associated to the specified Person. For purposes of this definition, (i) natural persons shall not be deemed to be Affiliates of each other, (ii) none of Liberty, Diller or the Company shall be deemed to be Affiliates of any of the others, (iii) TripAdvisor and the Company shall not be deemed Affiliates of one another as a result of such entities being under the common control of the Stockholders, and (iv) the Company shall not be deemed to be an Affiliate of IAC/InterActiveCorp to the extent such relationship would otherwise be based on the common control of the Company and IAC/InterActiveCorp by Diller.

“Agreement” means this Amended and Restated Stockholders Agreement as it may be amended, supplemented, restated or modified from time to time.

“beneficial owner” or “beneficially own” has the meaning given such term in Rule 13d-3 under the Exchange Act and a Person’s beneficial ownership of Common Shares or Voting Securities shall be calculated in accordance with the provisions of such Rule; provided, however, that for purposes of determining beneficial ownership, (i) a Person shall be deemed to be the beneficial owner of any Equity which may be acquired by such Person (disregarding any legal impediments to such beneficial ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Diller shall be deemed to be exercisable), rights or other securities issued by the Company and (ii) no Person shall be deemed to beneficially own any Equity solely as a result of such Person’s execution of this Agreement (including by virtue of holding a proxy with respect to any shares) or the Governance Agreement.

“Block Sale” shall have the meaning ascribed to such term in the Governance Agreement.

“Block Sale Transferee” shall have the meaning ascribed to such term in the Governance Agreement.

“Board” means the Board of Directors of the Company.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of New York.

“Capital Stock” means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, partnership interests (whether general or limited) or equivalent ownership interests in or issued by such Person.

“Cause” means (i) the conviction of, or pleading guilty to, any felony, or (ii) the willful, continued and complete failure to attend to managing the business affairs of the Company, after written notice of such failure from the Board and reasonable opportunity to cure.

“Chairman” means the Chairman of the Board.

“Chairman Termination Date” means the later of (i) such time as Diller no longer serves as Chairman and (ii) such time as Diller no longer holds the Liberty Proxy (other than suspension of such proxy pursuant to Section 3.3(e)).

“Class B Common Stock” means the Class B common stock, par value \$0.001 per share, of the Company and any securities of the Company issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization (other than Common Stock issued upon conversion of Class B Common Stock).

“Commission” means the Securities and Exchange Commission, and any successor commission or agency having similar powers.

“Common Shares” means, collectively, the Common Stock and the Class B Common Stock.

“Common Stock” means the common stock, par value \$0.001 per share, of the Company and any securities of the Company issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization.

“Company” means Expedia, Inc., a Delaware corporation, and any successor by merger, consolidation or other business combination.

“Contingent Matters” shall have the meaning ascribed to such term in the Governance Agreement.

“control” (including the terms “controlled by” and “under common control with”), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.



“Diller Stockholder Group” means (i) Diller and (ii) any Affiliate of Diller which (A) Diller controls and (B) in which Diller owns, directly or indirectly, 90% or more of the outstanding Capital Stock or other ownership interests, which such Affiliate holds Equity subject to this Agreement.

“Director” means any member of the Board.

“Disabled” means the disability of Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a physician selected by Liberty and reasonably acceptable to Diller, his spouse or a personal representative designated by Diller; provided that Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. A total disability shall mean mental or physical incapacity that prevents Diller from managing the business affairs of the Company.

“Distribution Transaction” shall have the meaning ascribed to such term in the Governance Agreement.

“Eligible Stockholder Amount” means, in the case of Diller, the equivalent of 1,100,000 Common Shares and, in the case of Liberty, 1,000,000 shares of Common Stock, in each case determined on a fully diluted basis (taking into account, in the case of Diller, all unexercised Options, whether or not then exercisable).

“Equity” means any and all shares of Capital Stock of the Company, securities of the Company convertible into, or exchangeable for, such shares, and options, warrants or other rights to acquire such shares.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Fair Market Value” means, as to any securities or other property, the cash price at which a willing seller would sell and a willing buyer would buy such securities or property in an arm’s-length negotiated transaction without time constraints.

“FCC” means the Federal Communications Commission or its successor.

“FCC Regulations” means, as of any date, all federal communications statutes and all rules, regulations, orders, decrees and policies of the FCC as then in effect, and any interpretations or waivers thereof or modifications thereto.

“Governance Agreement” means the Amended and Restated Governance Agreement among the Company, Diller and Liberty, of even date herewith, as it may be amended, supplemented, restated or modified from time to time hereafter.

“Group” shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

“Hedging Transaction” means any (i) short sale, (ii) any purchase, sale or grant of any right (including, without limitation, any put or call option), or (iii) any forward sale (whether for a fixed or variable number of shares or at a fixed or variable price) of or with respect to, or any non-recourse loan secured by, Common Stock or any security (other than Class B Common Stock or any broad-based market basket or index) that includes, relates to or derives any significant part of its value from Common Stock, and such term includes (a) the pledge of Common Stock in connection with any of the foregoing to secure the obligations of the pledgor under a Hedging Transaction and (b) the pledge of a Hedging Transaction itself to secure any extension of credit to a party based, in whole or part, on the value thereof.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Independent Investment Banking Firm” means an investment banking firm of nationally recognized standing that is, in the reasonable judgment of the Person engaging such firm, qualified to perform the task for which it has been engaged.

“Liberty Spinco” shall have the meaning ascribed to such term in the Governance Agreement.

“Liberty Stockholder Group” means Liberty and those Subsidiaries of Liberty that, from time to time, hold Equity subject to this Agreement.

“Market Sale” means a “brokers’ transaction” within the meaning of Section 4(4) of the Securities Act.

“Options” means options to acquire Capital Stock of the Company granted by the Company to Diller and outstanding from time to time.

“Permitted Designee” means any Person designated by a Stockholder, who shall be reasonably acceptable to the other Stockholder, to exercise such Stockholder’s rights pursuant to Section 4.3.

“Permitted Transferee” means (i) with respect to Liberty, any member of the Liberty Stockholder Group, and (ii) with respect to Diller, any member of the Diller Stockholder Group. In addition, each of Liberty and Diller shall be a Permitted Transferee of its respective Permitted Transferees.

“Person” means any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivisions thereof or any Group comprised of two or more of the foregoing.

“Public Stockholder” means any Person that, together with its Affiliates (a) has sole or shared voting power with respect to Voting Securities representing no more than 10% of the voting power of the outstanding Voting Securities or (b) has sole or shared power to dispose of Equity representing no more than 10% of the Equity to be tendered or exchanged in any applicable tender or exchange offer, as the case may be.

“Qualified Distribution Transferee” has the meaning ascribed to it in the Governance Agreement.

“Reference Rate” means, for any day, a fixed rate per annum equal to the yield, expressed as a percentage per annum, obtained at the official auction of 90-day United States Treasury Bills most recently preceding the date thereof plus 100 basis points.

“Securities Act” means the Securities Act of 1933, as amended.

“Stockholder” means each of Liberty and Diller.

“Stockholder Group” means one or more of the Diller Stockholder Group and the Liberty Stockholder Group. For purposes of this Agreement, a Stockholder’s Permitted Designee shall be deemed to be a member of the designating Stockholder’s Stockholder Group (other than for purposes of Section 4.1(a)(iv)).

“Subsidiary” means, with respect to any Person, any corporation or other entity of which at least a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

“Third Party Transferee” means any Person to whom a Stockholder (including a Third Party Transferee subject to this Agreement pursuant to Section 4.5(b) and Section 4.5(c)) or a Permitted Transferee Transfers Common Shares, other than a Permitted Transferee of such Stockholder or a member of another Stockholder Group. For the avoidance of doubt, a Qualified Distribution Transferee shall not be deemed a Third Party Transferee.

“Transfer” means, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Common Shares beneficially owned by a Stockholder or any interest in any Common Shares beneficially owned by a Stockholder; provided, however, that a merger or consolidation in which a Stockholder is a constituent corporation shall not be deemed to be the Transfer of any Common Shares beneficially owned by such Stockholder (provided, that a significant purpose of any such transaction is not to avoid the provisions of this Agreement).

“TripAdvisor” means TripAdvisor, Inc., a Delaware corporation.

“Voting Securities” means at any time shares of any class of Capital Stock of the Company which are then entitled to vote generally in the election of Directors.

Section 1.2. Other Defined Terms. The following terms shall have the meanings defined for such terms in the Sections set forth below:

<u>Term</u>	<u>Section</u>
Appraisal	Section 4.3(c)
Diller	Preamble
Exchange Notice	Section 4.4(a)
Initiating Party	Section 4.2(a)
L/D Offer Notice	Section 4.3(b)
L/D Offer Price	Section 4.3(c)
L/D Other Party	Section 4.3(b)
L/D Transferring Party	Section 4.3(a)
Liberty	Preamble
Liberty Proxy	Section 3.3(a)
Liberty Proxy Shares	Section 3.3(a)
Litigation	Section 6.14
Non-Transferring Stockholder	Section 4.4(a)
Tag-Along Notice	Section 4.2(a)
Tag-Along Sale	Section 4.2(a)
Tag-Along Shares	Section 4.2(a)
Tag Party	Section 4.2(a)
Transferring Stockholder	Section 4.4(a)

Section 1.3. Other Definitional Provisions. (a) The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article and Section references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) For purposes of calculating the amount of outstanding Common Shares or Equity as of any date and the number of Common Shares or Equity beneficially owned by any Person as of any date, any Common Shares held in the Company’s treasury or owned by any Subsidiaries of the Company shall be disregarded.

## ARTICLE II

## RESERVED

## ARTICLE III

### CORPORATE GOVERNANCE

Section 3.1. Voting on Certain Matters. (a) In the event that Section 2.03 of the Governance Agreement is applicable, in connection with any vote or action by written consent of the stockholders of the Company relating to any matter that constitutes a Contingent Matter, Liberty and Diller agree (and each agrees to cause each member of its Stockholder Group, if applicable), with respect to any Common Shares with respect to which it or he has the power to vote (whether by proxy or otherwise), (x) to vote against (and not act by written consent to

approve) such Contingent Matter unless Liberty and Diller (or, if either such Stockholder's consent is no longer required pursuant to the Governance Agreement, the Stockholder whose consent is then required) have consented to such Contingent Matter in accordance with the provisions of the Governance Agreement and (y) to take or cause to be taken all other reasonable actions required, to the extent permitted by law, to prevent the taking of any action by the Company with respect to a Contingent Matter without the consent of Liberty and/or Diller (as applicable).

(b) Each Stockholder agrees to vote (and cause each member of its or his Stockholder Group to vote, if applicable), or act by written consent with respect to, any Common Shares with respect to which it or he has the power to vote (whether by proxy or otherwise) in favor of each of the Director designees of Liberty which Liberty has a right to designate pursuant to the Governance Agreement.

(c) Upon the written request of Liberty, Diller, in his capacity as a stockholder only, agrees to vote (and cause each member of the Diller Stockholder Group to vote, if applicable), or act by written consent, with respect to any Common Shares with respect to which it or he has the power to vote (whether by proxy or otherwise) and otherwise take or cause to be taken all actions necessary to remove any Director designated by Liberty and to elect any replacement Director designated by Liberty as provided in the Governance Agreement. Unless Liberty and Diller otherwise agree, neither Diller nor any member of the Diller Stockholder Group, shall take any action to cause the removal of any Director designated by Liberty except upon the written request of Liberty.

(d) Liberty will not be deemed to be in violation of paragraphs (a), (b) or (c) of this Section 3.1 as a result of any action by Diller that is not within Liberty's control.

Section 3.2. Restrictions on Other Agreements. No Stockholder or any of its or his Permitted Transferees shall enter into or agree to be bound by any stockholder agreements or arrangements of any kind with any Person with respect to any Equity (including, without limitation, the deposit of any Common Shares in a voting trust or forming, joining or in any way participating in or assisting in the formation of a Group with respect to any Common Shares, other than any such Group consisting exclusively of Liberty and Diller and any of their respective Affiliates, Permitted Designees and Permitted Transferees and, to the extent contemplated by Section 4.5, any Third Party Transferee) and no Stockholder (other than Liberty or any of its Permitted Transferees) or any of its or his Permitted Transferees shall enter into or agree to be bound by any agreements or arrangements of any kind with any Person to incur indebtedness for purposes of purchasing Equity (other than to exercise Options or to purchase Common Shares pursuant to Section 4.3 of this Agreement), except (i) for such agreements or arrangements as are now in effect, (ii) in connection with a proposed sale of Common Shares otherwise permitted hereunder, (iii) for such agreements or arrangements with a Permitted Designee as are reasonably acceptable to the other Stockholder and not inconsistent with or for the purpose of evading the terms of this Agreement, (iv) agreements between a Stockholder and its Permitted Transferee that are reasonably acceptable to the other

Stockholder and not inconsistent with this Agreement, (v) for Hedging Transactions as contemplated by Section 4.8, or (vi) such agreements or arrangements as contemplated by this Agreement and the Governance Agreement in connection with a Block Sale or a Transfer to a Qualified Distribution Transferee in a Distribution Transaction.

Section 3.3. Irrevocable Proxy of Liberty. (a) Subject to paragraphs (b) and (c) below, until the earlier of the date that (x) Diller is no longer Chairman or (y) Diller is Disabled, Diller shall be entitled to exercise voting authority and authority to act by written consent over all Common Shares beneficially owned by each member of the Liberty Stockholder Group (the "Liberty Proxy Shares"), on all matters submitted to a vote of the Company's stockholders or by which the Company's stockholders may act by written consent, pursuant to a conditional proxy (which proxy is irrevocable and coupled with an interest for purposes of Section 212 of the Delaware General Corporation Law) (the "Liberty Proxy"); provided, that in the event that Diller is removed by the Board as Chairman for any reason other than Cause, Diller shall be deemed to continue to be Chairman for purposes of this Agreement and shall be entitled to the Liberty Proxy set forth herein until the earlier of (A) such time as he has abandoned efforts to cause his reinstatement as Chairman and (B) the next stockholders meeting of the Company at which he has had an adequate opportunity to nominate and elect his slate of directors (unless at such stockholders meeting Diller's slate of directors is elected and Diller is promptly thereafter reinstated as Chairman).

(b) Notwithstanding the foregoing, the Liberty Proxy shall not be valid with respect to any of the Liberty Proxy Shares (and Diller will have no right to vote the Liberty Proxy Shares) in connection with any vote on (or consent to approve) any matter that is a Contingent Matter with respect to which Liberty's consent is required pursuant to the terms of the Governance Agreement with respect to which Liberty has not consented.

(c) The Liberty Proxy shall terminate as provided for in Section 3.3(a) or, if earlier, (i) immediately upon a material breach by Diller of the terms of Section 3.1(a), Section 3.1(b), Section 3.1(c) or Section 3.3(b) of this Agreement, (ii) at such time as Diller has been convicted of, or has pleaded guilty to, any felony involving moral turpitude or (iii) at such time as Diller ceases to beneficially own 2,500,000 Common Shares with respect to which he has a pecuniary interest; provided, in the case of clauses (ii) and (iii) above, that Liberty sends notice of such termination to Diller within 30 days after receiving notice of the event giving rise to such termination, in which case the Liberty Proxy shall terminate immediately upon the receipt of such notice.

(d) Notwithstanding anything to the contrary set forth herein, the Liberty Proxy is personal to Diller and may not be assigned by Diller by operation of law or otherwise and shall not inure to Diller's successors without the prior written consent of Liberty.

(e) Notwithstanding the foregoing, and without affecting the termination of the Liberty Proxy pursuant to this Section 3.3, the Liberty Proxy will be suspended during any period in which Diller has suffered a mental or physical disability preventing Diller from voting or acting by written consent with respect to the Liberty Proxy Shares, and during such period of disability, Liberty will be entitled to vote or consent in writing with respect to all Liberty Proxy Shares. The Liberty Proxy will be reinstated (unless sooner terminated in accordance with this Section 3.3) upon Diller ceasing to be so disabled.

Section 3.4. Cooperation. Each Stockholder shall vote (or act or not act by written consent with respect to) all of its Common Shares (and any Common Shares with respect to which it has the power to vote (whether by proxy or otherwise)) and shall, as necessary or desirable, attend all meetings in person or by proxy for purposes of obtaining a quorum, and execute all written consents in lieu of meetings, as applicable, to effectuate the provisions of this Article III.

#### ARTICLE IV

##### TRANSFER OF COMMON SHARES

Section 4.1. Restrictions on Transfer by Liberty and Diller. (a) Until the Chairman Termination Date or such time as Diller becomes Disabled, subject to the other provisions of this Agreement, neither Liberty nor Diller shall Transfer or otherwise dispose of (including pledges), directly or indirectly, any Common Shares beneficially owned by its Stockholder Group other than (i) Transfers of Common Stock pursuant to a Hedging Transaction permitted by Section 4.8, (ii) Transfers of Common Shares to a Qualified Distribution Transferee, (iii) Transfers of Common Shares by Diller in order to pay taxes arising from the granting, vesting and/or exercise of the Options, (iv) Transfers of Common Shares by Liberty to members of the Liberty Stockholder Group or by Diller to members of the Diller Stockholder Group, (v) Transfers of Options or Common Shares to the Company by Diller or his Affiliates in connection with a “cashless” exercise of the Options (including Options granted to Diller heretofore or in the future), (vi) a pledge or grant of a security interest in Common Stock to secure bona fide indebtedness, and (vii) Transfers of Common Shares made pursuant to Section 4.2, Section 4.3 and Section 4.4. The restrictions on Transfer by Liberty provided in this Section 4.1 shall be for the sole benefit of Diller and the restrictions on Transfer by Diller provided in this Section 4.1 shall be for the sole benefit of Liberty.

(b) Notwithstanding the restrictions contained in subsection (a) above (and in addition to the foregoing exceptions, but subject to the right of first refusal described in Section 4.3 on behalf of Diller (or his designee) with respect to Transfers of shares of Class B Common Stock by members of the Liberty Stockholder Group and to a right of first refusal on behalf of Liberty (or its designee) with respect to Transfers of shares of Class B Common Stock by members of the Diller Stockholder Group (which rights shall be assignable)), either Liberty or Diller may Transfer all or any portion of the Common Shares beneficially owned by its Stockholder Group to an unaffiliated third party, provided, however, that a Transfer by either Liberty or Diller of shares of Class B Common Stock to an unaffiliated third party shall be subject to the tag-along right pursuant to Section 4.2, after compliance with the right of first refusal described in Section 4.3 and the swap provisions described in Section 4.4. In addition, either Liberty or Diller may transfer any of its Common Stock in one or more transactions that comply with the requirements of Rule 144 or 145 (as applicable) under the Securities Act. For the avoidance of doubt, any Transfer of shares of Class B Common Stock by any member of the Liberty Stockholder Group or the Diller Stockholder Group to an unaffiliated third party shall be subject to the tag-along right pursuant to Section 4.2, after compliance with the right of first refusal described in Section 4.3, and such Transfers and any conversion of shares of Class B Common Stock by any member of the Liberty Stockholder Group or the Diller Stockholder Group shall be subject to the swap provisions described in Section 4.4.

Section 4.2. Tag-Along for Diller and Liberty for Transfers by the Other. (a) If, after compliance with Section 4.4, either Diller or Liberty shall desire to Transfer to any unaffiliated third party any of the Class B Common Stock beneficially owned by him or it or any member of his or its Stockholder Group (other than a Transfer to a Qualified Distribution Transferee), in one transaction or a series of related transactions (the "Tag-Along Sale"), Diller or Liberty, as applicable (the "Initiating Party"), shall give prior written notice to the other (the "Tag Party") of such intended Transfer. Such notice (the "Tag-Along Notice") shall set forth the terms and conditions of such proposed Transfer, including the number of shares of Class B Common Stock proposed to be Transferred (the "Tag-Along Shares"), the purchase price per share of Class B Common Stock proposed to be paid therefor and the payment terms and type of Transfer to be effectuated.

(b) Within ten days after delivery of the Tag-Along Notice, the Tag Party will have the opportunity and right (exercisable by such Tag Party by written notice to the Initiating Party not later than the end of such ten day period) to sell to the acquiring Person in such proposed Tag-Along Sale (upon the same terms and conditions as the Initiating Party), subject to the following sentence, up to that number of shares of Class B Common Stock beneficially owned by it as shall equal the product of (x) a fraction, the numerator of which is the number of Tag-Along Shares and the denominator of which is the aggregate number of shares of Class B Common Stock beneficially owned as of the date of the Tag-Along Notice by the Initiating Party, multiplied by (y) the number of shares of Class B Common Stock beneficially owned by the Tag Party as of the date of the Tag-Along Notice. The number of shares of Class B Common Stock that Diller or Liberty may sell to an unaffiliated third party pursuant to Section 4.2(a) shall be determined by multiplying the maximum number of Tag-Along Shares that such third party is willing to purchase on the terms set forth in the Tag-Along Notice by a fraction, the numerator of which is the number of shares of Class B Common Stock that such Stockholder proposes to sell hereunder (subject to the maximum amount for Diller or Liberty, as applicable, calculated pursuant to the preceding sentence) and the denominator of which is the aggregate number of shares of Class B Common Stock that Diller and Liberty propose to sell hereunder.

(c) At the closing of any proposed Transfer in respect of which a Tag-Along Notice has been delivered, the Tag Party shall deliver, free and clear of all liens (other than liens caused by the acquiring Person in the Tag-Along Sale), to such third party certificates evidencing the shares of Class B Common Stock to be sold thereto duly endorsed with Transfer powers and shall receive in exchange therefore the consideration to be paid by such third party in respect of such shares of Class B Common Stock as described in the Tag-Along Notice.

(d) Neither Diller and the members of his Stockholder Group, on the one hand, nor Liberty and the members of its Stockholder Group, on the other hand, shall effect any Transfer or Transfers constituting a Tag-Along Sale absent compliance with this Section 4.2.



(e) Upon written request made from time to time by Liberty, Diller will use reasonable efforts to cause the Company to deliver to Liberty and Diller a written statement specifying the number of shares of Common Stock, Class B Common Stock and other Voting Securities issued and outstanding as of the most recent practicable date. Liberty and Diller will, in connection with any applicable calculations hereunder or under the Governance Agreement, be entitled to rely upon the information set forth in such statement. In the event such statement is not delivered to Liberty within five Business Days following Liberty's request therefor, Liberty and Diller (and their respective successors and permitted assigns) shall be entitled to rely for purposes of such calculations on the number of shares of Common Stock, Class B Common Stock and other Voting Securities listed as issued and outstanding in the Company's most recent quarterly or annual report publicly filed with the Commission or the most recent statement from the Company.

Section 4.3. Right of First Refusal Between Liberty and Diller. (a) Any Transfer of shares of Class B Common Stock by a member of the Liberty Stockholder Group or a member of the Diller Stockholder Group (the "L/D Transferring Party") will be subject to the right of first refusal provisions of this Section 4.3, other than a Transfer by a member of the Liberty Stockholder Group or the Diller Stockholder Group permitted by Section 4.1(a) hereof, including, for the avoidance of doubt, a Transfer to a Qualified Distribution Transferee.

(b) Prior to effecting any Transfer subject to Section 4.3(a), the L/D Transferring Party shall deliver written notice (the "L/D Offer Notice") to Diller, if the L/D Transferring Party is a member of the Liberty Stockholder Group, or to Liberty, if the L/D Transferring Party is a member of the Diller Stockholder Group (the recipient of such notice, the "L/D Other Party"), which L/D Offer Notice shall specify (i) the Person to whom the L/D Transferring Party proposes to make such Transfer, (ii) the number or amount of the shares of Class B Common Stock to be Transferred, (iii) the L/D Offer Price (as defined below), and (iv) all other material terms and conditions of the proposed Transfer, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, and which L/D Offer Notice shall be accompanied by any written offer from the prospective transferee to purchase such shares of Class B Common Stock, if available and permitted pursuant to the terms thereof. The L/D Offer Notice shall constitute an irrevocable offer to the L/D Other Party, for the period of time described below, to purchase all (but not less than all) of such shares of Class B Common Stock.

(c) For purposes of this Section 4.3, "L/D Offer Price" shall mean the purchase price per share of Class B Common Stock to be paid to the L/D Transferring Party in the proposed transaction (as it may be adjusted in order to determine the net economic value thereof). In the event that the consideration payable to the L/D Transferring Party in a proposed transaction consists of securities, the purchase price per share shall equal the fair market value of such securities divided by the number of shares of Class B Common Stock to be Transferred. Such fair market value shall be the market price of any publicly traded security and, if such security is not publicly traded, the fair market value shall be equal to the Fair Market Value of such security determined as follows: Each of Liberty and Diller shall select an Independent Investment Banking Firm each of which shall promptly make a determination (each such determination, an "Appraisal") of the Fair Market Value of such security. If the higher of such Appraisals is less than or equal to 110% of the lower of such Appraisals, then the Fair Market Value shall be equal to the average of such Appraisals. If the higher of such Appraisals is greater than 110% of the lower of such Appraisals, then a third Independent Investment Banking Firm (which shall be an Independent Investment Banking Firm that shall not have been engaged by the Company,

TripAdvisor (but only for so long as Diller is the Senior Executive of TripAdvisor), IAC/InterActiveCorp (but only for so long as Diller is the Senior Executive of IAC/InterActiveCorp), Liberty or Diller in any significant matter for the three years prior to the date of such selection) shall be selected by the first two Independent Investment Banking Firms, which third Independent Investment Banking Firm shall promptly make a determination of the Fair Market Value. The Fair Market Value shall equal the average of the two of such three Appraisals closest in value (or if there are no such two, then of all three Appraisals).

(d) If the L/D Other Party elects to purchase the offered shares of Class B Common Stock, it shall give notice to the L/D Transferring Party within ten Business Days after receipt of the L/D Offer Notice of its election (or in the case of a third party tender offer or exchange offer, at least five Business Days prior to the expiration date of such offer, provided that all conditions to such offer that need to be satisfied prior to acceptance for payment (other than with respect to the number of shares of Class B Common Stock tendered) shall have been satisfied or waived and the L/D Offer Notice shall have been provided at least ten Business Days prior to the expiration date of such offer), which shall constitute a binding obligation, subject to standard terms and conditions for a stock purchase contract between two significant stockholders of an issuer (provided that the L/D Transferring Party shall not be required to make any representations or warranties regarding the business of the Company), to purchase the offered shares of Class B Common Stock, which notice shall include the date set for the closing of such purchase, which date shall be at least 20 Business Days following the delivery of such election notice, or, if later, five Business Days after receipt of all required regulatory approvals; provided that the closing shall only be delayed pending receipt of required regulatory approvals if (i) the L/D Other Party is using reasonable efforts to obtain the required regulatory approvals, (ii) there is a reasonable prospect of receiving such regulatory approvals and (iii) if such closing is delayed more than 90 days after the date of the L/D Other Party's notice of election to purchase, then the L/D Other Party agrees to pay interest on the aggregate L/D Offer Price at the Reference Rate to the L/D Transferring Party from such date to the closing date. Notwithstanding the foregoing, such time periods shall not be deemed to commence with respect to any purported notice that does not comply in all material respects with the requirements of this Section 4.3(d). Liberty and Diller may assign their respective rights to purchase under this Section 4.3 to any Person who is a Permitted Designee.

(e) If the L/D Other Party does not respond to the L/D Offer Notice within the required response time period or elects not to purchase the offered shares of Class B Common Stock, the L/D Transferring Party shall be free to complete the proposed Transfer (to the same proposed transferee, in the case of a privately-negotiated transaction) on terms no less favorable to the L/D Transferring Party or its Affiliate, as the case may be, than those set forth in the L/D Offer Notice, provided that (x) such Transfer is closed within (I) 90 days after the latest of (A) the expiration of the applicable period for the L/D Other Party to accept the offer from the L/D Transferring Party, or (B) the receipt by the L/D Transferring Party of notice declining the offer to purchase the shares of Class B Common Stock or, in the case of (A) or (B), if later, five Business Days following receipt of all required regulatory approvals; provided that the closing shall only be delayed pending receipt of required regulatory approvals if (i) the L/D Transferring Party is using reasonable efforts to obtain the required regulatory approvals and (ii) there is a reasonable prospect of receiving such regulatory approvals, or (II) in the case of a public offering, within 20 days of the declaration by the Commission of the effectiveness of a

registration statement filed with the Commission pursuant to this Agreement, and (y) the price at which the shares of Class B Common Stock are transferred must be equal to or higher than the L/D Offer Price (except in the case of a public offering, in which case the price at which the shares of Class B Common Stock are sold (before deducting underwriting discounts and commissions) shall be equal to at least 90% of the L/D Offer Price).

(f) If the L/D Other Party elects to exercise its right of first refusal under this Section 4.3, the L/D Other Party shall pay the L/D Offer Price in cash (by wire transfer of immediately available funds) or by the delivery of marketable securities having an aggregate fair market value equal to the L/D Offer Price, provided, that if the securities to be so delivered by the L/D Other Party would not, in the L/D Transferring Party's possession, have at least the same general degree of liquidity as the securities the L/D Transferring Party was to receive in such proposed transaction (determined by reference to the L/D Transferring Party's ability to dispose of such securities (including, without limitation, the trading volume of such securities and the L/D Other Party's percentage ownership of the issuer of such securities)), then the L/D Other Party shall be required to deliver securities having an appraised value (calculated in accordance with the method described in Section 4.3(c)) equal to the L/D Offer Price. If the L/D Other Party delivers securities in payment of the L/D Offer Price, it will cause the issuer of such securities to provide the L/D Transferring Party with customary registration rights related thereto (if, in the other transaction, the L/D Transferring Party would have received cash, cash equivalents, registered securities or registration rights). Each of Diller and Liberty agrees to use his or its commercially reasonable efforts (but not to expend any money) to preserve for the other Stockholder, to the extent possible, the tax benefits available to it in such proposed transaction, and to otherwise seek to structure such transaction in the most tax efficient method available. Notwithstanding the foregoing, if Diller pays the L/D Offer Price in securities, such securities must be securities that Liberty is permitted to own under applicable FCC Regulations.

(g) Notwithstanding anything to the contrary contained in this Section 4.3, the time periods applicable to an election by the L/D Other Party to purchase the offered shares of Class B Common Stock shall not be deemed to commence until the Fair Market Value has been determined, provided that, in the case of a third party tender offer or exchange offer, in no event shall any such election be permitted within five Business Days prior to the latest time by which shares of Class B Common Stock shall be tendered in such offer if all conditions to such offer that need to be satisfied prior to acceptance for payment (other than the number of shares tendered) have been satisfied or waived. Each of Diller and Liberty agrees to use his and its best efforts to cause the Fair Market Value to be determined as promptly as practicable, but in no event later than ten Business Days after the receipt by the L/D Other Party of the L/D Offer Notice.

Section 4.4. Transfers of Class B Shares. (a) Subject to the rights of first refusal pursuant to Section 4.3 and subject to paragraph (c) below, in the event that any Stockholder or any members of its Stockholder Group (the "Transferring Stockholder") proposes to Transfer any shares of Class B Common Stock, such Transferring Stockholder shall send a written notice (which obligation may be satisfied by the delivery of the applicable L/D Offer Notice) (the "Exchange Notice," which term will include any corresponding L/D Offer Notice) to Diller, if the Transferring Stockholder is Liberty or a member of the Liberty Stockholder Group, or to Liberty, if the Transferring Stockholder is Diller or a member of the Diller Stockholder Group

(the recipient of such notice, the “Non-Transferring Stockholder”), that such Transferring Stockholder intends to Transfer shares of Class B Common Stock, including the number of such shares proposed to be Transferred. The Non-Transferring Stockholder shall give notice to the Transferring Stockholder within 10 Business Days of its receipt of the Exchange Notice of its desire to exchange some or all of such shares of Class B Common Stock proposed to be Transferred for an equivalent number of shares of Common Stock or its election to purchase all such offered shares of Class B Common Stock pursuant to Section 4.3. If the Non-Transferring Stockholder desires to exchange some or all of such shares rather than exercise its right of first refusal pursuant to Section 4.3, such shares of Class B Common Stock shall be exchanged. Except to the extent necessary to avoid liability under Section 16(b) of the Exchange Act and subject to applicable law, any such exchange shall be consummated immediately prior to the consummation of any such Transfer.

(b) (i) Subject to paragraph (c) below, if any shares of Class B Common Stock proposed to be Transferred are not exchanged pursuant to the provisions of paragraph (a) above or exchanged with the Company as contemplated by clause (ii) of this Section 4.4(b), then prior to any such Transfer, the Transferring Stockholder shall convert, or cause to be converted, such shares of Class B Common Stock into shares of Common Stock (or such other securities of the Company into which such shares are then convertible).

(ii) In the event Liberty or a member of its Stockholder Group is the Transferring Stockholder and the proposed Transfer is (x) a Block Sale, or (y) a Transfer, in a single transaction (other than a Transfer to a Qualified Distribution Transferee), of all of the Common Shares (or other equity securities of the Company) beneficially owned by Liberty at such time (other than any Restricted Equity Securities (as defined in the Governance Agreement)) to a Person (other than Mr. Diller, a Permitted Transferee or the Company) not affiliated with Liberty, instead of converting such shares of Class B Common Stock to Common Stock pursuant to clause (i) of this Section 4.4(b), the Transferring Stockholder will exchange, or cause to be exchanged, with the Company any remaining shares of Class B Common Stock not acquired by the Non-Transferring Stockholder pursuant to Section 4.4(a) for the number and type of shares of Common Stock or other securities it would have received upon conversion of such shares of Class B Common Stock; provided, however, that in the event Liberty is not reasonably satisfied that such exchange and subsequent Transfer in accordance with the applicable L/D Offer Notice or Exchange Notice will not cause or result in Liberty or its Affiliates incurring any liability or obligation to disgorge profits under Section 16 of the Exchange Act, then in lieu of such exchange, this clause (ii) shall not apply and Liberty will convert such remaining shares of Class B Common Stock into Common Stock or other securities as provided in clause (i) of this Section 4.4(b).

(c) The provisions of Section 4.4(a) and Section 4.4(b) (i) shall not be applicable to any Transfers (i) to a member of such Stockholder’s Stockholder Group, (ii) from Liberty, Diller or their respective Stockholder Group to the other Stockholder or its or his Stockholder Group subject to the terms of this Agreement or (iii) to a Qualified Distribution Transferee in a Distribution Transaction.

Section 4.5. Transferees. (a) Any Permitted Transferee or Permitted Designee of a Stockholder, or any Qualified Distribution Transferee in a Distribution Transaction, shall be subject to the terms and conditions of this Agreement as if such Permitted Transferee, Permitted Designee or Qualified Distribution Transferee were Liberty (in the event of a Distribution Transaction, or if Liberty or a Permitted Transferee of Liberty is the transferor) or Diller (if Diller or a Permitted Transferee of Diller is the transferor). Prior to the initial acquisition of beneficial ownership of any Common Shares by a Qualified Distribution Transferee or any Permitted Transferee (or a Permitted Designee), and as a condition thereto, the applicable Stockholder agrees (i) to cause the Qualified Distribution Transferee (in the event of a Distribution Transaction) or to cause its respective Permitted Transferees or Permitted Designees to agree in writing with the other parties hereto to be bound by the terms and conditions of this Agreement to the extent described in the preceding sentence and (ii) that (other than in the event of a Distribution Transaction) such Stockholder shall remain directly liable for the performance by its respective Permitted Transferees or Permitted Designees of all obligations of such Permitted Transferees or Permitted Designees under this Agreement. Except as otherwise contemplated by this Agreement (including the terms of Section 4.2, Section 4.3 and Section 4.4 and pursuant to a Distribution Transaction), (i) each of Diller and Liberty agrees not to cause or permit any of its respective Permitted Transferees to cease to qualify as a member of such Stockholder's Stockholder Group so long as such Permitted Transferee beneficially owns any shares of Class B Common Stock, and if any such Permitted Transferee shall cease to be so qualified, such Permitted Transferee shall automatically upon the occurrence of such event cease to be a "Permitted Transferee" for any purpose under this Agreement and (ii) each Stockholder agrees not to Transfer any Common Shares to any Affiliate other than a Permitted Transferee of such Stockholder.

(b) No Third Party Transferee shall have any rights or obligations under this Agreement, except:

(i) in the case of a Third Party Transferee of Liberty (or any member of the Liberty Stockholder Group) who acquires shares of Common Stock and who (together with its Affiliates) would not be a Public Stockholder, such Third Party Transferee shall be subject to the obligations of Liberty (but subject to the other terms and conditions of this Agreement) pursuant to Section 3.1(a) (but shall not have the right to consent to any Contingent Matters), Section 3.1(b), Section 3.1(c), Section 3.2, Section 3.4, this Section 4.5 and Article VI; provided that such Third Party Transferee shall only be subject to such obligations for so long as it would not be a Public Stockholder; and

(ii) in the case of a Third Party Transferee of Diller (or any member of the Diller Stockholder Group) who (together with its Affiliates) upon consummation of any Transfer would not be a Public Stockholder, such Third Party Transferee shall be subject to the obligations of Diller (but subject to the other terms and conditions of this Agreement) pursuant to Section 3.1(a) (but shall not have the right to consent to any Contingent Matters), Section 3.1(b), Section 3.1(c), Section 3.4, this Section 4.5 and Article VI; provided that such Third Party Transferee shall only be subject to such obligations for so long as it would not be a Public Stockholder.

(c) Prior to the consummation of a Transfer described in Section 4.5(b) to the extent rights and obligations are to be assigned, and as a condition thereto, the applicable Third Party Transferee shall agree in writing with the other parties hereto to be bound by the terms and conditions of this Agreement to the extent described in Section 4.5(b). To the extent the Third Party Transferee is not an “ultimate parent entity” (as defined in the HSR Act), the ultimate parent entity of such Third Party Transferee shall agree in writing to be directly liable for the performance of the Third Party Transferee to the same extent Liberty would be liable for the performance of its Permitted Transferees.

Section 4.6. Notice of Transfer. In addition to any other notices required by this Agreement, to the extent any Stockholder and its Permitted Transferees Transfer any Common Shares, such Stockholder shall, within three Business Days following consummation of such Transfer, deliver notice thereof to the Company and the other Stockholder, provided, however, that no such notice shall be required to be delivered unless the aggregate Common Shares transferred by such Stockholder and its Permitted Transferees since the date of the last notice delivered by such Stockholder pursuant to this Section 4.6 exceeds 1% of the outstanding Common Shares.

Section 4.7. Compliance with Transfer Provisions. Any Transfer or attempted Transfer of Common Shares in violation of any provision of this Agreement shall be void.

Section 4.8. Hedging Transactions. (a) Pursuant to Section 4.1(i), Liberty is entitled to engage in one or more Hedging Transactions, provided that:

(i) no shares of Class B Common Stock shall be used for a Hedging Transaction unless such shares are first converted into shares of Common Stock in accordance with Section 4.4(b) (after Diller has had the opportunity to exercise his right to exchange such shares of Class B Common Stock for shares of Common Stock pursuant to Section 4.4); and

(ii) the shares of Common Stock subject to any Hedging Transaction shall remain subject to the Liberty Proxy and no Hedging Transaction shall, prior to the settlement of such Hedging Transaction, impair Diller’s right to vote any shares of the Common Stock pursuant to Section 3.3 (it being understood that a settlement of a Hedging Transaction may result in a disposition of the shares subject to such Hedging Transaction and that, upon such disposition and the termination of all of Liberty’s legal and beneficial ownership with respect to and economic interests in such shares, Diller will not have the right to vote such shares); provided that such right shall not be deemed to be impaired to the extent that a counterparty to a Hedging Transaction to whom Common Stock has been pledged has obtained the right to vote or take consensual action with respect to the Common Stock so pledged as a result of an event of default or termination event with respect to the Liberty Stockholder Group under the Hedging Transaction; provided, further, that the terms of such pledging arrangement shall permit the Liberty Stockholder Group to exercise voting rights and to take consensual action with respect to the Common Stock so pledged in circumstances where no event of default or termination event has occurred;

(b) Liberty will use its reasonable efforts to ensure that it will not be deemed part of a Group with a counterparty to a Hedging Transaction; and

(c) a Hedging Transaction shall not be deemed to be a Block Sale; provided that if the settlement of a Hedging Transaction that is permitted pursuant to this Agreement would otherwise qualify as a Block Sale, then upon the written request of Liberty delivered prior to the settlement of such Hedging Transaction, such Transfer at settlement will be treated as a Block Sale pursuant to this Agreement and the Governance Agreement.

## ARTICLE V

### DISTRIBUTION TRANSACTION

Section 5.1. Distribution Transaction. On or prior to the date of consummation of a Distribution Transaction in which Common Shares are Transferred to a Qualified Distribution Transferee (which Transfer, for the avoidance of doubt, will be deemed to occur on the date such Qualified Distribution Transferee ceases to be a Subsidiary of Liberty), Liberty, Diller and the Qualified Distribution Transferee and, if applicable under the proviso to this Section 5.1, the Liberty Spinco, will amend this Agreement in order to: (a) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) assign all rights and obligations of Liberty and the Liberty Stockholder Group under this Agreement to the Qualified Distribution Transferee in such Distribution Transaction, (b) have such Qualified Distribution Transferee agree to accept, as of immediately prior to the effective time of such Distribution Transaction (but subject to the consummation of the Distribution Transaction), such assignment of rights and agree to assume and perform all liabilities and obligations of Liberty and the Liberty Stockholder Group under this Agreement to be performed following the effective time of such Distribution Transaction including the obligation to ensure the compliance of its Stockholder Group with all obligations of the Liberty Stockholder Group under this Agreement, (c) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) substitute such Qualified Distribution Transferee for Liberty for all purposes under this Agreement (and the stockholder group of the Qualified Distribution Transferee for the Liberty Stockholder Group) and (d) provide for (i) a representation from Liberty that such amendment is being entered into in connection with a Distribution Transaction involving a Qualified Distribution Transferee pursuant to Section 5.01 of the Governance Agreement and (ii) Liberty's acknowledgement that it shall not be entitled to any benefits under this Agreement following such Distribution Transaction; provided, that if the Qualified Distribution Transferee is not the Liberty Spinco, then the Liberty Spinco shall also become a party to this Agreement and in such case each reference in the foregoing clauses (a) through (c) to Qualified Distribution Transferee shall be to the Liberty Spinco and the Qualified Distribution Transferee shall become a party to this Agreement as a member of the Liberty Spinco's stockholder group. In connection with a Transfer of Common Shares to a Qualified Distribution Transferee in a Distribution Transaction, Liberty and Diller will execute a letter agreement in the form of Exhibit A to this Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Conflicting Agreements. Each of the parties hereto represents and warrants that such party has not granted and is not a party to any proxy, voting trust or other agreement that is inconsistent with or conflicts with any provision of this Agreement.

Section 6.2. Duration of Agreement. This Agreement may be terminated at anytime by the mutual agreement of Liberty and Diller. In addition, except as otherwise provided in this Agreement, the rights and obligations of a Stockholder under this Agreement shall terminate as follows:

(a) Each of Liberty and Diller shall cease to be entitled to exercise any rights and shall cease to have any obligations under this Agreement as of the date that its or his Stockholder Group collectively ceases to own its Eligible Stockholder Amount of Common Shares; provided that Liberty shall cease to be entitled to exercise any rights and shall cease to have any obligations under Section 4.2 at such time as the Liberty Stockholder Group ceases to beneficially own at least 5% of the outstanding Common Shares.

(b) Diller and each member of his Stockholder Group shall cease to be entitled to exercise any rights under this Agreement upon the Chairman Termination Date or the date upon which Diller has become Disabled.

In addition, at such time as the Chairman Termination Date has occurred or Diller has become Disabled, neither the Diller Stockholder Group nor the Liberty Stockholder Group shall have any obligation under this Agreement with respect to the matters covered under Section 3.3, Section 4.1 and Section 4.3.

Section 6.3. Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

Section 6.4. Amendment and Waiver. This Agreement may not be amended, modified, or waived except in a written instrument executed by the parties. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

Section 6.5. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.



Section 6.6. Effective Time. This Agreement shall become effective as of the date hereof, immediately following consummation of TripAdvisor's spin-off from the Company and transactions relating thereto.

Section 6.7. Entire Agreement. Except as otherwise expressly set forth herein, (a) this Agreement and (b) the Governance Agreement, including, if applicable, the form of Standstill Agreement attached thereto as Exhibit A, embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof or thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

Section 6.8. Successors and Assigns. Except as otherwise provided herein, neither this Agreement nor any of the rights or obligations under this Agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger whose purpose is not to avoid the provisions of this Agreement), by any party without the prior written consent of the other party hereto. Subject to the foregoing, this Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

Section 6.9. Counterparts. This Agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement.

Section 6.10. Liabilities Under Federal Securities Laws. The exercise by any party (or its Affiliates or Stockholder Group, if applicable) (and including, in the case of the Liberty Stockholder Group, its exercise of the preemptive rights under Article III of the Governance Agreement) of any rights under this Agreement shall be subject to such reasonable delay as may be required to prevent any party or its respective Stockholder Group from incurring any liability under the federal securities laws and the parties agree to cooperate in good faith in respect thereof; provided, that this Section 6.10 will not be applicable to the transactions contemplated by Section 4.4(b).

Section 6.11. Remedies. (a) Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this Agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

Section 6.12. Notices. Except as otherwise provided herein, any notice, request, claim, demand or other communication under this Agreement shall be in writing, shall be either personally delivered, delivered by facsimile transmission, or sent by reputable overnight courier service (charges prepaid) to the address for such Person set forth below or such other address as the recipient party has specified by prior written notice to the other parties hereto and shall be deemed to have been given hereunder when receipt is acknowledged for personal delivery or facsimile transmission or one day after deposit with a reputable overnight courier service.

If to Liberty:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112  
Attention: General Counsel  
Telephone: (720) 875-5400  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts LLP  
30 Rockefeller Plaza  
44th Floor  
New York, NY 10112  
Attention: Frederick H. McGrath, Esq.  
Telephone: (212) 408-2530  
Facsimile: (212) 259-2530

If to Diller:

c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011  
Attention: General Counsel  
Telephone: (212) 314-7376  
Facsimile: (212) 632-9551

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019  
Attention: Andrew J. Nussbaum, Esq.  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000

Section 6.13. Adjustment of Shares Numbers. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Capital Stock referred to in this Agreement, then, in

any such event, the numbers and types of shares of such Capital Stock referred to in this Agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such Capital Stock that a holder of such number of shares of such Capital Stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

Section 6.14. Governing Law; Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 6.15. Interpretation. The table of contents and headings contained in this Agreement are for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Stockholders Agreement to be duly executed as of the day and year first above written.

LIBERTY INTERACTIVE CORPORATION

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
BARRY DILLER

[SIGNATURE PAGE TO EXPEDIA AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

EXHIBIT A: FORM OF LIBERTY-DILLER LETTER AGREEMENT

**Barry Diller**  
c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011

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

Dated [—]

Dear Sir:

1. Reference is hereby made to the Amended and Restated Stockholders Agreement, dated as of [—] (the “Stockholders Agreement”), by and between Liberty Interactive Corporation (“Liberty”) and Mr. Barry Diller (“Diller”) in relation to Expedia, Inc. (the “Company”). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Stockholders Agreement.

2. In the event that, at any time after consummation of a Distribution Transaction in connection with which Common Shares are Transferred to a Qualified Distribution Transferee, the Common Shares beneficially owned by Liberty and its Subsidiaries in the aggregate exceed 5% of the outstanding Common Shares, then, subject to paragraph 3 hereto, until the earlier of the date that (x) Diller is no longer Chairman or (y) Diller is Disabled, Diller shall be entitled to exercise voting authority and authority to act by written consent over all Common Shares beneficially owned by Liberty and its Subsidiaries (the “Post-Distribution Proxy Shares”), on all matters submitted to a vote of the Company’s stockholders or by which the Company’s stockholders may act by written consent, pursuant to a conditional proxy (which proxy is irrevocable and coupled with an interest for purposes of Section 212 of the Delaware General Corporation Law) (the “Post-Distribution Proxy”); provided, that in the event that Diller is removed by the Board as Chairman for any reason other than Cause, Diller shall be deemed to continue to be Chairman for purposes of this letter agreement and shall be entitled to the Post-Distribution Proxy set forth herein until the earlier of (A) such time as he has abandoned efforts to cause his reinstatement as Chairman and (B) the next stockholders meeting of the Company at which he had an adequate opportunity to nominate and elect his slate of directors (unless at such stockholders meeting Diller’s slate of directors is elected and Diller is promptly thereafter reinstated as Chairman).

3. The Post-Distribution Proxy shall terminate as provided for in the prior paragraph or, if earlier, (i) at such time as Diller has been convicted of, or has pleaded guilty to, any felony involving moral turpitude, (ii) at such time as Diller ceases to beneficially own 2,500,000

Common Shares with respect to which he has a pecuniary interest or (iii) at such time as the Common Shares beneficially owned by Liberty and its Subsidiaries no longer represents greater than 5% of the outstanding Common Shares; provided, in the case of clauses (i) and (ii) above, that Liberty sends notice of such termination to Diller within 30 days after receiving notice of the event giving rise to such termination, in which case the Post-Distribution Proxy shall terminate immediately upon the receipt of such notice. In addition, Common Shares that cease to be beneficially owned by Liberty or its Subsidiaries upon Transfer to an unaffiliated third party will cease to be subject to the Post-Distribution Proxy upon the date of Transfer thereof.

4. Adjustment of Shares Numbers. If, after the effective time of this letter agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Capital Stock referred to in this letter agreement, then, in any such event, the numbers and types of shares of such Capital Stock referred to in this letter agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such Capital Stock that a holder of such number of shares of such Capital Stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

5. Stockholders Agreement. Diller hereby acknowledges and agrees that from and after the date hereof, Liberty will not have any liability to Diller or the members of the Diller Stockholder Group for any breach, violation or failure to perform by the Qualified Distribution Transferee of any of the liabilities and obligations of the Qualified Distribution Transferee under the Stockholders Agreement.

6. Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

7. Amendment and Waiver. This letter agreement may not be amended, modified, or waived except in a written instrument executed by the parties. The failure of any party to enforce any of the provisions of this letter agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this letter agreement in accordance with its terms.

8. Severability. Whenever possible, each provision of this letter agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this letter agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this letter agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

9. Effective Time. This letter agreement shall become effective as of the date hereof.

10. Entire Agreement; Survival. Except as otherwise expressly set forth herein, this letter agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof or thereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

11. Successors and Assigns. Neither this letter agreement nor any of the rights or obligations under this letter agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger whose purpose is not to avoid the provisions of this letter agreement), by any party without the prior written consent of the other party hereto. Subject to the foregoing, this letter agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

12. Counterparts. This letter agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement.

13. Remedies. (a) Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this letter agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

(b) All rights, powers and remedies provided under this letter agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

14. Notices. Except as otherwise provided herein, any notice, request, claim, demand or other communication under this letter agreement shall be in writing, shall be either personally delivered, delivered by facsimile transmission, or sent by reputable overnight courier service (charges prepaid) to the address for such Person set forth below or such other address as the recipient party has specified by prior written notice to the other parties hereto and shall be deemed to have been given hereunder when receipt is acknowledged for personal delivery or facsimile transmission or one day after deposit with a reputable overnight courier service:

If to Liberty:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112  
Attention: General Counsel  
Telephone: (720) 875-5400  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts LLP  
30 Rockefeller Plaza  
44th Floor  
New York, NY 10112  
Attention: Frederick H. McGrath, Esq.  
Telephone: (212) 408-2530  
Facsimile: (212) 259-2530

If to Diller:

c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011  
Attention: General Counsel  
Telephone: (212) 314-7376  
Facsimile: (212) 632-9551

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019  
Attention: Andrew J. Nussbaum, Esq.  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000

15. Governing Law; Consent to Jurisdiction. This letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this letter agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this letter agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this letter agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this letter agreement or the transactions contemplated hereby.



16. Interpretation. The headings contained in this letter agreement are for convenience only and shall not affect in any way the meaning or interpretation of this letter agreement. Whenever the words “include”, “includes” or “including” are used in this letter agreement, they shall be deemed to be followed by the words “without limitation.”

If the foregoing is consistent with your understanding, please so indicate by your signature below, which will constitute the agreement of the parties hereto.

\_\_\_\_\_  
BARRY DILLER

Accepted and Agreed:

LIBERTY INTERACTIVE CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

A-6

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**GOVERNANCE AGREEMENT**

**among**

**TRIPADVISOR, INC.,**

**LIBERTY INTERACTIVE CORPORATION,**

**and**

**BARRY DILLER**

**Dated as of [—], 20[11]**

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TABLE OF CONTENTS

Page

ARTICLE I

TRANSFEREES

ARTICLE II

BOARD OF DIRECTORS AND RELATED MATTERS

Section 2.01.	Board of Directors	2
Section 2.02.	Management of the Business	2
Section 2.03.	Contingent Matters	3
Section 2.04.	Notice of Events	4
Section 2.05.	Certain Hedging Transactions	5
Section 2.06.	Notice of Sale of Company Class B Stock	5

ARTICLE III

PREEMPTIVE RIGHTS

Section 3.01.	Liberty Preemptive Rights	5
---------------	---------------------------	---

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01.	Representations and Warranties of the Company	6
Section 4.02.	Representations and Warranties of the Stockholders	7

ARTICLE V

DISTRIBUTION TRANSACTION AND BLOCK SALE

Section 5.01.	Distribution Transaction	8
Section 5.02.	Block Sale; Purchase/Exchange Right	9

ARTICLE VI

DEFINITIONS

Section 6.01.	“Affiliate”	12
Section 6.02.	“Beneficial Ownership”	13
Section 6.03.	“Block Sale”	13
Section 6.04.	“Block Sale Transferee”	13
Section 6.05.	“business day”	13

Section 6.06.	“Chairman”	13
Section 6.07.	“Chairman Termination Date”	13
Section 6.08.	“Commission”	13
Section 6.09.	“Company”	13
Section 6.10.	“Company Class B Stock”	13
Section 6.11.	“Company Common Shares”	13
Section 6.12.	“Company Common Stock”	14
Section 6.13.	“Consenting Party”	14
Section 6.14.	“Demand Registration”	14
Section 6.15.	“DGCL”	14
Section 6.16.	“Disabled”	14
Section 6.17.	“Distribution Transaction”	14
Section 6.18.	“EBITDA”	14
Section 6.19.	“Effective Time”	14
Section 6.20.	“Equity Securities”	14
Section 6.21.	“Exchange Act”	15
Section 6.22.	“Excluded Issuance”	15
Section 6.23.	“Expedia”	15
Section 6.24.	“Expedia Governance Agreement”	15
Section 6.25.	“Fair Market Value”	15
Section 6.26.	“Hedging Transaction”	15
Section 6.27.	“Insider”	15
Section 6.28.	“Issue Price”	15
Section 6.29.	“Lapse Date”	16
Section 6.30.	“Liberty”	16
Section 6.31.	“Liberty Director”	16
Section 6.32.	“Liberty Holdco”	16
Section 6.33.	“Liberty Holders”	16
Section 6.34.	“Liberty Proxy”	16
Section 6.35.	“Liberty Spinco”	16
Section 6.36.	“Litigation”	16
Section 6.37.	“Mr. Diller”	16
Section 6.38.	“Ownership Percentage”	16
Section 6.39.	“Permitted Transferee”	16
Section 6.40.	“Person”	17
Section 6.41.	“Qualified Distribution Transferee”	17
Section 6.42.	“Restricted Equity Security”	17
Section 6.43.	“Restricted Stock”	17
Section 6.44.	“Sale Transaction”	17
Section 6.45.	“Securities Act”	17
Section 6.46.	“Standstill Agreement”	17
Section 6.47.	“Stockholder Group”	17
Section 6.48.	“Stockholders”	17
Section 6.49.	“Stockholders Agreement”	17
Section 6.50.	“Subsidiary”	17
Section 6.51.	“Third-Party Transferee”	18

Section 6.52.	“Total Debt”	18
Section 6.53.	“Total Debt Ratio”	18
Section 6.54.	“Total Equity Securities”	18
Section 6.55.	“Transfer”	18
Section 6.56.	“TripAdvisor”	18
Section 6.57.	“Voting Securities”	19

## ARTICLE VII

### MISCELLANEOUS

Section 7.01.	Notices	19
Section 7.02.	Amendments; No Waivers	20
Section 7.03.	Company Consent Right to Waiver of Liberty Conversion Obligations in Stockholders Agreement	20
Section 7.04.	Successors And Assigns	21
Section 7.05.	Governing Law; Consent To Jurisdiction	21
Section 7.06.	Counterparts	22
Section 7.07.	Specific Performance	22
Section 7.08.	Registration Rights	22
Section 7.09.	Termination	23
Section 7.10.	Severability	23
Section 7.11.	Cooperation	23
Section 7.12.	Adjustment of Share Numbers and Prices	23
Section 7.13.	Effective Time	24
Section 7.14.	Entire Agreement	24
Section 7.15.	Interpretation	24
Section 7.16.	Headings	24

### **Exhibit A Form of Standstill Agreement**

## **Governance Agreement**

Governance Agreement, dated as of [—], 20[11], among TripAdvisor, Inc., a Delaware corporation (“TripAdvisor,” or the “Company”), Liberty Interactive Corporation, a Delaware corporation formerly known as Liberty Media Corporation, for itself and on behalf of the members of its Stockholder Group (“Liberty”), and Mr. Barry Diller (“Mr. Diller”) for himself and on behalf of the members of his Stockholder Group.

WHEREAS, the Company, Liberty and Mr. Diller desire to establish in this Agreement certain provisions concerning Liberty’s and Mr. Diller’s relationships with the Company.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the Company, Liberty and Mr. Diller hereby agree as follows:

### **ARTICLE I**

#### **TRANSFEREES**

No Third Party Transferee shall have any rights or obligations under this Agreement, except as specifically provided for in this Agreement and except that (a) if such Third Party Transferee shall acquire Beneficial Ownership of more than 5% of the outstanding Total Equity Securities upon consummation of any Transfer or series of related Transfers from a Stockholder, to the extent such Stockholder has the right to Transfer a Demand Registration and assigns such right in connection with a Transfer, such Third Party Transferee shall have the right to initiate one or more Demand Registrations pursuant to Section 7.08 or any registration rights agreement that replaces or supersedes Section 7.08 (and shall be entitled to such other rights that a Stockholder would have applicable to such Demand Registration) and (b) if such Third Party Transferee shall acquire Beneficial Ownership of 5% or less of the outstanding Total Equity Securities but shall acquire Beneficial Ownership of Company Common Shares (or other equity securities of the Company) with a Fair Market Value of at least \$250,000,000 upon consummation of any Transfer or series of related Transfers from a Stockholder, to the extent such Stockholder has the right to Transfer a Demand Registration and assigns such right in connection with a Transfer, such Third Party Transferee shall have the right to initiate one (but not more than one) Demand Registration pursuant to Section 7.08 or any registration rights agreement that replaces or supersedes Section 7.08 (and shall be entitled to such other rights that a Stockholder would have applicable to such Demand Registration), provided that, in the case of this clause (b), such Third Party Transferee may exercise such Demand Registration only in connection with a registered public offering of Company Common Stock having a Fair Market Value at least equal to \$100,000,000, subject (in each of clauses (a) and (b)) to the obligations of such Stockholder applicable to such demand (and the number of Demand Registrations to which such Stockholder is entitled under Section 7.08 hereof shall be correspondingly decreased).

## ARTICLE II

### BOARD OF DIRECTORS AND RELATED MATTERS

#### Section 2.01. Board of Directors.

(a) Liberty shall have the right to nominate up to such number of Liberty Directors as is equal to 20% of the total number of directors on the Board of Directors (rounded up to the next whole number if the total number of directors on the Board of Directors is not an even multiple of 5) so long as Liberty Beneficially Owns at least 16,825,982 Equity Securities (so long as the Ownership Percentage of Liberty is at least equal to 15% of the Total Equity Securities). Liberty shall have the right to nominate one Liberty Director so long as Liberty Beneficially Owns at least 11,217,321 Equity Securities (so long as Liberty's Ownership Percentage is at least equal to 5% of the Total Equity Securities). As of the date hereof, the Liberty Directors are William Fitzgerald and Michael P. Zeisser.

(b) The Company shall cause each Liberty Director to be included in the slate of nominees recommended by the Board of Directors to the Company's stockholders for election as directors at each annual meeting of the stockholders of the Company and shall use all reasonable efforts to cause the election of each Liberty Director, including soliciting proxies in favor of the election of such persons.

(c) Within a reasonable time prior to the filing with the Commission of its proxy statement or information statement with respect to each meeting of stockholders at which directors are to be elected, the Company shall, to the extent Liberty is entitled to representation on the Company's Board of Directors in accordance with this Agreement, provide Liberty with the opportunity to review and comment on the information contained in such proxy or information statement applicable to the director nominees designated by Liberty.

(d) In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without cause) of any Liberty Director, Liberty shall have the right to designate a replacement Liberty Director to fill such vacancy, and the Company agrees to use its best efforts to cause such vacancy to be filled with the replacement Liberty Director so designated. Upon the written request of Liberty, each Stockholder shall vote (and cause each of the members of its Stockholder Group to vote, if applicable), or act by written consent with respect to, all Equity Securities Beneficially Owned by it and otherwise take or cause to be taken all actions necessary to remove the director designated by Liberty and to elect any replacement director designated by Liberty as provided in the first sentence of this Section 2.01(d).

Section 2.02. Management of the Business. Except as indicated in Section 2.03 below or as required by Delaware law or the Certificate of Incorporation of the Company and the By-Laws and the agreements contemplated thereby, Mr. Diller, so long as he is Chairman and has not become Disabled, will continue to have full authority to operate the day-to-day business affairs of the Company to the same extent as prior to the date hereof. The Company shall use its reasonable best efforts to cause one Liberty Director designated by Liberty for such purpose to be appointed as a member of a committee of the Board of Directors and, to the extent such



person qualifies under applicable law (including stock exchange requirements, as applicable, and tax laws) and Section 16(b) under the Exchange Act or other similar requirements, all committees and subcommittees of the Board of Directors that make determinations relating to the compensation of executives of the Company.

Section 2.03. Contingent Matters. So long as Liberty or Mr. Diller Beneficially Owns, in the case of Liberty, at least 14,956,428 Equity Securities (so long as such Ownership Percentage equals at least 5% of the Total Equity Securities), or, in the case of Mr. Diller, at least 2,500,000 Company Common Shares with respect to which he has a pecuniary interest and the Chairman Termination Date (as defined in the Stockholders Agreement and not as defined in this Agreement) has not occurred and Mr. Diller has not become Disabled, neither the Company nor any Subsidiary shall take any of the following actions (any such action, a "Contingent Matter") without the prior approval of Mr. Diller and/or Liberty, whichever (or both) satisfy the foregoing Beneficial Ownership requirements:

(a) any transaction not in the ordinary course of business, launching new or additional channels or engaging in any new field of business, in any case, that will result in, or will have a reasonable likelihood of resulting in, Liberty or Mr. Diller or any Affiliate thereof being required under law to divest itself of all or any part of its Beneficial Ownership of Company Common Shares, or interests therein, or any other material assets of such Person, or that will render such Person's continued ownership of such securities, shares, interests or assets illegal or subject to the imposition of a fine or penalty, or that will impose material additional restrictions or limitations on such Person's full rights of ownership (including, without limitation, voting) thereof or therein. This Contingent Matter will be applied based only on the Beneficial Ownership of Company Common Shares, interests therein or other material assets of Liberty or Mr. Diller or any Affiliate thereof as of the date hereof; or

(b) if the Company or any of its Subsidiaries incurs any obligations (other than in respect of the customary refinancing of an amount not to exceed the principal amount of the existing obligation being refinanced) included within the definition of Total Debt (the "Incurred Debt") upon which (and after giving effect to such) incur the Total Debt Ratio equals or exceeds 8:1 (for this purpose (x) calculating Total Debt as if the Incurred Debt had been incurred on the last day of the most recently ended fiscal quarter of the Company (the "Balance Sheet Date") and (y) if the Incurred Debt is being incurred in whole or in part to fund the acquisition by the Company or any of its Subsidiaries of any Person or business (whether by way of a merger, stock purchase, asset purchase or otherwise) (an "Acquisition") then (A) in addition to the adjustment set forth in clause (x) above, Total Debt shall be calculated to be Total Debt of the Company and its Subsidiaries plus Total Debt of the Person or business acquired in the Acquisition (substituting, for this purpose, such Person or business for the Company and its Subsidiaries in the definition of Total Debt) as of the Balance Sheet Date to the extent applicable to the business(es) or assets being acquired and (B) there shall be added to the EBITDA otherwise used in calculating the Total Debt Ratio at the Balance Sheet Date an amount equal to the EBITDA of the acquired Person or business (substituting, for this purpose, such Person or business for the Company and its Subsidiaries in the definition of EBITDA) for the four fiscal quarter period ending as of the Balance Sheet Date to the extent applicable to the business(es) or assets being acquired), then, for so long as the Total Debt Ratio continues to equal or exceed 8:1:

(i) any acquisition or disposition (including pledges), directly or indirectly, by the Company or any of its Subsidiaries of any assets (including debt and/or equity securities) or business (by merger, consolidation or otherwise), the grant or issuance of any debt or equity securities of the Company or any of its Subsidiaries (other than, in the case of any of the foregoing, as contemplated by Section 3.01 of this Agreement), the redemption, repurchase or reacquisition of any debt or equity securities of the Company or any of its Subsidiaries, by the Company or any such Subsidiary, or the incurrence of any indebtedness, or any combination of the foregoing, in any such case, in one transaction or a series of transactions in a six-month period, with a value of 10% or more of the market value of the Total Equity Securities at the time of such transaction, provided that the prepayment, redemption, repurchase or conversion of prepayable, callable, redeemable or convertible securities in accordance with the terms thereof shall not be a transaction subject to this paragraph;

(ii) voluntarily commencing any liquidation, dissolution or winding up of the Company or any material Subsidiary;

(iii) any material amendments to the Certificate of Incorporation or Bylaws of the Company (including the issuance of preferred stock pursuant to the "blank check" authorization in the Certificate of Incorporation, having super voting rights (more than 1 vote per share) or entitled to vote as a class on any matter (except to the extent such class vote is required by Delaware law or to the extent the holder of such preferred stock may have the right to elect directors upon the occurrence of a default in payment of dividends or redemption price));

(iv) engagement by the Company in any line of business other than online and offline travel media and related businesses, or other businesses engaged in by the Company as of the date of determination of the Total Debt Ratio;

(v) adopting any stockholder rights plan (or any other plan or arrangement that could reasonably be expected to disadvantage any stockholder on the basis of the size or voting power of its shareholding) that would adversely affect Liberty or Mr. Diller; and

(vi) entering into any agreement with any holder of Equity Securities in such stockholder's capacity as such, which grants such stockholder approval rights similar in type and magnitude to those set forth in this Section 2.03.

Section 2.04. Notice of Events. In the event that (a) the Company intends to engage in a transaction of a type that is described in Section 2.03, and (b) the Company does not intend to seek consent from Liberty and/or Mr. Diller, whichever (or both) are required to consent to a Contingent Matter (a "Consenting Party") due to the Company's good faith belief that the specific provisions of Section 2.03 do not require such consent but that reasonable people acting in good faith could differ as to whether consent is required pursuant to such Section, the

Company shall notify the Consenting Parties as to the material terms of the transaction (including the Company's estimate of the timing thereof) by written notice (including a statement of the Total Debt Ratio) delivered as far in advance of engaging in such transaction as is reasonably practicable unless such transaction was previously publicly disclosed.

Section 2.05. Certain Hedging Transactions. Prior to entering into any Hedging Transaction with respect to more than 4.9% of the outstanding Company Common Shares (based on the number of Company Common Shares outstanding as reported in the Company's most recently filed report on Form 8-K, Form 10-Q or Form 10-K), Liberty shall give notice to the chief financial officer of the Company (including a brief description of the general structure of the Hedging Transaction contemplated and the potential timing of such Hedging Transaction), which notice must be received no less than one full business day (but not less than 24 hours), but no more than ten business days, prior to the proposed date of effectiveness of such Hedging Transaction. Upon receipt of such notice, the Company will have the right, which must be exercised by notice to Liberty delivered no more than 24 hours after receipt of such notice from Liberty, to require Liberty to delay such Hedging Transaction if (i) the Company has determined in good faith that such Hedging Transaction would adversely affect a contemplated significant corporate transaction (including financing) of the Company and (ii) all Insiders of the Company have been prohibited during such delay period from buying or selling equity securities of the Company (other than transactions between an Insider and the Company in accordance with the terms of any Company equity security or any plan or agreement pursuant to which any such security was granted or issued). The period during which Liberty will be required to delay such Hedging Transaction will not exceed ten business days after the proposed date (as specified in such notice) of effectiveness of such Hedging Transaction, or, if sooner, the date the Company informs Insiders that they may trade in equity securities of the Company.

Section 2.06. Notice of Sale of Company Class B Stock. Prior to effecting any Transfer of Company Class B Stock other than to a member of such transferring Stockholder's Stockholder Group, the transferring Stockholder shall deliver written notice to the Company, which shall deliver such notice to the Board of Directors of the Company, which notice shall specify (i) the Person to whom the transferring Stockholder proposes to make such Transfer and (ii) the number or amount of the shares of Company Class B Stock to be Transferred.

### ARTICLE III

#### PREEMPTIVE RIGHTS

Section 3.01. Liberty Preemptive Rights. (a) In the event that after the date hereof, the Company issues or proposes to issue (other than to the Company and its Affiliates or Liberty and its Affiliates, and other than pursuant to an Excluded Issuance) any Company Common Shares (including Company Common Shares issued upon exercise, conversion or exchange of options, warrants and convertible securities (other than shares of Company Common Stock issued upon conversion of shares of Company Class B Stock)) and such issuance, together with any prior issuances aggregating less than 1% with respect to which Liberty's preemptive right has not become exercisable, shall be in excess of 1% of the total number of Company Common Shares outstanding after giving effect to such issuance (an "Additional Issuance"), the Company shall give written notice to Liberty not later than five business days after the issuance, specifying the

number of Company Common Shares issued or to be issued and the Issue Price (if known) per share. To the extent that, as of the date hereof, Common Shares (as such term is defined in the Amended and Restated Stockholders Agreement, dated as of [—], between Liberty and Mr. Diller with respect to Expedia) have been issued aggregating less than 1% with respect to which Liberty's preemptive right has not become exercisable under the Expedia Governance Agreement, such prior issuances (appropriately adjusted to account for the one-for-two reverse stock split in respect of the Expedia Common Shares anticipated to be effected prior to the Effective Time, if effected) shall be included in calculating the threshold applicable to issuances of Company Common Shares hereunder on the same basis as the exercisability of preemptive rights under the Expedia Governance Agreement. Liberty shall have the right (but not the obligation) to purchase or cause one or more of the Liberty Holdcos to purchase for cash a number (but not less than such number) of Company Common Shares (allocated between Company Common Stock and Company Class B Stock in the same proportion as the issuance or issuances giving rise to the preemptive right hereunder (including any such prior issuances by Expedia), except to the extent that Liberty opts to receive Company Common Stock in lieu of Company Class B Stock), so that Liberty and the Liberty Holdcos shall collectively maintain the identical percentage equity Beneficial Ownership interest in the Company that Liberty and the Liberty Holdcos collectively owned immediately prior to the Additional Issuance requiring notice from the Company to Liberty described in the first sentence of this paragraph (but not in excess of 20.01% of the outstanding Total Equity Securities) after giving effect to such Additional Issuance and to shares of Company Common Stock that are to be issued to Liberty and the Liberty Holdcos pursuant to this Section 3.01, by sending an irrevocable written notice to the Company not later than fifteen business days after receipt of such notice of an Additional Issuance (or, if later, two business days following the determination of the Issue Price) from the Company that it elects to purchase or to cause one or more of the Liberty Holdcos to purchase all of such Company Common Shares (the "Additional Shares"). The closing of the purchase of Additional Shares shall be the later of ten business days after the delivery of the notice of election by Liberty and five business days after receipt of any necessary regulatory approvals.

(b) The purchase or redemption of any Company Common Shares by the Company or any of its Affiliates shall not result in an increase in the percentage of Company equity that Liberty may be entitled to acquire pursuant to the preemptive right in Section 3.01(a) above.

#### ARTICLE IV

##### REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Company. The Company represents and warrants to Mr. Diller and Liberty that: (a) the Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to enter into this Agreement and to carry out its obligations hereunder; (b) the execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or any of the transactions contemplated hereby; (c) this Agreement has been duly executed and delivered by

the Company and constitutes a valid and binding obligation of the Company, and, assuming this Agreement constitutes a valid and binding obligation of each Stockholder, is enforceable against the Company in accordance with its terms; (d) neither the execution, delivery or performance of this Agreement by the Company constitutes a breach or violation of or conflicts with the Company's Certificate of Incorporation or By-laws or any material agreement to which the Company is a party; (e) none of such material agreements would impair in any material respect the ability of the Company to perform its obligations hereunder; (f) the Company's Board of Directors has approved the receipt of Company Common Shares by Liberty as a result of the Company's spin-off from Expedia for purposes of Section 203(a)(1) of the DGCL; and (g)(i) the shares of Company Common Stock (or such other securities of the Company into which such shares are then convertible) issuable to Liberty in the exchange contemplated by Section 5.02(c) and the shares of Company Class B Stock issuable to Mr. Diller pursuant to the Purchase/Exchange Right, in each case, upon issuance will be duly authorized, validly issued, fully paid and nonassessable and not subject to, or issued in violation of, any purchase option, redemption, call option, right of first refusal, preemptive right, subscription right or any similar right in any such case granted by, or exercisable for the benefit of, the Company (other than any such restrictions or rights under this Agreement, the Stockholders Agreement or applicable state and federal securities laws) and (ii) in the case of the shares of Company Common Stock issuable to Liberty in the exchange contemplated by Section 5.02(c), if the Company Common Stock (or such securities of the Company into which such shares are then convertible) is then listed on a national securities exchange, the Company will use its reasonable best efforts to cause such shares of Company Common Stock or such other securities to be approved for listing on such national securities exchange upon issuance (subject only to official notice of issuance).

Section 4.02. Representations and Warranties of the Stockholders. Each Stockholder, severally as to itself (and, in the case of Mr. Diller, as applicable), represents and warrants to the Company and the other Stockholder that (a) it is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and he or it, as the case may be, has the power and authority (corporate or otherwise) to enter into this Agreement and to carry out his or its obligations hereunder, (b) the execution and delivery of this Agreement by such Stockholder and the consummation by such Stockholder of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Stockholder and no other proceedings on the part of such Stockholder are necessary to authorize this Agreement or any of the transactions contemplated hereby, (c) this Agreement has been duly executed and delivered by such Stockholder and constitutes a valid and binding obligation of such Stockholder, and, assuming this Agreement constitutes a valid and binding obligation of the Company and the other Stockholder, is enforceable against such Stockholder in accordance with its terms, (d) neither the execution, delivery or performance of this Agreement by such Stockholder constitutes a breach or violation of or conflicts with its certificate of incorporation or by-laws (or similar governing documents) or any material agreement to which such Stockholder is a party and (e) none of such material agreements would impair in any material respect the ability of such Stockholder to perform its obligations hereunder.

ARTICLE V

DISTRIBUTION TRANSACTION AND BLOCK SALE

Section 5.01. Distribution Transaction.

(a) In the event Liberty desires to effect a Distribution Transaction in which it will Transfer all of the Company Common Shares Beneficially Owned by it (other than any Restricted Equity Securities) to a Qualified Distribution Transferee (which Transfer, for the avoidance of doubt, will be deemed to occur on the date such Qualified Distribution Transferee ceases to be a Subsidiary of Liberty), the Company, Mr. Diller, Liberty and the Qualified Distribution Transferee and, if applicable under the proviso to this Section 5.01(a), the Liberty Spinco, will enter into an amendment to this Agreement on or prior to the date of consummation of such Distribution Transaction to: (i) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) assign all rights and obligations of Liberty under this Agreement (including its rights pursuant to Articles II and III and Section 7.08 hereof) to the Qualified Distribution Transferee, (ii) have such Qualified Distribution Transferee agree to accept, as of immediately prior to the effective time of such Distribution Transaction (but subject to the consummation of the Distribution Transaction), such assignment of rights and agree to assume and perform all liabilities and obligations of Liberty hereunder to be performed following the effective time of such Distribution Transaction, (iii) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) substitute such Qualified Distribution Transferee for Liberty (and the stockholder group of the Qualified Distribution Transferee for the Liberty Stockholder Group) for all purposes under this Agreement and (iv) provide for (w) a representation from Liberty that such amendment is being entered into in connection with a Distribution Transaction involving the Qualified Distribution Transferee pursuant to Section 5.01 of this Agreement, (x) Liberty's acknowledgement that it shall not be entitled to any benefits under this Agreement following such Distribution Transaction, (y) each of the Company's and Mr. Diller's acknowledgement that Liberty shall not be subject to any liability under this Agreement to it or him, as applicable, following such Distribution Transaction (except for any liability arising from any breach of this Agreement by Liberty or relating to any actions or events occurring, in each case, on or prior to the date of the Distribution Transaction) and (z) Liberty's acknowledgement that neither the Company nor Mr. Diller shall be subject to any liability to Liberty under this Agreement following such Distribution Transaction (except for any liability arising from any breach of this Agreement by the Company or Mr. Diller, as applicable, or relating to any actions or events occurring, in each case, on or prior to the date of the Distribution Transaction); provided, that if the Qualified Distribution Transferee is not the Liberty Spinco, then the Liberty Spinco shall also become a party to this Agreement and in such case each reference in the foregoing clauses (i) through (iv) to Qualified Distribution Transferee shall be to the Liberty Spinco and the Qualified Distribution Transferee shall become a party to this Agreement as a member of the Liberty Spinco's stockholder group.

(b) The Company agrees that:

(i) it shall not adopt any stockholder rights plan or similar plan or agreement (or amend or modify any such plan or agreement) or adopt or approve any charter or by-law provision, in each case, the purpose or reasonably evident effect of which is to (x) restrict or limit Liberty's ability to engage in a Distribution Transaction with a Qualified Distribution Transferee or (y) impose on the Qualified Distribution Transferee, or cause the Qualified Distribution Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of its receipt or continued ownership of Company Common Shares or other equity securities of the Company Transferred to it in a Distribution Transaction; provided that, any adoption, approval, amendment or modification by the Company of any stockholder rights plan (or similar plan or agreement) or charter or by-law provision having anti-takeover provisions of general applicability, which does not cause Liberty to incur or suffer material economic detriment as a result of its ownership of Company Common Shares or other equity securities of the Company upon such adoption, approval, amendment or modification (and, assuming the Distribution Transaction occurred on such date, would not cause a Qualified Distribution Transferee to incur or suffer such effects upon the consummation of the Distribution Transaction), shall not be deemed to have any purpose or effect specified in clause (y) above; and

(ii) as promptly as reasonably practicable following the written request of Liberty and prior to the consummation of a Distribution Transaction involving a Qualified Distribution Transferee, the Board of Directors will approve the Transfer of Company Common Shares to the Qualified Distribution Transferee in such Distribution Transaction for purposes of Section 203(a)(1) of the DGCL in the event that the Qualified Distribution Transferee's ownership of Company Common Shares immediately following the Distribution Transaction would cause it to become an "interested stockholder" for purposes of Section 203 of the DGCL.

Section 5.02. Block Sale; Purchase/Exchange Right.

(a) Liberty shall have the rights and obligations set forth in Section 5.02(b) and Section 5.02(c) in respect of a Block Sale provided that the following conditions are satisfied at the time of such proposed Block Sale:

(i) Mr. Diller still holds the Liberty Proxy;

(ii) Liberty does not Beneficially Own Equity Securities in excess of 30% of the Total Equity Securities (excluding, for such purposes, any increase in Liberty's Beneficial Ownership resulting from any redemption, repurchase or reacquisition of any Equity Securities by the Company);

(iii) if such proposed Block Sale would be consummated on or prior to the second anniversary of [insert date of the spinoff], the Company and Expedia have consented in writing to such Block Sale (which consent will be delivered by the Company and Expedia if the Company and Expedia acting in good faith determine that either (x) any of the “Safe Harbors” set forth in Treas. Reg. § 1.355-7(d) applies to such Block Sale or (y) there was no “agreement, understanding, arrangement or substantial negotiations” with the Block Sale Transferee regarding such Block Sale or any “similar acquisition” (as such terms are defined in Treas. Reg. § 1.355-7(h)) during the two-year period ending on [insert date of the spinoff]); and

(iv) Liberty has complied with its obligations under Sections 4.2, 4.3 and 4.4 of the Stockholders Agreement in connection with such proposed Block Sale.

(b) The Company agrees that as promptly as reasonably practicable following receipt of a written request therefor from Liberty, in connection with any Block Sale that complies with Section 5.02(a):

(i) to the extent necessary, it shall amend any stockholder rights plan or similar plan or agreement (or take all steps necessary to amend any charter or bylaw provision) then in effect (x) the purpose or reasonably evident effect of which is to restrict or limit Liberty’s ability to engage in a Block Sale that complies with Section 5.02(a) or (y) that would impose on the Block Sale Transferee, or cause the Block Sale Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, of the Block Sale Transferee’s equity or voting power or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of the Block Sale Transferee’s and its Affiliates’ receipt or continued ownership of Company Common Shares or other equity securities of the Company in the Block Sale, such that the acquisition and continued ownership by the proposed Block Sale Transferee of Company Common Shares or other equity securities of the Company in such Block Sale or thereafter in an amount permitted by the Standstill Agreement will not result in the imposition of any such restriction, limitation or economic detriment or cost under any such plan or agreement (or charter or bylaw provision having anti-takeover provisions); provided that such amendment shall be conditioned upon the Block Sale Transferee entering into a Standstill Agreement with the Company; and

(ii) prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company and subject to the execution by the Block Sale Transferee of a Standstill Agreement with the Company and the accuracy of the representation contained in Section 6.2(b) of the Standstill Agreement, the Board of Directors shall approve (x) the Block Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block



Sale for purposes of Section 203(a)(1) of the DGCL (but, for the avoidance of doubt, the Board of Directors shall have no obligation to approve any such transaction with respect to a Subsequent Transferee (as defined in the Standstill Agreement)).

(c) In the event that Liberty is required to exchange Company Class B Stock for newly issued shares of Company Common Stock or other securities pursuant to Section 4.4(b)(ii) of the Stockholders Agreement, the Company hereby agrees that it will exchange all remaining shares of Company Class B Stock not acquired by Mr. Diller pursuant to Sections 4.3 or 4.4 of the Stockholders Agreement for the number and type of shares of Company Common Stock (or such other securities of the Company into which such shares of Company Class B Stock are then convertible) Liberty would have received upon conversion of such shares of Company Class B Stock and shall keep available in its treasury and not cancel such shares of Company Class B Stock exchanged by Liberty until the termination of the Purchase/Exchange Right as described below. After such exchange, or, in the event the conditions to such exchange are not satisfied and Liberty is instead required to convert its remaining shares of Company Class B Stock in accordance with Section 4.4(b)(i) of the Stockholders Agreement (by reason of the proviso to Section 4.4(b)(ii) of the Stockholders Agreement), then after such conversion, Mr. Diller shall have the right (the "Purchase/Exchange Right"), exercisable at any time and from time to time on or prior to the second anniversary of the date of the Block Sale or the transaction giving rise to the obligation of Liberty to exchange or convert its Company Class B Stock as described above (subject to the provisos in Section 5.02(d)(i) and Section 5.02(d)(ii)) (the "Purchase/Exchange Period"), either to:

(i) purchase from the Company a number of shares of Company Class B Stock up to the number of shares of Company Class B Stock that Liberty exchanged for, or converted into, Company Common Stock (or such lesser amount of Company Class B Stock), at a price per share of Company Class B Stock equal to the Fair Market Value of a share of Company Common Stock at the time of such purchase; or

(ii) exchange an equivalent number of shares of Company Common Stock for a number of shares of Company Class B Stock, up to the number of shares of Company Class B Stock that Liberty exchanged for, or converted into, Company Common Stock (or such lesser amount of Company Class B Stock).

(d) The Purchase/Exchange Right may be exercised by Mr. Diller directly or together with other third parties, provided that Mr. Diller retains voting control over any such Company Class B Stock purchased or exchanged, and provided further that during the Purchase/Exchange Period:

(i) the Purchase/Exchange Right will be suspended upon the entry by the Company into an agreement providing for a Sale Transaction and will remain suspended for so long as such agreement (or any successor agreement) has not been terminated; and

(ii) the Purchase/Exchange Right will terminate upon the consummation of a tender or exchange offer for securities representing more than 50% of the total voting power of all outstanding Voting Securities of the Company or consummation of a Sale Transaction.

(e) The Board of Directors of the Company, or a committee thereof consisting of non-employee directors (as such term is defined for purposes of Rule 16b-3 under the Exchange Act), shall with respect to each exercise of the Purchase/Exchange Right or as may be otherwise requested by Mr. Diller, adopt resolutions and otherwise take all actions necessary to cause any acquisitions or deemed acquisitions from the Company of Company Class B Stock transferred to Mr. Diller pursuant to this Agreement and the Purchase/Exchange Right and any dispositions or deemed dispositions to the Company of Company Common Stock pursuant to this Agreement and the Purchase/Exchange Right to be exempt under Rule 16b-3 under the Exchange Act.

(f) In connection with a Block Sale pursuant to the conditions of Section 5.02(a) in which the Block Sale Transferee receives the right to nominate candidates to the Board of Directors pursuant to the Standstill Agreement: (i) Liberty shall, on or prior to consummation of the Block Sale, cause the Liberty Directors to resign from the Board of Directors effective as of the consummation of such Block Sale; and (ii) the Company shall use its best efforts to cause such vacancy to be filled with the candidate(s) nominated by the Block Sale Transferee (subject to the approval of such candidates by the nominating committee or equivalent committee of the Board of Directors (or the Board of Directors) as described in the Standstill Agreement).

(g) For the avoidance of doubt, none of the provisions of Section 5.02(a), 5.02(b), or 5.02(f) shall be applicable in the event Liberty Transfers all of the Company Common Shares (or other equity securities of the Company) Beneficially Owned by it (other than any Restricted Equity Securities) to a Third-Party Transferee and such Third Party Transferee elects not to enter into a Standstill Agreement or such Third Party Transferee's Ownership Percentage exceeds or, upon consummation of such Transfer would exceed, 30% of the Total Equity Securities.

## ARTICLE VI

### DEFINITIONS

For purposes of this Agreement, the following terms shall have the following meanings:

Section 6.01. "Affiliate" shall have the meaning set forth in Rule 12b-2 under the Exchange Act (as in effect on the date of this Agreement). For purposes of this definition, (i) natural persons shall not be deemed to be Affiliates of each other, (ii) none of Mr. Diller, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of the Company or its Affiliates, (iii) none of the Company, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of Mr. Diller or his Affiliates, (iv) none of the Company, Mr. Diller or any of their respective Affiliates shall be deemed to be an Affiliate of Liberty or its Affiliates, (v) the Company shall not be deemed to be an Affiliate of Expedia based upon the common control of the Company and Expedia by the Stockholders and (vi) the Company shall not be deemed to be an Affiliate of IAC/InterActiveCorp to the extent such relationship would otherwise be based on the common control of the Company and IAC/InterActiveCorp by Mr. Diller.

Section 6.02. “Beneficial Ownership” or “Beneficially Own” shall have the meaning given such term in Rule 13d-3 under the Exchange Act and a Person’s Beneficial Ownership of Company Common Shares shall be calculated in accordance with the provisions of such Rule; provided, however, that for purposes of Beneficial Ownership, (a) a Person shall be deemed to be the Beneficial Owner of any Equity Securities which may be acquired by such Person (disregarding any legal impediments to such Beneficial Ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Mr. Diller shall be deemed to be exercisable), rights or other securities issued by the Company or any Subsidiary thereof and (b) no Person shall be deemed to Beneficially Own any Equity Securities solely as a result of such Person’s execution of this Agreement (including by virtue of holding a proxy with respect to any Equity Securities), or the Stockholders Agreement, or with respect to which such Person does not have a pecuniary interest.

Section 6.03. “Block Sale” shall mean a Transfer, in a single transaction (other than a Transfer to a Qualified Distribution Transferee) of all of the Equity Securities Beneficially Owned by Liberty (other than any Restricted Equity Securities) at such time to a Person (other than Mr. Diller, a Permitted Transferee, a Permitted Designee or the Company) not affiliated with Liberty (i) whose Ownership Percentage upon, and giving effect to, such Transfer does not exceed 30% of the Total Equity Securities and (ii) who enters into a standstill agreement with the Company in the form attached as Exhibit A to this Agreement (a “Standstill Agreement” and such Transferee, the “Block Sale Transferee”).

Section 6.04. “Block Sale Transferee” shall have the meaning set forth in Section 6.03.

Section 6.05. “business day” shall mean any day other than a Saturday, a Sunday or any other day on which banks in New York, New York may, or are required to, remain closed.

Section 6.06. “Chairman” shall mean the Chairman of the Board of Directors of the Company or any successor entity.

Section 6.07. “Chairman Termination Date” shall mean the date that Mr. Diller no longer serves as Chairman.

Section 6.08. “Commission” shall mean the Securities and Exchange Commission.

Section 6.09. “Company” shall have the meaning set forth in the Recitals to this Agreement.

Section 6.10. “Company Class B Stock” shall mean class B common stock, \$0.001 par value per share, of the Company.

Section 6.11. “Company Common Shares” shall mean shares of Company Common Stock and Company Class B Stock.

Section 6.12. “Company Common Stock” shall mean common stock, \$0.001 par value per share, of the Company.

Section 6.13. “Consenting Party” shall have the meaning set forth in Section 2.04.

Section 6.14. “Demand Registration” shall have the meaning set forth in Section 7.08(b).

Section 6.15. “DGCL” shall mean the General Corporation Law of the State of Delaware.

Section 6.16. “Disabled” shall mean the disability of Mr. Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a physician selected by Liberty and reasonably acceptable to Mr. Diller, his spouse or a personal representative designated by Mr. Diller; provided that Mr. Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. Total disability shall mean mental or physical incapacity that prevents Mr. Diller from managing the business affairs of the Company.

Section 6.17. “Distribution Transaction” shall mean any transaction pursuant to which the equity interests of a Subsidiary of Liberty which directly or indirectly holds all Company Common Shares Beneficially Owned (other than any Restricted Equity Securities) by Liberty at such time (a “Liberty Spinco”) are distributed, directly or indirectly (whether by redemption, dividend, share distribution, merger or otherwise) to all or substantially all of the holders of one or more classes or series of the common stock of Liberty that are registered under Section 12(b) or 12(g) of the Exchange Act (such holders of one or more such classes or series, “Liberty Holders”), on a pro rata basis with respect to each such class or series (other than with respect to the payment of cash in lieu of fractional shares), or such equity interests of such Liberty Spinco are available to be acquired by Liberty Holders (including through any rights offering, exchange offer, exercise of subscription rights or other offer made available to Liberty Holders), on a pro rata basis with respect to each such class or series (other than with respect to the payment of cash in lieu of fractional shares), whether voluntary or involuntary.

Section 6.18. “EBITDA” shall mean, for any period, for the Company and its Subsidiaries (on a pro forma basis to the extent the applicable period includes any period prior to the separation of the Company from Expedia), on a combined consolidated basis: net income plus (to the extent reflected in the determination of net income) (i) provision for income taxes, (ii) minority interest, (iii) interest income and expense, (iv) depreciation and amortization, (v) amortization of cable distribution fees, and (vi) amortization of non-cash distribution and marketing expense and non-cash compensation expense.

Section 6.19. “Effective Time” shall have the meaning set forth in Section 7.13.

Section 6.20. “Equity Securities” shall mean the equity securities of the Company calculated on a Company Common Stock equivalent basis, including the Company Common Shares and those shares issuable upon exercise, conversion or redemption of other securities of the Company not otherwise included in this definition.

Section 6.21. “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 6.22. “Excluded Issuance” shall mean any issuance of Company Common Shares (i) in a Sale Transaction, or (ii) which is “restricted stock” or the ownership of which is otherwise subject to forfeiture (“Restricted Stock”), provided that for purposes of this definition and Section 3.01 of this Agreement any stock covered by the provisions of clause (ii) shall be deemed to have been issued for purposes of Section 3.01 of this Agreement on the date (the “Lapse Date”) the restrictions on such stock lapse or on which the stock is no longer subject to forfeiture.

Section 6.23. “Expedia” means Expedia, Inc., a Delaware corporation.

Section 6.24. “Expedia Governance Agreement” shall mean the Amended and Restated Governance Agreement, dated as of [—], among Expedia, Liberty and Mr. Diller.

Section 6.25. “Fair Market Value” for a security publicly traded on a recognized exchange shall be the average closing price of such security for the three trading days ending on the applicable day (or, if such day is not a trading day, the trading day immediately preceding the applicable day), and for all other securities or property “Fair Market Value” shall be determined, by a nationally recognized investment banking firm which has not been engaged by the Company or Liberty or their respective Affiliates (including with respect to the Company, (a) for so long as Mr. Diller is Senior Executive of Expedia, Expedia and (b) for so long as Mr. Diller is Senior Executive of IAC/InterActiveCorp, IAC/InterActiveCorp) for the prior three years, selected by (i) the Company and (ii) Liberty; provided that, if the Company and Liberty cannot agree on such an investment banking firm within 10 business days, such investment banking firm shall be selected by a panel designated in accordance with the rules of the American Arbitration Association. The fees, costs and expenses of the American Arbitration Association and the investment banking firm so selected shall be borne equally by the Company and Liberty.

Section 6.26. “Hedging Transaction” shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.27. “Insider” shall mean all directors of the Company and all officers of the Company required to file a statement with respect to the Company pursuant to Section 16(a) of the Exchange Act.

Section 6.28. “Issue Price” shall mean the price per share equal to (i) in connection with an underwritten offering of Company Common Shares, the initial price at which the stock is offered to the public or other investors, (ii) in connection with other sales of Company Common Shares for cash, the cash price paid for such stock, (iii) in connection with the deemed issuances of Restricted Stock, the Fair Market Value of the stock on the Lapse Date (as defined in the definition of “Excluded Issuance” above), (iv) in connection with the issuance of Company Common Shares as consideration in an acquisition by the Company, the average of the Fair Market Value of the stock for the five trading days ending on the third trading day immediately

preceding (a) the date upon which definitive agreements with respect to such acquisition were entered into if the number of Company Common Shares issuable in such transaction is fixed on that date, or (b) such later date on which the consideration, or remaining portion thereof, issuable in such transaction becomes fixed, (v) in connection with a compensatory issuance of shares of Company Common Shares, the Fair Market Value of the Company Common Stock, and (vi) in all other cases, including, without limitation, in connection with the issuance of Company Common Shares pursuant to an option, warrant or convertible security (other than in connection with issuances described in clause (v) above), the Fair Market Value of the Company Common Shares on the date of issuance.

Section 6.29. "Lapse Date" shall have the meaning set forth in Section 6.22.

Section 6.30. "Liberty" shall have the meaning set forth in the Recitals to this Agreement.

Section 6.31. "Liberty Director" shall mean (a) any executive officer or director of Liberty designated by Liberty to serve on the Company's Board of Directors, provided that the Company's Board of Directors is not unable, in the exercise of its fiduciary responsibilities, to recommend that the Company's stockholders elect such individual to serve on the Company's Board of Directors, or (b) any other Person designated by Liberty who is reasonably acceptable to the Company.

Section 6.32. "Liberty Holdco" shall mean any holding company wholly owned by Liberty and reasonably acceptable to the Company, formed solely for the purpose of acquiring and holding an equity interest in the Company.

Section 6.33. "Liberty Holders" shall have the meaning set forth in Section 6.17.

Section 6.34. "Liberty Proxy" shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.35. "Liberty Spinco" shall have the meaning set forth in Section 6.17.

Section 6.36. "Litigation" shall have the meaning set forth in Section 7.05.

Section 6.37. "Mr. Diller" shall have the meaning set forth in the Recitals to this Agreement.

Section 6.38. "Ownership Percentage" means, with respect to any Stockholder, at any time, the ratio, expressed as a percentage, of (i) the Equity Securities Beneficially Owned by such Stockholder (disregarding any legal impediments to such Beneficial Ownership) and its Affiliates to (ii) the sum of (x) the Total Equity Securities and (y) with respect to such Stockholder, any Company Common Shares included in clause (i) that are issuable upon conversion, exchange or exercise of Equity Securities that are not included in clause (x).

Section 6.39. "Permitted Transferee" shall mean Liberty or Mr. Diller and the members of their respective Stockholder Groups.

Section 6.40. “Person” shall mean any individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, government or department or agency of a government.

Section 6.41. “Qualified Distribution Transferee” shall mean any Person that meets the following conditions: (i) at the time of any acquisition by it of Beneficial Ownership of Equity Securities, it is a Subsidiary of Liberty, (ii) thereafter, by reason of a Distribution Transaction, it ceases to be a Subsidiary of Liberty, (iii) if the Distribution Transaction pursuant to which such Person ceases to be a Subsidiary of Liberty occurs prior to the second anniversary of the Effective Time, then, immediately prior to such Distribution Transaction, such Person (or, if such Person is not the Liberty Spinco, the Liberty Spinco) is a wholly owned Subsidiary of Liberty, and (iv) prior to such Distribution Transaction (a) it and, if required by Section 5.01(a), the Liberty Spinco, enters into the amendment contemplated by Section 5.01(a) hereof and (b) it and, if required by Section 5.1 of the Stockholders Agreement, the Liberty Spinco enters into the amendment contemplated by Section 5.1 thereof.

Section 6.42. “Restricted Equity Security” shall mean any option, warrant, right or other security issued by the Company that by its terms is not transferable by the holder of such option, warrant, right or other security at such time of determination.

Section 6.43. “Restricted Stock” shall have the meaning set forth in Section 6.22.

Section 6.44. “Sale Transaction” shall mean a merger, consolidation or amalgamation between the Company and another entity (other than an Affiliate of the Company) in which the Company is to be acquired by such other entity or a Person who controls such entity, or a sale of all or substantially all of the assets of the Company to another entity, other than an Affiliate of the Company.

Section 6.45. “Securities Act” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 6.46. “Standstill Agreement” shall have the meaning set forth in Section 6.03.

Section 6.47. “Stockholder Group” shall mean (a) in respect of Liberty, the Liberty Stockholder Group (as defined in the Stockholders Agreement) and (b) in respect of Mr. Diller, the Diller Stockholder Group (as defined in the Stockholders Agreement).

Section 6.48. “Stockholders” shall mean Liberty and Mr. Diller.

Section 6.49. “Stockholders Agreement” shall mean the Stockholders Agreement dated as of the date hereof between Liberty and Mr. Diller.

Section 6.50. “Subsidiary” shall mean, as to any Person, any corporation or other Person at least a majority of the shares of stock or other ownership interests of which having general voting power under ordinary circumstances to elect a majority of the Board of Directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency) is, at the time as of which the determination is being made, owned by such Person, or one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries.

Section 6.51. "Third-Party Transferee" shall have the meaning ascribed to such term in the Stockholders Agreement.

Section 6.52. "Total Debt" shall mean all obligations of the Company and its Subsidiaries for money borrowed, at such time (including all long-term senior and subordinated indebtedness, all short-term indebtedness, the stated amount of all letters of credit issued for the account of the Company or any of its Subsidiaries and (without duplication) all unreimbursed draws thereunder (but excluding trade letters of credit)), net of cash (other than working capital) or cash equivalent securities, as shown on the consolidated quarterly or annual financial statements, including the notes thereto, of the Company and its Subsidiaries included in the Company's filings under the Exchange Act for such period, determined in accordance with GAAP, provided, however, that Total Debt shall not include hedging, pledging, securitization or similar transactions involving securities owned by the Company or its Subsidiaries to monetize the underlying securities, to the extent such securities are the sole means of satisfying such obligations and otherwise the fair value thereof.

Section 6.53. "Total Debt Ratio" shall mean, at any time, the ratio of (i) Total Debt of the Company and its Subsidiaries on a combined consolidated basis as of such time to (ii) EBITDA for the four fiscal quarter period ending as of the last day of the most recently ended fiscal quarter as of such time.

Section 6.54. "Total Equity Securities" at any time shall mean, subject to the next sentence, the total number of the Company's outstanding equity securities calculated on a Company Common Stock equivalent basis. Any Equity Securities Beneficially Owned by a Person that are not outstanding Voting Securities but that, upon exercise, conversion or exchange, would become Voting Securities, shall be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of Equity Securities owned by such Person but shall not be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of the Equity Securities owned by any other Person.

Section 6.55. "Transfer" shall mean, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Company Common Shares Beneficially Owned by such Stockholder or any interest in any Company Common Shares Beneficially Owned by such Stockholder, provided, however, that, a merger or consolidation in which a Stockholder is a constituent corporation shall not be deemed to be the Transfer of any Company Common Shares Beneficially Owned by such Stockholder (provided, that a significant purpose of any such transaction is not to avoid the provisions of this Agreement). For purposes of this Agreement, the conversion of Company Class B Stock into Company Common Stock shall not be deemed to be a Transfer.

Section 6.56. "TripAdvisor" shall have the meaning set forth in the Recitals to this Agreement.



Section 6.57. "Voting Securities" shall mean at any particular time the shares of any class of capital stock of the Company which are then entitled to vote generally in the election of directors.

## ARTICLE VII

### MISCELLANEOUS

Section 7.01. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy) and shall be given, if to Liberty, to:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, Colorado 80112  
Attention: General Counsel  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts L.L.P.  
30 Rockefeller Plaza  
44th Floor  
New York, New York 10112  
Attention: Frederick H. McGrath  
Facsimile: (212) 408-2501

if to Mr. Diller, to:

Barry Diller  
Chairman  
TripAdvisor, Inc.  
c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, New York 10011  
Attention: General Counsel  
Facsimile: (212) 632-9551

with a copy to:

TripAdvisor, Inc.  
141 Needham Street  
Newton, Massachusetts 02464  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

if to the Company, to:

TripAdvisor, Inc.  
141 Needham Street  
Newton, Massachusetts 02464  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

or such address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. Each such notice, request or other communication shall be effective when delivered personally, telegraphed, or telecopied, or, if mailed, five business days after the date of the mailing.

Section 7.02. Amendments; No Waivers (a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the party whose rights or obligations hereunder are affected by such amendment, or in the case of a waiver, by the party or parties against whom the waiver is to be effective. Any amendment or waiver by the Company shall be authorized by a majority of the Board of Directors (excluding for this purpose any director who is a Liberty Director as provided for in this Agreement), except as otherwise provided in Section 7.03.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.03. Company Consent Right to Waiver of Liberty Conversion Obligations in Stockholders Agreement. Any waiver by Mr. Diller of Liberty's obligation (or the obligation of any member of Liberty's Stockholder Group), pursuant to Section 4.4(b) of the Stockholders Agreement, to convert or exchange shares of Company Class B Stock into shares of Company Common Stock before Transferring shares of Company Class B Stock to a third party (including

as required in connection with any Hedging Transaction) will be subject to the consent of the Company (the Company's right to so consent, the "Waiver Consent Right"), which consent will be exercisable by the vote of (i) a majority of the members of the Board of Directors who are "independent directors" as defined by applicable stock exchange listing rules (which, for this purpose, shall exclude any director who is a Liberty Director) or (ii) a majority of the members of a committee of the Board of Directors composed solely of such independent directors (each of (i) and (ii), a "Special Committee"). If, pursuant to Sections 6.2(a) or 6.2(b) of the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee), Mr. Diller has ceased to be entitled to exercise his rights under the Stockholders Agreement, the Waiver Consent Right will terminate and no such consent will thereafter be required in connection with Liberty's Transfer of shares of Company Class B Stock.

In the event the Stockholders Agreement is mutually terminated by Mr. Diller and Liberty, then:

(a) if, at the time the Stockholders Agreement is mutually terminated, Mr. Diller would, but for such mutual termination, have ceased to be entitled to exercise his rights under the Stockholders Agreement pursuant to Sections 6.2(a) or 6.2(b) thereof (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee), the Waiver Consent Right will terminate at the same time the Stockholders Agreement is mutually terminated; or

(b) if, at the time the Stockholders Agreement is mutually terminated, Mr. Diller would have been entitled to exercise his rights under the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee) had such mutual termination not occurred, then the Waiver Consent Right will continue until the earlier of: (i) such time as Mr. Diller would have, pursuant to Sections 6.2(a) or 6.2(b) of the Stockholders Agreement, ceased to be entitled to exercise his rights under the Stockholders Agreement (without giving effect to any amendment, waiver or modification of the Stockholders Agreement following the execution thereof that is not approved by a Special Committee) had the Stockholders Agreement remained in full force and effect and (ii) the one-year anniversary of the date the Stockholders Agreement is mutually terminated.

Section 7.04. Successors And Assigns. Except as provided in Article I or as provided for in Section 5.01(a), neither this Agreement nor any of the rights or obligations under this Agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger of Liberty with another Person a significant purpose of which is not to avoid the provisions of this Agreement), by any party without the prior written consent of the other parties hereto. Subject to the foregoing, the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 7.05. Governing Law; Consent To Jurisdiction. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State

of Delaware, for any action, proceeding or investigation in any court or before any governmental authority (“Litigation”) arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.06. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 7.07. Specific Performance. The Company, Mr. Diller and Liberty each acknowledge and agree that the parties’ respective remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of that fact, agree that, in the event of a breach or threatened breach by Mr. Diller, the Company or Liberty of the provisions of this Agreement, in addition to any remedies at law, Mr. Diller, Liberty and the Company, respectively, without posting any bond shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available.

Section 7.08. Registration Rights. (a) Liberty and Mr. Diller shall be entitled to customary registration rights relating to Company Common Stock owned by them as of the date hereof or acquired from the Company (including upon conversion of Company Class B Stock) in the future (including the ability to transfer registration rights as set forth in this Agreement in connection with the sale or other disposition of Company Common Stock).

(b) If requested by a Stockholder, the Company shall be required promptly to cause the Company Common Stock owned by such Stockholder or its Affiliates to be registered under the Securities Act in order to permit such Stockholder or such Affiliate to sell such shares in one or more (but not more than (i) in the case of Liberty, four and (ii) in the case of Mr. Diller, three) registered public offerings (each, a “Demand Registration”). Each Stockholder shall also be entitled to customary piggyback registration rights. If the amount of shares sought to be registered by a Stockholder and its Affiliates pursuant to any Demand Registration is reduced by more than 25% pursuant to any underwriters’ cutback, then such Stockholder may elect to request the Company to withdraw such registration, in which case, such registration shall not count as one of such Stockholder’s Demand Registrations. If a Stockholder requests that any Demand Registration be an underwritten offering, then such Stockholder shall select the underwriter(s) to administer the offering, provided that such underwriter(s) shall be reasonably satisfactory to the Company. If a Demand Registration is an underwritten offering and the managing underwriter advises the Stockholder initiating the Demand Registration in writing that

in its opinion the total number or dollar amount of securities proposed to be sold in such offering is such as to materially and adversely affect the success of such offering, then the Company will include in such registration, first, the securities of the initiating Stockholder, and, thereafter, any securities to be sold for the account of others who are participating in such registration (as determined on a fair and equitable basis by the Company). In connection with any Demand Registration or inclusion of a Stockholder's or its Affiliate's shares in a piggyback registration, the Company, such Stockholder and/or its Affiliates shall enter into an agreement containing terms (including representations, covenants and indemnities by the Company and such Stockholder), and shall be subject to limitations, conditions, and blackout periods, customary for a secondary offering by a selling stockholder. The costs of the registration (other than underwriting discounts, fees and commissions) shall be paid by the Company. The Company shall not be required to register such shares if a Stockholder would be permitted to sell the Company Common Stock in the quantities proposed to be sold at such time in one transaction under Rule 144 of the Securities Act or under another comparable exemption therefrom.

(c) If the Company and a Stockholder cannot agree as to what constitutes customary terms within ten days of such Stockholder's request for registration (whether in a Demand Registration or a piggyback registration), then such determination shall be made by a law firm of national reputation mutually acceptable to the Company and such Stockholder.

Section 7.09. Termination. Except as otherwise provided in this Agreement, this Agreement shall terminate (a) as to Liberty, at such time that Liberty Beneficially Owns Equity Securities representing less than 5% of the Total Equity Securities and (b) as to Mr. Diller, at such time that the Chairman Termination Date has occurred or at such time as he becomes Disabled. In respect of "Contingent Matters," such provisions shall terminate as to Mr. Diller and Liberty as set forth therein.

Section 7.10. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, provided that the parties hereto shall negotiate in good faith to attempt to place the parties in the same position as they would have been in had such provision not been held to be invalid, void or unenforceable.

Section 7.11. Cooperation. Each of Liberty and Mr. Diller covenants and agrees with the other to use its reasonable best efforts to cause the Company to fulfill the Company's obligations under this Agreement.

Section 7.12. Adjustment of Share Numbers and Prices. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of capital stock referred to in this Agreement, then, in any such event, the numbers and types of shares of such capital stock referred to in this Agreement and, if applicable, the prices of such shares, shall be adjusted to the number and types of shares of such capital stock that a holder of such number of shares of such capital stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event, and the prices for such shares shall be similarly adjusted.

Section 7.13. Effective Time. This Agreement shall become effective as of the date hereof, immediately following consummation of the Company's spin-off from Expedia and transactions relating thereto (the "Effective Time").

Section 7.14. Entire Agreement. Except as otherwise expressly set forth herein, this Agreement and the Stockholders Agreement embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way (including, without limitation, effective upon the date hereof, all stockholders agreements relating to the Company (other than the Stockholders Agreement) between Liberty and Mr. Diller).

Section 7.15. Interpretation. References in this Agreement to Articles and Sections shall be deemed to be references to Articles and Sections of this Agreement unless the context shall otherwise require. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of such agreement or instrument.

Section 7.16. Headings. The titles of Articles and Sections of this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Governance Agreement to be duly executed as of the day and year first above written.

TRIPADVISOR, INC.

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LIBERTY INTERACTIVE CORPORATION

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
BARRY DILLER

**[SIGNATURE PAGE TO TRIPADVISOR GOVERNANCE AGREEMENT]**

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**EXHIBIT A**

**FORM OF STANDSTILL AGREEMENT**



## FORM OF STANDSTILL AGREEMENT

This STANDSTILL AGREEMENT, dated as of [—] and effective as of the Effective Date (as defined below) (this “Agreement”), is entered into by and among the Persons set forth on Annex A hereto (collectively, the “Block Sale Transferee”) and TripAdvisor, Inc., a Delaware corporation (the “Company,” which term shall, for purposes of this Agreement, include its direct and indirect subsidiaries) (each, a “Party” and collectively, the “Parties”).

### WITNESSETH:

WHEREAS, the Company is a party to a governance agreement dated as of [—], 20[11] (the “Governance Agreement”), among the Company, Liberty Interactive Corporation (“Liberty”), for itself and on behalf of the members of its Stockholder Group and Mr. Barry Diller (“Mr. Diller”), for himself and on behalf of the members of his Stockholder Group;

WHEREAS, the Governance Agreement requires that, prior to the consummation of a Transfer qualifying as a Block Sale, the Block Sale Transferee shall have executed a standstill agreement with the Company;

WHEREAS, pursuant to Section 5.02(b)(ii) of the Governance Agreement, the Company has agreed that, prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company, the Board of Directors of the Company will approve (x) the Block Sale Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block Sale for purposes of Section 203(a)(1) of the DGCL, with the condition that the Block Sale Transferee execute this Agreement;

WHEREAS, this Agreement shall be effective as of the date of consummation of the Block Sale (the “Effective Date”); and

WHEREAS, capitalized terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Governance Agreement.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement and other consideration, the adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

### 1. **Definitions.**

1.1 The term “Actual Ownership” (and the related term “Actually Own”) shall mean as of any date of determination, an amount equal to the sum of (a) the number of Company Common Shares (or other Voting Securities) issued and outstanding and actually owned by Mr. Diller and his Affiliates as of such date (excluding shares of Company Common Stock that Mr. Diller and his Affiliates could exchange pursuant to clause (c)), plus (b) the number of shares of Company Class B Stock owned by any third party that has acquired shares of Company Class B Stock pursuant to the exercise of the Purchase/Exchange Right in accordance with Section

5.02(d) of the Governance Agreement, plus (c) the number of shares of Company Class B Stock Mr. Diller and his Affiliates would actually own if Mr. Diller exercised (directly or with an Affiliate) the Purchase/Exchange Right pursuant to Section 5.02(c)(ii) of the Governance Agreement utilizing the shares of Company Common Stock issued and outstanding and actually owned by Mr. Diller and his Affiliates as of such date; provided, that, notwithstanding anything to the contrary in this Section 1.1, for the avoidance of doubt, Actual Ownership shall not include Company Common Shares (or other equity securities of the Company) which are deemed Beneficially Owned by Mr. Diller solely by virtue of voting power granted to Mr. Diller pursuant to a proxy granted by Liberty.

1.2 The term "business day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of New York.

1.3 The term "DGCL" means the General Corporation Law of the State of Delaware, as amended.

1.4 The term "group" shall have the meaning given to that term (or as that term is used) in Section 13(d)(3) of the Exchange Act.

1.5 The term "proxy" shall have the meaning ascribed to such term in Rule 14a-1 promulgated under the Exchange Act.

1.6 The term "Rights Offering" means the issuance by the Company to holders of Company Common Stock (or other equity securities of the Company) of rights to buy, within a fixed time period, a proportional number of newly issued shares of Company Common Stock (or other equity securities of the Company).

1.7 The term "SEC" means the Securities and Exchange Commission.

1.8 The term "solicitation" shall have the meaning ascribed to such term in Rule 14a-1 promulgated under the Exchange Act.

## 2. Share Ownership.

2.1 Limitation on Share Ownership. From the Effective Date until the third anniversary of the Effective Date (the "Standstill Period"), the Block Sale Transferee and its Affiliates shall not acquire Beneficial Ownership of any Equity Securities that would cause the Block Sale Transferee, its Affiliates or any group of which any of them are a part to Beneficially Own in the aggregate more than thirty percent (30%) of the Total Equity Securities (subject to adjustment pursuant to this Section 2.1, the "Ownership Limitation"); provided, however, that the Block Sale Transferee shall not be in breach of the Ownership Limitation to the extent that its Beneficial Ownership of Equity Securities exceeds the Ownership Limitation as a result of (x) a reduction in the number of Total Equity Securities (whether due to a redemption, share buyback, reverse stock split or similar transaction effected by the Company or any of its Subsidiaries), (y) a distribution that was made by the Company pursuant to a Rights Offering or a distribution that was made generally to holders of Company Common Shares (or other equity securities of the Company) as a result of their ownership of Company Common Shares (or other equity securities of the Company) including, without limitation, pursuant to a shareholder rights plan or similar

plan or agreement, or (z) the acquisition by the Block Sale Transferee or its Affiliates of any Company Common Shares (or other equity securities of the Company) as a result of the exercise (or exchange) of any rights (1) distributed to the Block Sale Transferee or its Affiliates by the Company pursuant to clause (y) above and (2) acquired, directly or indirectly, by the Block Sale Transferee or its Affiliates from third parties (“Third Party Rights”), subject, as to the exercise (or exchange) of the Third Party Rights, to the following limitations: (A) in the event that the Company or any of its Subsidiaries enters into an agreement with a standby purchaser or underwriter (a “Standby Purchaser”) pursuant to which such Standby Purchaser will purchase and exercise rights or otherwise purchase Company Common Shares (or other equity securities) that would have been issuable upon the exercise of rights which expire unexercised upon the expiration of such offering or distribution (such offering or distribution, an “Underwritten Offering”), then the Block Sale Transferee and its Affiliates will only be permitted to exercise such Third Party Rights to the extent that, assuming the Standby Purchaser exercised rights or acquired shares in accordance with its obligations under such agreement with the Company, such exercise would not result in the Block Sale Transferee and its Affiliates exceeding the Ownership Limitation in effect immediately prior to the commencement of such Rights Offering or other distribution and (B) in the event such offering or distribution is not an Underwritten Offering, or in the event of a separation or distribution of rights pursuant to a shareholder rights plan or similar plan or agreement, the Block Sale Transferee and its Affiliates will not be entitled to exercise (or exchange) Third Party Rights to the extent that after giving effect to the exercise (or exchange) of all rights distributed to the Block Sale Transferee and its Affiliates by the Company, such exercise (or exchange) of Third Party Rights would result in the Block Sale Transferee and its Affiliates having Beneficial Ownership of Equity Securities, determined immediately following the closing of such offering or distribution or (in the case of a shareholder rights plan or similar plan or agreement) at such time as all of the Company’s stockholders electing to exercise rights (excluding any “acquiring person”) have exercised such rights or, if applicable, the Company has exchanged the rights held by all of the Company’s stockholders (other than by the “acquiring person”), in an amount that exceeds the Ownership Limitation in effect immediately prior to the commencement of such offering, distribution or separation, as applicable. In the event that the Block Sale Transferee’s Beneficial Ownership of Equity Securities exceeds the Ownership Limitation as a result of actions referred to in clauses (x) or (z) of this Section 2.1 (or any combination thereof and the Block Sale Transferee is otherwise in compliance with the provisions of this Section 2.1), then the Ownership Limitation shall be deemed increased to that percentage which is equal to the Block Sale Transferee’s Beneficial Ownership of Total Equity Securities immediately following (i) for purposes of clause (x), the event that caused such increase and (ii) for purposes of clause (z), the closing of such Rights Offering or distribution or (in the case of a shareholder rights plan or similar plan or agreement) at such time as all of the Company’s stockholders electing to exercise rights (excluding any “acquiring person”) have exercised such rights or, if applicable, the Company has exchanged the rights held by all of the Company’s stockholders (other than by the “acquiring person”), and thereafter the Block Sale Transferee and its Affiliates shall not acquire any Company Common Shares (or other equity securities of the Company) that would result in it exceeding such adjusted Ownership Limitation except as otherwise permitted by this Section 2.1. The Block Sale Transferee acknowledges and agrees that nothing in this Section 2.1 is intended to limit or restrict the operation of any shareholder rights plan or similar plan or agreement adopted by the Company.

2.2 Share Ownership Notice. Within 5 business days after the end of each calendar quarter during the Standstill Period, commencing with the quarter ending [—], the Block Sale Transferee shall provide written notice to the Company of the number of Equity Securities

Beneficially Owned by the Block Sale Transferee at the end of such quarter. Upon a written request by the Block Sale Transferee to the Company, the Company shall provide within 10 business days of the receipt of such written request a written notice to the Block Sale Transferee of the number of Equity Securities Beneficially Owned and Actually Owned by Mr. Diller as of such date, and the Block Sale Transferee agrees to hold the information contained in such notice in confidence (except in the event that the Block Sale Transferee is required by law, regulation, legal process, regulatory authority (including, without limitation, any stock exchange) or other applicable judicial or governmental order to disclose the information contained in such notice or to the extent necessary to exercise or enforce any of its rights under this Agreement).

3. **Standstill and Related Provisions.**

3.1 Standstill Provisions. During the Standstill Period, unless expressly authorized in writing to do so by a majority of the members of the Board of Directors, acting through a committee of directors that qualify as “independent directors” as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>1</sup>, the Block Sale Transferee shall not, and shall cause its Affiliates not to, directly or indirectly, acting alone or as part of a group:

- (a) make, or in any way participate in any solicitation of any proxy [(but without regard to the exclusion set forth in Rule 14a-1(l)(2)(iv) under the Exchange Act from the definition of “solicitation”)]<sup>2</sup> to vote any Company Common Shares (or other equity securities of the Company) with respect to any matter (including, without limitation, any contested solicitation for the election of directors with respect to the Company), other than solicitations or acting as a participant in support of all of the Company’s nominees [including, without limitation, the nominees of the Block Sale Transferee pursuant to Article 5]<sup>3</sup>;
- (b) form, join in or in any way participate in a group (for the avoidance of doubt, the Block Sale Transferee shall not be deemed to have formed, joined in or in any way participated in a group with the Company as a result of the Block Sale Transferee’s execution of this Agreement) with respect to the Company Common Shares (or other equity securities of the Company) or deposit any Company Common Shares (or other equity securities of the Company) in a voting trust or similar arrangement or subject any Company Common Shares (or other equity securities of the Company) to any voting agreement or similar arrangement, or grant any proxy with respect to any Company Common Shares (or other equity securities of the Company) (other than to a designated representative of the Company pursuant to a proxy statement of the Company), other than as contemplated by the Governance Agreement or the Stockholders Agreement or the transactions contemplated thereby;

<sup>1</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>2</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>3</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

- (c) seek to call, or to request the calling of, or call a special meeting of the stockholders of the Company, or seek to make, or make, a stockholder proposal (whether pursuant to Rule 14a-8 under the Exchange Act or otherwise) at any meeting of the stockholders of the Company, or make a request for a list of the Company's stockholders, or[, other than pursuant to the Block Sale Transferee's nomination rights in accordance with Article 5 of this Agreement,]<sup>4</sup> seek election of a representative to the Board of Directors, seek to place a representative on the Board of Directors or seek the removal of any director from the Board of Directors, or otherwise acting alone, or by participating in a group, seek to control or influence the governance or policies of the Company;
- (d) effect or seek to effect (including, without limitation, by entering into any discussions, negotiations, agreements or understandings whether or not legally enforceable with any third Person), offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way assist or facilitate any other Person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in any acquisition of any Company Common Shares (or other equity securities of the Company) (or Beneficial Ownership thereof) in excess of the Ownership Limitation, except in accordance with Section 2.1; provided, that, for the avoidance of doubt, the Block Sale Transferee is permitted to Transfer to an unaffiliated third party any Company Common Shares (or other equity securities of the Company) Beneficially Owned by the Block Sale Transferee, subject to the provisions of Article 8 hereof, if applicable;
- (e) effect or seek to effect (including, without limitation, by entering into any discussions, negotiations, agreements or understandings whether or not legally enforceable with any third Person), offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way assist or facilitate any other Person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in (i) any tender offer or exchange offer, merger, acquisition, share exchange or other business combination involving the Company or any of its Subsidiaries, (ii) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or any of its Subsidiaries or any material portion of its or their businesses, or (iii) any acquisition of any material assets or businesses of the Company or any of its Subsidiaries;
- (f) publicly disclose, or cause or, in a material manner, facilitate the public disclosure (including without limitation through the filing by it of any document or report with the SEC or any other governmental agency or any disclosure to any journalist, member of the media or securities analyst) of any intent, purpose, plan or proposal to obtain any waiver, or consent under, or any amendment of, any of the provisions of Section 2.1, this Section 3.1, or Article 4 (except as described in Section 4.1) or bring any action to (i) contest the validity of Section 2.1, this Section 3.1 or Article 4, or (ii) seek a release from the restrictions contained in Section 2.1, this Section 3.1 or Article 4;

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<sup>4</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

- (g) unless required by law, make or issue or cause to be made or issued any public disclosure, announcement or statement (including without limitation the filing of any document or report with the SEC or any other governmental agency or any disclosure to any journalist, member of the media or securities analyst) (i) in support of any solicitation described in paragraph (a) above (other than solicitations by the Company), (ii) in support of any matter described in paragraph (c) above, (iii) concerning any potential matter described in paragraph (d) above; (iv) concerning any potential matter described in paragraph (e) above; or (v) negatively commenting upon the Company's corporate strategy, business, corporate activities, board of directors or management (for the avoidance of doubt, making any factual statement about the Company's corporate strategy, business, corporate activities, board of directors or management shall not be prohibited by this Section 3.1(g)(v)); or
- (h) enter into any discussions, negotiations, agreements or understandings with any Person with respect to any of the foregoing or advise, assist or seek to persuade others to take any action with respect to any of the foregoing.

Notwithstanding the foregoing, (a) [the restrictions in Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) (to the extent it relates to any of the foregoing) shall not apply at any time that (i) the Company fails to comply in all material respects with its obligations under Article 5 hereof, which failure continues unremedied for a period of 10 business days following receipt by the Company of a written notice from the Block Sale Transferee of such failure or (ii) the Block Sale Transferee has relinquished its nomination rights pursuant to Article 5 and all Block Sale Transferee nominated directors have resigned; or (b)]<sup>5</sup> in the event that (x) the Board of Directors determines that the Company should engage in any transaction described in Section 3.1(e)(i) or 3.1(e)(ii), the Block Sale Transferee shall be permitted to participate in such Board of Directors' approved transaction as a shareholder on the same terms and conditions as any other shareholder of the Company, (y) the Board of Directors determines that the Company should solicit from one or more Persons or enter into discussions with one or more Persons regarding, or invites any other Person or group to make a proposal (without similarly inviting the Block Sale Transferee to make a similar proposal) with respect to an acquisition of (i) all or substantially all of the equity securities or assets of the Company or any of its Subsidiaries (by merger, tender offer or otherwise) or (ii) any material assets or businesses of the Company or any of its Subsidiaries, the Block Sale Transferee shall have the right to make a non-public competing proposal to the Board of Directors in compliance with any written procedures generally applicable to Persons making proposals provided by the Company or the Board of Directors or (z) any third party that is not an Affiliate of the Block Sale Transferee makes a bona fide offer or proposal, with respect to a matter described in Section 3.1(d) or 3.1(e) above (a "Third Party Proposal"), the Block Sale Transferee (A) shall have the right to make a non-public competing proposal to the Board of Directors and may publicly

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<sup>5</sup> Note to form: enumerated restrictions to be removed if the Block Sale Transferee does not accept the board nomination rights.

announce that it has made a competing proposal to the Board of Directors so long as such public announcement does not constitute an offer or a solicitation to any recipient thereof and (B) may tender, exchange or otherwise sell or transfer its Company Common Shares (or other equity securities of the Company) to such third party in accordance with the Third Party Proposal; provided, however, that in the case of clauses (y) and (z), the Block Sale Transferee shall be prohibited from participating with, joining in a group with or providing financing to any such third party).

[For the avoidance of doubt, any discussions involving the directors nominated by the Block Sale Transferee pursuant to Article 5 hereof (i) at a meeting of the Board of Directors or (ii) with management of the Company, other members of the Board of Directors or any of the Company's advisors or representatives, in the case of clauses (i) and (ii), while acting in such directors' capacity as members of the Board of Directors, shall not be deemed to violate any of the provisions of this Article 3.]<sup>6</sup>

#### 4. Restriction on Business Combinations

4.1 If, at the Effective Date and after taking into consideration the effect of the Block Sale, the Block Sale Transferee would be an "interested stockholder" for purposes of Section 203(c)(5) of the DGCL, then during the Standstill Period any "business combination" (as such term is defined in Section 203(c)(3) of the DGCL) between the Company and the Block Sale Transferee or any of its Affiliates will require approval by the Board of Directors, acting through a committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term will, for this purpose, exclude any directors nominated by the Block Sale Transferee)]; provided, that the execution and delivery by the Company or any of its Subsidiaries of any contract or agreement with respect to a proposed "business combination" of the type described in Section 203(c)(3)(v) of the DGCL to which the Block Sale Transferee or its "affiliates" (as such term is defined in Section 203(c)(1) of the DGCL) is a party shall constitute conclusive evidence of such approval only with respect to such contract or agreement (and the performance thereof) to the Block Sale Transferee; and provided, further, that the entrance into such contract shall constitute a waiver of the restrictions in Section 3.1(f) with respect to such contract or agreement.

#### 5. Board Representation

5.1 The Block Sale Transferee shall have the right to nominate up to such number of directors to the Board of Directors as is equal to 20% of the total number of directors on the Board of Directors (rounded up to the next whole number if the total number of directors on the Board of Directors is not an even multiple of 5) so long as the Block Sale Transferee Beneficially Owns at least 16,825,982 Equity Securities (so long as the Ownership Percentage of the Block Sale Transferee is at least equal to 15% of the Total Equity Securities), provided that all Liberty Directors have resigned from the Board of Directors. The Block Sale Transferee shall have the right to nominate one director to the Board of Directors so long as the Block Sale

<sup>6</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

<sup>7</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

Transferee Beneficially Owns at least 11,217,321 Equity Securities (so long as the Block Sale Transferee's Ownership Percentage is at least equal to 5% of the Total Equity Securities), provided that all Liberty Directors have resigned from the Board of Directors.

5.2 Each director nominee proposed by the Block Sale Transferee must qualify as an "independent director" as defined by applicable stock exchange listing rules. The director nominees proposed by the Block Sale Transferee must be approved by the nominating committee of the Board of Directors (which committee shall be comprised solely of "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)) (or by an equivalent committee of the Board of Directors or, if no such committee exists, by a committee of "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)), and, if such approval is not granted to one or more of the Block Sale Transferee's proposed nominees, the Block Sale Transferee shall have the right to propose additional nominees until approval has been granted to that number of nominees equal to the number of directors the Block Sale Transferee is entitled to nominate pursuant to Section 5.1.

5.3 Subject to the approval of the Block Sale Transferee's nominees as described in Section 5.2 and provided that the Block Sale Transferee has provided (or caused to be provided) the Company with all information reasonably requested by the Company relating to its nominees to the extent required under applicable law to be included in any proxy statement of the Company and in any other solicitation materials to be delivered to stockholders of the Company in connection with a stockholders meeting, the Company shall cause each director nominee of the Block Sale Transferee that has received such approval to be included in the slate of nominees recommended by the Board of Directors to the Company's stockholders for election as directors at each annual meeting of the stockholders of the Company and shall use all reasonable efforts to cause the election of each director nominee of the Block Sale Transferee that has received such approval, including soliciting proxies in favor of the election of such persons.

5.4 In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without Cause) of any Director nominated by the Block Sale Transferee pursuant to Section 5.1, or by any increase in the number of directors constituting the entire Board (such that the Block Sale Transferee, pursuant to Section 5.1, is entitled to additional representation on such Board to maintain its right to nominate directors constituting 20% (rounded up) of the total number of directors on the Board), the Block Sale Transferee shall, subject to Section 5.2, have the right to designate a replacement or additional Director to fill such vacancy, and the Company shall use all reasonable efforts to cause such vacancy to be filled with the replacement or additional Director so designated.

5.5 The Company shall use its best efforts to cause the candidate(s) nominated by the Block Sale Transferee (subject Section 5.2 hereof and Section 5.02(f) of the Governance Agreement) to be appointed to the Board of Directors at the next regularly scheduled meeting of the Board of Directors immediately following the Effective Date.]<sup>8</sup>

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<sup>8</sup> Note to form: to be included if Block Sale Transferee accepts the board nomination rights.



6. **Representations and Warranties.**<sup>9</sup>

6.1 **Authority; Binding Agreement of Company; Anti-takeover.** The Company represents that (a) this Agreement and the performance by the Company of its obligations hereunder (i) has been duly authorized, executed and delivered by it, and is a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, (ii) does not require the approval of the stockholders of the Company, and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational document of the Company, or any stock exchange rule or regulation, (b) prior to the Block Sale Transferee becoming an “interested stockholder” (as such term is defined in Section 203(c)(5) of the DGCL) with respect to the Company and subject to the execution by the Block Sale Transferee of this Agreement and the accuracy of the representation contained in Section 6.2(b), the Board of Directors has approved (x) the Block Sale Transferee as an “interested stockholder” within the meaning of Section 203(c)(5) of the DGCL and (y) the receipt of Company Common Shares by the Block Sale Transferee pursuant to the Block Sale for purposes of Section 203(a)(1) of the DGCL and (c) the Company has amended any stockholder rights plan or similar plan or agreement (or taken all steps necessary to amend any charter or bylaw provision) then in effect that would impose on the Block Sale Transferee, or cause the Block Sale Transferee to incur or suffer, material economic detriment (including through disproportionate dilution, relative to other holders of Company Common Shares, of the Block Sale Transferee’s equity or voting power or through a requirement to purchase or otherwise acquire, or offer to acquire, additional equity securities of the Company in the form of a mandatory offer requirement or similar provision) as a result of the Block Sale Transferee’s and its Affiliates’ receipt or continued ownership of Company Common Shares or other equity securities of the Company in the Block Sale, such that the acquisition and continued ownership by the proposed Block Sale Transferee of Company Common Shares or other equity securities of the Company in such Block Sale or thereafter in an amount permitted by this Agreement will not result in the imposition of any such restriction, limitation or economic detriment or cost under any such plan or agreement (or charter or bylaw provision having anti-takeover provisions).

6.2 **Authority; Binding Agreement of Block Sale Transferee; Ownership of Shares.** Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that (a) this Agreement and the performance by such Person of its obligations hereunder (i) has been duly authorized, executed and delivered by such Person, and is a valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, (ii) does not require approval by any owners or holders of any equity interest in such Person (except as has already been obtained), and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational documents of such Person, as amended, or constitute a breach or violation of or conflict with any material agreement to which such Person is bound and none of such material agreements would impair in any material respect the ability of such Person to perform its obligations hereunder, (b) prior to the approval described in Section 6.1(b) above, the Block Sale Transferee was not an “interested stockholder” within the meaning

<sup>9</sup> Nothing contained in Article 6 shall constitute consent by the committee of directors that qualify as “independent directors” as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee) to any waiver of any obligation to convert Company Class B Stock into shares of Company Common Stock.

of Section 203(c)(5) of the DGCL with respect to the Company and (c) as of the date hereof, after taking into account the Company Common Shares to be acquired by the Block Sale Transferee in the Block Sale and based upon the number of Company Common Shares outstanding as set forth in the Company's latest Report on Form 10-K or Form 10-Q, as applicable, the Block Sale Transferee does not Beneficially Own Company Common Shares in excess of the Ownership Limitation.

6.3 Interests in Company Common Shares. Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that, as of the Effective Date, it is or will be, as applicable, the Beneficial Owner of the number and type of Company Common Shares (or other equity securities of the Company) set forth (including, without limitation, as to the form of ownership) on Annex B hereto.

6.4 Compliance with Laws. Each of the parties listed on Annex A hereto, severally as to itself, represents and warrants that (a) it is aware, and that it has advised and will advise its Affiliates, that federal and state securities laws prohibit any Person who has material, non-public information about a company from purchasing or selling securities of such a company or from communicating such information to any other Person under circumstances in which it is reasonably foreseeable that the Person is likely to purchase or sell those securities, and (b) it will, and will cause its Affiliates to, comply with federal and state securities laws in connection with any purchase of the Company's securities contemplated by this Agreement.

7. **Termination**.

7.1 Termination. This Agreement will terminate and cease to be of any further force or effect, except with respect to Article 9 of this Agreement (with respect to actions, events or causes of action arising prior to, or in connection with, such termination), upon the earlier to occur of (i) the expiration of the Standstill Period or (ii) such time as (A) all or substantially all of the assets or equity securities of the Company have been acquired (whether by merger, tender offer or otherwise) by a third party and (B) the Block Sale Transferee or any of its Affiliates ceases to own any Company Common Shares (or other equity securities of the Company); provided that the provisions of Article 2 and Article 3 of this Agreement shall terminate and be of no further force and effect prior to the end of the Standstill Period upon the earlier to occur of:

- (a) such time as the Actual Ownership of Voting Securities represents in excess of 50% of the aggregate voting power of the total Voting Securities (provided that for purposes of calculating the aggregate voting power of the total Voting Securities for purposes of this Section 7.1(a), total Voting Securities shall: (1) include those shares of Company Class B Stock as to which Mr. Diller and his Affiliates at such time could receive pursuant to the Purchase/Exchange Right provided for in Section 5.02(c) of the Governance Agreement solely by exchanging an equivalent number of issued and outstanding shares of Company Common Stock actually owned by Mr. Diller and such Affiliates at such time, and (2) exclude such shares of Company Common Stock that could be exchanged as of such date by Mr. Diller and such Affiliates pursuant to clause (1)); or

- (b) such time as both (i) the Block Sale Transferee, its Affiliates or any group of which any of them are a part Beneficially Owns less than 12% of the aggregate voting power of the Total Equity Securities and (ii) Mr. Diller Beneficially Owns greater than 40% of the aggregate voting power of the Total Equity Securities (provided that for purposes of this Section 7.1(b)(ii), Mr. Diller's Beneficial Ownership shall not include Company Common Shares which are deemed Beneficially Owned by Mr. Diller solely by virtue of voting power granted to Mr. Diller pursuant to any Proxy granted by Liberty).

7.2 Notice of Termination of Article 2 and Article 3. In the event that any Party becomes aware of the occurrence of the events described in Section 7.1(a) or Section 7.1(b), such Party shall, within 2 business days, deliver a notice to each of the other Parties of its belief that Article 2 and Article 3 of this Agreement have terminated pursuant to Section 7.1(a) or Section 7.1(b), as applicable, and such notice shall describe in reasonable detail the basis for such Party's assertion that the applicable thresholds have been met. In the event that any of the other Parties dispute that such events of termination have occurred, such Party shall, within 2 business days, deliver a notice to the other Parties identifying the basis for such dispute. In connection with any termination pursuant to Section 7.1(a) or (b), any acquisitions or dispositions of Company Common Shares occurring after the date specified in the original notice of termination (the "Termination Date") will be disregarded, provided that if Article 2 and Article 3 of this Agreement shall have terminated pursuant to Section 7.1(b), the Block Sale Transferee shall have no agreement regarding the re-acquisition of the shares described in Section 7.1(b)(i).

**8. Subsequent Transferees.**<sup>10</sup>

8.1 Except in the event the Block Sale Transferee sells or transfers its Company Common Shares (or other equity securities of the Company) to a third party in accordance with a Third Party Proposal, the transferee of all or substantially all of the Company Common Shares transferred to the Block Sale Transferee in the Block Sale (the "Subsequent Transferee") shall agree to assume and perform all obligations and be subject to, and bound by all restrictions of the Block Sale Transferee pursuant to this Agreement during the remainder of the Standstill Period (other than (i) Article 6, (ii) the provisions of Article 4 if such transferee (a) is not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of the Block Sale Transferee at the time of such transfer and (b) was not such an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) on the Effective Date [and (ii) the provisions of Article 5 and Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) hereunder]<sup>11</sup>), as if such transferee were the Block Sale Transferee (provided, however, that the Effective Date shall continue to be defined as the date of consummation of the Block Sale). For the avoidance of doubt, the Parties acknowledge and agree that no Subsequent Transferee shall have a right to a waiver of Section 203(a)(1) of the DGCL in connection with such Subsequent Transferee's acquisition of Company Common Shares Transferred to the Block Sale Transferee in a Block Sale under this Agreement, the Governance Agreement or otherwise.

<sup>10</sup> Nothing contained in Article 8 shall constitute consent by the committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules (which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee) to any waiver of any obligation to convert Company Class B Stock into shares of Company Common Stock.

<sup>11</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

8.2 Prior to and as a condition to the acquisition by the Subsequent Transferee of the Company Common Shares Transferred to the Block Sale Transferee in the Block Sale, the Block Sale Transferee (or any Subsequent Transferee who transfers such Company Common Shares) agrees to cause such Subsequent Transferee to execute an Assumption Agreement substantially in the form attached hereto as Annex C (the “Assumption Agreement”), which shall also be signed by the Company and the Block Sale Transferee.

9. **Miscellaneous.**

9.1 **Breach.** The Block Sale Transferee shall be responsible for any breach of this Agreement by it or any of its Affiliates of the terms applicable to its Affiliates, and the Block Sale Transferee agrees to take all reasonable measures to avoid any breach of this Agreement by any of its Affiliates of the terms applicable to its Affiliates. The foregoing obligation shall not limit the remedies available to the Company for any such breach of this Agreement.

9.2 **Adjustment of Shares Numbers.** If, after the execution of this Agreement (or the Assumption Agreement), there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of capital stock of the Company referred to in this Agreement, then, in any such event, the numbers and types of shares of such capital stock referred to in this Agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such capital stock that a holder of such number of shares of such capital stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

9.3 **Modification and Waiver.** This Agreement may be modified or waived only by a separate writing by the Company, acting through a committee of directors on the Board of Directors that qualify as “independent directors” as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>12</sup>, on the one hand, and the Block Sale Transferee, on the other hand, expressly so modifying or waiving this Agreement. The Company shall represent to the Block Sale Transferee that such committee has approved the execution and delivery by the Company of any such modification or waiver by an authorized officer of the Company, which representation will constitute conclusive evidence that such modification or waiver has been validly approved by the Company in accordance with the first sentence of this **Section 9.3**. It is understood and agreed that no failure or delay by the Company or the Block Sale Transferee in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9.4 **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be deemed limited or eliminated only to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.

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<sup>12</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

9.5 Entire Agreement. This Agreement contains the entire agreement between the Company and the Block Sale Transferee concerning the subject matter hereof.

9.6 Remedies. It is understood and agreed that money damages may not be a sufficient remedy for any breach of this Agreement and, in addition to all other remedies that any Party may have at law or in equity, each Party shall be entitled to equitable relief, including, without limitation, injunction and specific performance, as a remedy for any such breach and each Party hereby waives any requirement for the securing or posting of any bond in connection with such remedy.

9.7 Governing Law; Consent to Jurisdiction. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the Parties hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the Parties hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the Parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

9.8 Assignment; Binding Effect. Except as otherwise contemplated hereby, without the prior consent of the other Parties (which in the case of the Company shall be through a committee of directors on the Board of Directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>13</sup>), no Party may assign its rights or obligations (other than by operation of law) under this Agreement to any Person. This Agreement shall be binding upon the Block Sale Transferee and its successors and permitted assigns and shall inure to the benefit of, and be enforceable by, the Company and its successors and permitted assigns.

9.9 Expenses. All costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

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<sup>13</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

9.10 Headings. Headings included in this Agreement are for the convenience of the Parties only and shall be given no substantive or interpretive effect.

9.11 Counterparts; Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile or electronic transmission copies, each of which shall be deemed to be an original.

9.12 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy) and shall be given, if to the Block Sale Transferee, to:

[—]  
[—]  
[—],[—] [—]  
Attention: [—]  
Facsimile: [—]

with a copy to:

[—]  
[—]  
[—],[—] [—]  
Attention: [—]  
Facsimile: [—];

if to the Company, to:

TripAdvisor, Inc.  
141 Needham Street  
Newton, MA 02464  
Attention: General Counsel  
Facsimile: [—]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Andrew J. Nussbaum  
Facsimile: (212) 403-2000

or such address or facsimile number as such party may hereafter specify for the purpose by notice to the other Parties. Each such notice, request or other communication shall be effective when delivered personally, telegraphed, or telecopied, or, if mailed, 5 business days after the date of the mailing.

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*(Signature page follows)*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered as of the date first above written.

**TRIPADVISOR, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[BLOCK SALE TRANSFEREE]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**Parties to the Agreement**

[Block Sale Transferee]

**Beneficial Ownership**

B-1

**FORM OF ASSUMPTION AGREEMENT**

**ASSUMPTION AGREEMENT**

This ASSUMPTION AGREEMENT (this “Agreement”) is made as of [—], by and among [Block Sale Transferee], [a [—]] (“Assignor”), [Subsequent Transferee], [a [—]] (“Assignee”), and TripAdvisor, Inc., a Delaware corporation (the “Company,” which term shall, for purposes of this Agreement, include its direct and indirect subsidiaries).

**WITNESSETH:**

WHEREAS, Assignor is party to that certain Standstill Agreement, dated as of [—], by and between Assignor and the Company (the “Standstill Agreement”);

WHEREAS, capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Standstill Agreement;

WHEREAS, pursuant to Section 8.2 of the Standstill Agreement, prior to and as a condition to the acquisition by Assignee of all or substantially all of the Company Common Shares Transferred to Assignor in the Block Sale (the “Subsequent Transfer”), Assignor, Assignee and the Company agree to enter into this Agreement;

WHEREAS, Assignee desires to assume and perform all rights and obligations and be subject to, and bound by all restrictions under the Standstill Agreement; and

WHEREAS, Assignor and Assignee desire to enter into this Agreement in connection with the Subsequent Transfer.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Assumption.** Effective as of the date hereof and immediately prior to the consummation of the Subsequent Transfer (but subject to the consummation of the Subsequent Transfer), Assignee assumes all rights of, and agrees to perform all obligations and be subject to, and bound by all restrictions imposed upon, the Assignor under the Standstill Agreement (other than the terms, covenants, conditions, and obligations arising under (i) Article 6 of the Standstill Agreement, [(ii) Article 4 of the Standstill Agreement]<sup>14</sup> or [(iii) Article 5 and Sections 3.1(d), 3.1(e), 3.1(f), 3.1(g)(iii), 3.1(g)(iv), 3.1(g)(v) and 3.1(h) of the Standstill Agreement]<sup>15</sup>).
2. **Company Agreement.** The Company hereby consents to the assumption set forth herein and agrees that, unless the context of the Standstill Agreement otherwise requires, Assignee will be substituted for Assignor for all such purposes of the Standstill Agreement and will be

<sup>14</sup> Note to form: to be included if Subsequent Transferee is not an Affiliate of Assignor and was not an Affiliate of Assignor as of the Effective Date.

<sup>15</sup> Note to form: to be included if the Block Sale Transferee accepts the board nomination rights.

entitled to exercise any rights of the Assignor thereunder (other than any rights arising under Article 4 or Article 5 of the Standstill Agreement) and the Company will perform all of its obligations under the Standstill Agreement (other than the obligations arising under Article 4 or Article 5 of the Standstill Agreement).

3. **Representations and Warranties of the Assignee.** Each of the parties on Appendix A, severally as to itself, represents and warrants that (a) this Agreement and the performance by such party of its obligations hereunder (i) has been duly authorized, executed and delivered by such party, and is a valid and binding obligation of such party, enforceable against such party in accordance with its terms, (ii) does not require approval by any owners or holders of any equity interest in such party (except as has already been obtained), and (iii) does not violate any material law, any order of any court or other agency of government, the charter or other organizational documents of such party, as amended, or constitute a breach or violation of or conflict with any material agreement to which such party is bound and none of such material agreements would impair in any material respect the ability of such party to perform its obligations hereunder, (b) as of the date hereof, after taking into account the Company Common Shares to be acquired by the Assignee in the Subsequent Transfer and based upon the number of Company Common Shares outstanding as set forth in the Company's latest Report on Form 10-K or Form 10-Q, as applicable, the Assignee does not Beneficially Own Company Common Shares in excess of the Ownership Limitation, and (c) as of the date hereof, it is the Beneficial Owner of the number and type of Company Common Shares (or other equity securities of the Company) set forth (including, without limitation, as to the form of ownership) on Appendix B hereto. [Each of the parties on Appendix A, severally as to itself, represents and warrants that (a) as of the date hereof, it is an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.]<sup>16</sup>
4. **[Section 203 of the DGCL.** The parties hereto acknowledge and agree that the Company has not waived Section 203(a)(1) of the DGCL with respect to the Subsequent Transfer and the Assignee, and the execution by the Company of this Agreement shall not be construed to waive any of the provisions of Section 203(a)(1) of the DGCL.]<sup>17</sup>
5. **[Article 4 of the Standstill Agreement.** Assignee acknowledges and agrees that it will be bound by the provisions of Article 4 of the Standstill Agreement.]<sup>18</sup>
6. **Representations and Warranties of the Company.** The Company represents and warrants that a committee of directors that qualify as "independent directors" as defined by applicable stock exchange listing rules [(which term, for this purpose, will exclude any directors nominated by the Block Sale Transferee)]<sup>19</sup> has approved the Company's acknowledgement and agreement of this Agreement.

<sup>16</sup> Note to form: insert if Assignee is, as of the assumption agreement, an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor, and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.

<sup>17</sup> Note to form: insert if the Company has not waived DGCL section 203(a)(1) with respect to the Subsequent Transfer and the Assignee.

<sup>18</sup> Note to form: insert if Assignee is (a) as of the date of the assumption agreement, an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor, and (b) as of the Effective Date, it was not an "affiliate" (as such term is defined in Section 203(c)(1) of the DGCL) of Assignor.

<sup>19</sup> Note to form: bracketed language to be removed if Block Sale Transferee does not accept the board nomination rights.

7. **Further Assurances.** From time to time following the date hereof, and without any further consideration or other payment, Assignor shall execute and deliver such other instruments of conveyance, assignment, transfer and delivery and execute and deliver such other documents and take or cause to be taken such other actions as Assignee reasonably may request in order to consummate, complete and carry out the transactions contemplated by this Agreement.
8. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.
9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile or electronic transmission copies, each of which shall be deemed to be an original.
10. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto concerning the subject matter hereof
11. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be deemed limited or eliminated only to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.
12. **Governing Law.** This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

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*[The remainder of this page intentionally left blank.]*

IN WITNESS WHEREOF, the parties hereto hereby cause this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**ASSIGNOR:**

**[BLOCK SALE TRANSFEREE]**

By: \_\_\_\_\_

Name:

Title:

**ASSIGNEE:**

**[SUBSEQUENT TRANSFEREE]**

By: \_\_\_\_\_

Name:

Title:

**TRIPADVISOR, INC.**

By: \_\_\_\_\_

Name:

Title:

**Parties to the Agreement**

[Assignee]



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Appendix B

**Beneficial Ownership**

B-1

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**STOCKHOLDERS AGREEMENT**

**between**

**LIBERTY INTERACTIVE CORPORATION**

**and**

**BARRY DILLER**

**Dated as of [—], 20[11]**

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**TRIPADVISOR, INC.**

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE I DEFINITIONS	1
Section 1.1.    Certain Defined Terms	1
Section 1.2.    Other Defined Terms	6
Section 1.3.    Other Definitional Provisions	6
ARTICLE II RESERVED	6
ARTICLE III CORPORATE GOVERNANCE	6
Section 3.1.    Voting on Certain Matters	6
Section 3.2.    Restrictions on Other Agreements	7
Section 3.3.    Irrevocable Proxy of Liberty	8
Section 3.4.    Cooperation	9
ARTICLE IV TRANSFER OF COMMON SHARES	9
Section 4.1.    Restrictions on Transfer by Liberty and Diller	9
Section 4.2.    Tag-Along for Diller and Liberty for Transfers by the Other	10
Section 4.3.    Right of First Refusal Between Liberty and Diller	11
Section 4.4.    Transfers of Class B Shares	13
Section 4.5.    Transferees	14
Section 4.6.    Notice of Transfer	16
Section 4.7.    Compliance with Transfer Provisions	16
Section 4.8.    Hedging Transactions	16
ARTICLE V DISTRIBUTION TRANSACTION	17
Section 5.1.    Distribution Transaction	17
ARTICLE VI MISCELLANEOUS	18
Section 6.1.    Conflicting Agreements	18
Section 6.2.    Duration of Agreement	18
Section 6.3.    Further Assurances	18
Section 6.4.    Amendment and Waiver	18
Section 6.5.    Severability	18
Section 6.6.    Effective Time	19
Section 6.7.    Entire Agreement	19
Section 6.8.    Successors and Assigns	19
Section 6.9.    Counterparts	19
Section 6.10.   Liabilities Under Federal Securities Laws	19
Section 6.11.   Remedies	19
Section 6.12.   Notices	20

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Section 6.13.	Adjustment of Shares Numbers	20
Section 6.14.	Governing Law; Consent to Jurisdiction	21
Section 6.15.	Interpretation	21

EXHIBIT A: Form of Liberty-Diller Letter Agreement

STOCKHOLDERS AGREEMENT dated as of [—], 20[11] between Liberty Interactive Corporation (formerly known as Liberty Media Corporation), a Delaware corporation (“Liberty”), for itself and on behalf of the members of the Liberty Stockholder Group, and Mr. Barry Diller (“Diller”), for himself and on behalf of the members of the Diller Stockholder Group.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and obligations hereinafter set forth, the parties hereto hereby agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.1. Certain Defined Terms. As used herein the following terms shall have the following meanings:

“Affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries controls is controlled by or is under common control with such specified Person, for so long as such Person remains so associated to the specified Person. For purposes of this definition, (i) natural persons shall not be deemed to be Affiliates of each other, (ii) none of Liberty, Diller or the Company shall be deemed to be Affiliates of any of the others, (iii) Expedia and the Company shall not be deemed Affiliates of one another as a result of such entities being under the common control of the Stockholders; and (iv) the Company shall not be deemed to be an Affiliate of IAC/InterActiveCorp to the extent such relationship would otherwise be based on the common control of the Company and IAC/InterActiveCorp by Diller.

“Agreement” means this Stockholders Agreement as it may be amended, supplemented, restated or modified from time to time.

“beneficial owner” or “beneficially own” has the meaning given such term in Rule 13d-3 under the Exchange Act and a Person’s beneficial ownership of Common Shares or Voting Securities shall be calculated in accordance with the provisions of such Rule; provided, however, that for purposes of determining beneficial ownership, (i) a Person shall be deemed to be the beneficial owner of any Equity which may be acquired by such Person (disregarding any legal impediments to such beneficial ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Diller shall be deemed to be exercisable), rights or other securities issued by the Company and (ii) no Person shall be deemed to beneficially own any Equity solely as a result of such Person’s execution of this Agreement (including by virtue of holding a proxy with respect to any shares) or the Governance Agreement.

“Block Sale” shall have the meaning ascribed to such term in the Governance Agreement.

“Block Sale Transferee” shall have the meaning ascribed to such term in the Governance Agreement.

“Board” means the Board of Directors of the Company.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of New York.

“Capital Stock” means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, partnership interests (whether general or limited) or equivalent ownership interests in or issued by such Person.

“Cause” means (i) the conviction of, or pleading guilty to, any felony, or (ii) the willful, continued and complete failure to attend to managing the business affairs of the Company, after written notice of such failure from the Board and reasonable opportunity to cure.

“Chairman” means the Chairman of the Board.

“Chairman Termination Date” means the later of (i) such time as Diller no longer serves as Chairman and (ii) such time as Diller no longer holds the Liberty Proxy (other than suspension of such proxy pursuant to Section 3.3(e)).

“Class B Common Stock” means the Class B common stock, par value \$0.001 per share, of the Company and any securities of the Company issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization (other than Common Stock issued upon conversion of Class B Common Stock).

“Commission” means the Securities and Exchange Commission, and any successor commission or agency having similar powers.

“Common Shares” means, collectively, the Common Stock and the Class B Common Stock.

“Common Stock” means the common stock, par value \$0.001 per share, of the Company and any securities of the Company issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization.

“Company” means TripAdvisor, Inc., a Delaware corporation, and any successor by merger, consolidation or other business combination.

“Contingent Matters” shall have the meaning ascribed to such term in the Governance Agreement.

“control” (including the terms “controlled by” and “under common control with”), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

“Diller Stockholder Group” means (i) Diller and (ii) any Affiliate of Diller which (A) Diller controls and (B) in which Diller owns, directly or indirectly, 90% or more of the outstanding Capital Stock or other ownership interests, which such Affiliate holds Equity subject to this Agreement.

“Director” means any member of the Board.

“Disabled” means the disability of Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a physician selected by Liberty and reasonably acceptable to Diller, his spouse or a personal representative designated by Diller; provided that Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. A total disability shall mean mental or physical incapacity that prevents Diller from managing the business affairs of the Company.

“Distribution Transaction” shall have the meaning ascribed to such term in the Governance Agreement.

“Eligible Stockholder Amount” means, in the case of Diller, the equivalent of 1,100,000 Common Shares and, in the case of Liberty, 1,000,000 shares of Common Stock, in each case determined on a fully diluted basis (taking into account, in the case of Diller, all unexercised Options, whether or not then exercisable).

“Equity” means any and all shares of Capital Stock of the Company, securities of the Company convertible into, or exchangeable for, such shares, and options, warrants or other rights to acquire such shares.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Expedia” means Expedia, Inc., a Delaware corporation.

“Fair Market Value” means, as to any securities or other property, the cash price at which a willing seller would sell and a willing buyer would buy such securities or property in an arm’s-length negotiated transaction without time constraints.

“FCC” means the Federal Communications Commission or its successor.

“FCC Regulations” means, as of any date, all federal communications statutes and all rules, regulations, orders, decrees and policies of the FCC as then in effect, and any interpretations or waivers thereof or modifications thereto.

“Governance Agreement” means the Governance Agreement among the Company, Diller and Liberty, of even date herewith, as it may be amended, supplemented, restated or modified from time to time hereafter.

“Group” shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

“Hedging Transaction” means any (i) short sale, (ii) any purchase, sale or grant of any right (including, without limitation, any put or call option), or (iii) any forward sale (whether for a fixed or variable number of shares or at a fixed or variable price) of or with respect to, or any non-recourse loan secured by, Common Stock or any security (other than Class B Common Stock or any broad-based market basket or index) that includes, relates to or derives any significant part of its value from Common Stock, and such term includes (a) the pledge of Common Stock in connection with any of the foregoing to secure the obligations of the pledgor under a Hedging Transaction and (b) the pledge of a Hedging Transaction itself to secure any extension of credit to a party based, in whole or part, on the value thereof.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Independent Investment Banking Firm” means an investment banking firm of nationally recognized standing that is, in the reasonable judgment of the Person engaging such firm, qualified to perform the task for which it has been engaged.

“Liberty Spinco” shall have the meaning ascribed to such term in the Governance Agreement.

“Liberty Stockholder Group” means Liberty and those Subsidiaries of Liberty that, from time to time, hold Equity subject to this Agreement.

“Market Sale” means a “brokers’ transaction” within the meaning of Section 4(4) of the Securities Act.

“Options” means options to acquire Capital Stock of the Company granted by the Company to Diller and outstanding from time to time.

“Permitted Designee” means any Person designated by a Stockholder, who shall be reasonably acceptable to the other Stockholder, to exercise such Stockholder’s rights pursuant to Section 4.3.

“Permitted Transferee” means (i) with respect to Liberty, any member of the Liberty Stockholder Group, and (ii) with respect to Diller, any member of the Diller Stockholder Group. In addition, each of Liberty and Diller shall be a Permitted Transferee of its respective Permitted Transferees.

“Person” means any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivisions thereof or any Group comprised of two or more of the foregoing.



“Public Stockholder” means any Person that, together with its Affiliates (a) has sole or shared voting power with respect to Voting Securities representing no more than 10% of the voting power of the outstanding Voting Securities or (b) has sole or shared power to dispose of Equity representing no more than 10% of the Equity to be tendered or exchanged in any applicable tender or exchange offer, as the case may be.

“Qualified Distribution Transferee” has the meaning ascribed to it in the Governance Agreement.

“Reference Rate” means, for any day, a fixed rate per annum equal to the yield, expressed as a percentage per annum, obtained at the official auction of 90-day United States Treasury Bills most recently preceding the date thereof plus 100 basis points.

“Securities Act” means the Securities Act of 1933, as amended.

“Stockholder” means each of Liberty and Diller.

“Stockholder Group” means one or more of the Diller Stockholder Group and the Liberty Stockholder Group. For purposes of this Agreement, a Stockholder’s Permitted Designee shall be deemed to be a member of the designating Stockholder’s Stockholder Group (other than for purposes of Section 4.1(a) (iv)).

“Subsidiary” means, with respect to any Person, any corporation or other entity of which at least a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

“Third Party Transferee” means any Person to whom a Stockholder (including a Third Party Transferee subject to this Agreement pursuant to Section 4.5(b) and Section 4.5(c)) or a Permitted Transferee Transfers Common Shares, other than a Permitted Transferee of such Stockholder or a member of another Stockholder Group. For the avoidance of doubt, a Qualified Distribution Transferee shall not be deemed a Third Party Transferee.

“Transfer” means, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Common Shares beneficially owned by a Stockholder or any interest in any Common Shares beneficially owned by a Stockholder, provided, however, that a merger or consolidation in which a Stockholder is a constituent corporation shall not be deemed to be the Transfer of any Common Shares beneficially owned by such Stockholder (provided, that a significant purpose of any such transaction is not to avoid the provisions of this Agreement).

“Voting Securities” means at any time shares of any class of Capital Stock of the Company which are then entitled to vote generally in the election of Directors.

Section 1.2. Other Defined Terms. The following terms shall have the meanings defined for such terms in the Sections set forth below:

<u>Term</u>	<u>Section</u>
Appraisal	Section 4.3(c)
Diller	Preamble
Exchange Notice	Section 4.4(a)
Initiating Party	Section 4.2(a)
L/D Offer Notice	Section 4.3(b)
L/D Offer Price	Section 4.3(c)
L/D Other Party	Section 4.3(b)
L/D Transferring Party	Section 4.3(a)
Liberty	Preamble
Liberty Proxy	Section 3.3(a)
Liberty Proxy Shares	Section 3.3(a)
Litigation	Section 6.14
Non-Transferring Stockholder	Section 4.4(a)
Tag-Along Notice	Section 4.2(a)
Tag-Along Sale	Section 4.2(a)
Tag-Along Shares	Section 4.2(a)
Tag Party	Section 4.2(a)
Transferring Stockholder	Section 4.4(a)

Section 1.3. Other Definitional Provisions. (a) The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article and Section references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) For purposes of calculating the amount of outstanding Common Shares or Equity as of any date and the number of Common Shares or Equity beneficially owned by any Person as of any date, any Common Shares held in the Company’s treasury or owned by any Subsidiaries of the Company shall be disregarded.

## ARTICLE II

## RESERVED

## ARTICLE III

### CORPORATE GOVERNANCE

Section 3.1. Voting on Certain Matters. (a) In the event that Section 2.03 of the Governance Agreement is applicable, in connection with any vote or action by written consent of the stockholders of the Company relating to any matter that constitutes a Contingent Matter, Liberty and Diller agree (and each agrees to cause each member of its Stockholder Group, if applicable), with respect to any Common Shares with respect to which it or he has the power to

vote (whether by proxy or otherwise), (x) to vote against (and not act by written consent to approve) such Contingent Matter unless Liberty and Diller (or, if either such Stockholder's consent is no longer required pursuant to the Governance Agreement, the Stockholder whose consent is then required) have consented to such Contingent Matter in accordance with the provisions of the Governance Agreement and (y) to take or cause to be taken all other reasonable actions required, to the extent permitted by law, to prevent the taking of any action by the Company with respect to a Contingent Matter without the consent of Liberty and/or Diller (as applicable).

(b) Each Stockholder agrees to vote (and cause each member of its or his Stockholder Group to vote, if applicable), or act by written consent with respect to, any Common Shares with respect to which it or he has the power to vote (whether by proxy or otherwise) in favor of each of the Director designees of Liberty which Liberty has a right to designate pursuant to the Governance Agreement.

(c) Upon the written request of Liberty, Diller, in his capacity as a stockholder only, agrees to vote (and cause each member of the Diller Stockholder Group to vote, if applicable), or act by written consent, with respect to any Common Shares with respect to which it or he has the power to vote (whether by proxy or otherwise) and otherwise take or cause to be taken all actions necessary to remove any Director designated by Liberty and to elect any replacement Director designated by Liberty as provided in the Governance Agreement. Unless Liberty and Diller otherwise agree, neither Diller nor any member of the Diller Stockholder Group, shall take any action to cause the removal of any Director designated by Liberty except upon the written request of Liberty.

(d) Liberty will not be deemed to be in violation of paragraphs (a), (b) or (c) of this Section 3.1 as a result of any action by Diller that is not within Liberty's control.

Section 3.2. Restrictions on Other Agreements. No Stockholder or any of its or his Permitted Transferees shall enter into or agree to be bound by any stockholder agreements or arrangements of any kind with any Person with respect to any Equity (including, without limitation, the deposit of any Common Shares in a voting trust or forming, joining or in any way participating in or assisting in the formation of a Group with respect to any Common Shares, other than any such Group consisting exclusively of Liberty and Diller and any of their respective Affiliates, Permitted Designees and Permitted Transferees and, to the extent contemplated by Section 4.5, any Third Party Transferee) and no Stockholder (other than Liberty or any of its Permitted Transferees) or any of its or his Permitted Transferees shall enter into or agree to be bound by any agreements or arrangements of any kind with any Person to incur indebtedness for purposes of purchasing Equity (other than to exercise Options or to purchase Common Shares pursuant to Section 4.3 of this Agreement), except (i) for such agreements or arrangements as are now in effect, (ii) in connection with a proposed sale of Common Shares otherwise permitted hereunder, (iii) for such agreements or arrangements with a Permitted Designee as are reasonably acceptable to the other Stockholder and not inconsistent with or for the purpose of evading the terms of this Agreement, (iv) agreements between a

Stockholder and its Permitted Transferee that are reasonably acceptable to the other Stockholder and not inconsistent with this Agreement; (v) for Hedging Transactions as contemplated by Section 4.8; or (vi) such agreements or arrangements as contemplated by this Agreement and the Governance Agreement in connection with a Block Sale or a Transfer to a Qualified Distribution Transferee in a Distribution Transaction.

Section 3.3. Irrevocable Proxy of Liberty. (a) Subject to paragraphs (b) and (c) below, until the earlier of the date that (x) Diller is no longer Chairman or (y) Diller is Disabled, Diller shall be entitled to exercise voting authority and authority to act by written consent over all Common Shares beneficially owned by each member of the Liberty Stockholder Group (the "Liberty Proxy Shares"), on all matters submitted to a vote of the Company's stockholders or by which the Company's stockholders may act by written consent, pursuant to a conditional proxy (which proxy is irrevocable and coupled with an interest for purposes of Section 212 of the Delaware General Corporation Law) (the "Liberty Proxy"); provided, that in the event that Diller is removed by the Board as Chairman for any reason other than Cause, Diller shall be deemed to continue to be Chairman for purposes of this Agreement and shall be entitled to the Liberty Proxy set forth herein until the earlier of (A) such time as he has abandoned efforts to cause his reinstatement as Chairman and (B) the next stockholders meeting of the Company at which he has had an adequate opportunity to nominate and elect his slate of directors (unless at such stockholders meeting Diller's slate of directors is elected and Diller is promptly thereafter reinstated as Chairman).

(b) Notwithstanding the foregoing, the Liberty Proxy shall not be valid with respect to any of the Liberty Proxy Shares (and Diller will have no right to vote the Liberty Proxy Shares) in connection with any vote on (or consent to approve) any matter that is a Contingent Matter with respect to which Liberty's consent is required pursuant to the terms of the Governance Agreement with respect to which Liberty has not consented.

(c) The Liberty Proxy shall terminate as provided for in Section 3.3(a) or, if earlier, (i) immediately upon a material breach by Diller of the terms of Section 3.1(a), Section 3.1(b), Section 3.1(c) or Section 3.3(b) of this Agreement, (ii) at such time as Diller has been convicted of, or has pleaded guilty to, any felony involving moral turpitude or (iii) at such time as Diller ceases to beneficially own 2,500,000 Common Shares with respect to which he has a pecuniary interest; provided, in the case of clauses (ii) and (iii) above, that Liberty sends notice of such termination to Diller within 30 days after receiving notice of the event giving rise to such termination, in which case the Liberty Proxy shall terminate immediately upon the receipt of such notice.

(d) Notwithstanding anything to the contrary set forth herein, the Liberty Proxy is personal to Diller and may not be assigned by Diller by operation of law or otherwise and shall not inure to Diller's successors without the prior written consent of Liberty.

(e) Notwithstanding the foregoing, and without affecting the termination of the Liberty Proxy pursuant to this Section 3.3, the Liberty Proxy will be suspended during any period in which Diller has suffered a mental or physical disability preventing Diller from voting or acting by written consent with respect to the Liberty Proxy Shares, and during such period of disability, Liberty will be entitled to vote or consent in writing with respect to all Liberty Proxy Shares. The Liberty Proxy will be reinstated (unless sooner terminated in accordance with this Section 3.3) upon Diller ceasing to be so disabled.

Section 3.4. Cooperation. Each Stockholder shall vote (or act or not act by written consent with respect to) all of its Common Shares (and any Common Shares with respect to which it has the power to vote (whether by proxy or otherwise)) and shall, as necessary or desirable, attend all meetings in person or by proxy for purposes of obtaining a quorum, and execute all written consents in lieu of meetings, as applicable, to effectuate the provisions of this Article III.

#### ARTICLE IV

##### TRANSFER OF COMMON SHARES

Section 4.1. Restrictions on Transfer by Liberty and Diller. (a) Until the Chairman Termination Date or such time as Diller becomes Disabled, subject to the other provisions of this Agreement, neither Liberty nor Diller shall Transfer or otherwise dispose of (including pledges), directly or indirectly, any Common Shares beneficially owned by its Stockholder Group other than (i) Transfers of Common Stock pursuant to a Hedging Transaction permitted by Section 4.8, (ii) Transfers of Common Shares to a Qualified Distribution Transferee, (iii) Transfers of Common Shares by Diller in order to pay taxes arising from the granting, vesting and/or exercise of the Options, (iv) Transfers of Common Shares by Liberty to members of the Liberty Stockholder Group or by Diller to members of the Diller Stockholder Group, (v) Transfers of Options or Common Shares to the Company by Diller or his Affiliates in connection with a “cashless” exercise of the Options (including Options granted to Diller heretofore or in the future), (vi) a pledge or grant of a security interest in Common Stock to secure bona fide indebtedness, and (vii) Transfers of Common Shares made pursuant to Section 4.2, Section 4.3 and Section 4.4. The restrictions on Transfer by Liberty provided in this Section 4.1 shall be for the sole benefit of Diller and the restrictions on Transfer by Diller provided in this Section 4.1 shall be for the sole benefit of Liberty.

(b) Notwithstanding the restrictions contained in subsection (a) above (and in addition to the foregoing exceptions, but subject to the right of first refusal described in Section 4.3 on behalf of Diller (or his designee) with respect to Transfers of shares of Class B Common Stock by members of the Liberty Stockholder Group and to a right of first refusal on behalf of Liberty (or its designee) with respect to Transfers of shares of Class B Common Stock by members of the Diller Stockholder Group (which rights shall be assignable)), either Liberty or Diller may Transfer all or any portion of the Common Shares beneficially owned by its Stockholder Group to an unaffiliated third party, provided, however, that a Transfer by either Liberty or Diller of shares of Class B Common Stock to an unaffiliated third party shall be subject to the tag-along right pursuant to Section 4.2, after compliance with the right of first refusal described in Section 4.3 and the swap provisions described in Section 4.4. In addition, either Liberty or Diller may transfer any of its Common Stock in one or more transactions that comply with the requirements of Rule 144 or 145 (as applicable) under the Securities Act. For the avoidance of doubt, any Transfer of shares of Class B Common Stock by any member of the Liberty Stockholder Group or the Diller Stockholder Group to an unaffiliated third party shall be subject to the tag-along right pursuant to Section 4.2, after compliance with the right of first refusal described in Section 4.3, and such Transfers and any conversion of shares of Class B Common Stock by any member of the Liberty Stockholder Group or the Diller Stockholder Group shall be subject to the swap provisions described in Section 4.4.

Section 4.2. Tag-Along for Diller and Liberty for Transfers by the Other. (a) If, after compliance with Section 4.4, either Diller or Liberty shall desire to Transfer to any unaffiliated third party any of the Class B Common Stock beneficially owned by him or it or any member of his or its Stockholder Group (other than a Transfer to a Qualified Distribution Transferee), in one transaction or a series of related transactions (the "Tag-Along Sale"), Diller or Liberty, as applicable (the "Initiating Party"), shall give prior written notice to the other (the "Tag Party") of such intended Transfer. Such notice (the "Tag-Along Notice") shall set forth the terms and conditions of such proposed Transfer, including the number of shares of Class B Common Stock proposed to be Transferred (the "Tag-Along Shares"), the purchase price per share of Class B Common Stock proposed to be paid therefor and the payment terms and type of Transfer to be effectuated.

(b) Within ten days after delivery of the Tag-Along Notice, the Tag Party will have the opportunity and right (exercisable by such Tag Party by written notice to the Initiating Party not later than the end of such ten day period) to sell to the acquiring Person in such proposed Tag-Along Sale (upon the same terms and conditions as the Initiating Party), subject to the following sentence, up to that number of shares of Class B Common Stock beneficially owned by it as shall equal the product of (x) a fraction, the numerator of which is the number of Tag-Along Shares and the denominator of which is the aggregate number of shares of Class B Common Stock beneficially owned as of the date of the Tag-Along Notice by the Initiating Party, multiplied by (y) the number of shares of Class B Common Stock beneficially owned by the Tag Party as of the date of the Tag-Along Notice. The number of shares of Class B Common Stock that Diller or Liberty may sell to an unaffiliated third party pursuant to Section 4.2(a) shall be determined by multiplying the maximum number of Tag-Along Shares that such third party is willing to purchase on the terms set forth in the Tag-Along Notice by a fraction, the numerator of which is the number of shares of Class B Common Stock that such Stockholder proposes to sell hereunder (subject to the maximum amount for Diller or Liberty, as applicable, calculated pursuant to the preceding sentence) and the denominator of which is the aggregate number of shares of Class B Common Stock that Diller and Liberty propose to sell hereunder.

(c) At the closing of any proposed Transfer in respect of which a Tag-Along Notice has been delivered, the Tag Party shall deliver, free and clear of all liens (other than liens caused by the acquiring Person in the Tag-Along Sale), to such third party certificates evidencing the shares of Class B Common Stock to be sold thereto duly endorsed with Transfer powers and shall receive in exchange therefore the consideration to be paid by such third party in respect of such shares of Class B Common Stock as described in the Tag-Along Notice.

(d) Neither Diller and the members of his Stockholder Group, on the one hand, nor Liberty and the members of its Stockholder Group, on the other hand, shall effect any Transfer or Transfers constituting a Tag-Along Sale absent compliance with this Section 4.2.

(e) Upon written request made from time to time by Liberty, Diller will use reasonable efforts to cause the Company to deliver to Liberty and Diller a written statement

specifying the number of shares of Common Stock, Class B Common Stock and other Voting Securities issued and outstanding as of the most recent practicable date. Liberty and Diller will, in connection with any applicable calculations hereunder or under the Governance Agreement, be entitled to rely upon the information set forth in such statement. In the event such statement is not delivered to Liberty within five Business Days following Liberty's request therefor, Liberty and Diller (and their respective successors and permitted assigns) shall be entitled to rely for purposes of such calculations on the number of shares of Common Stock, Class B Common Stock and other Voting Securities listed as issued and outstanding in the Company's most recent quarterly or annual report publicly filed with the Commission or the most recent statement from the Company.

Section 4.3. Right of First Refusal Between Liberty and Diller. (a) Any Transfer of shares of Class B Common Stock by a member of the Liberty Stockholder Group or a member of the Diller Stockholder Group (the "L/D Transferring Party") will be subject to the right of first refusal provisions of this Section 4.3, other than a Transfer by a member of the Liberty Stockholder Group or the Diller Stockholder Group permitted by Section 4.1(a) hereof, including, for the avoidance of doubt, a Transfer to a Qualified Distribution Transferee.

(b) Prior to effecting any Transfer subject to Section 4.3(a), the L/D Transferring Party shall deliver written notice (the "L/D Offer Notice") to Diller, if the L/D Transferring Party is a member of the Liberty Stockholder Group, or to Liberty, if the L/D Transferring Party is a member of the Diller Stockholder Group (the recipient of such notice, the "L/D Other Party"), which L/D Offer Notice shall specify (i) the Person to whom the L/D Transferring Party proposes to make such Transfer, (ii) the number or amount of the shares of Class B Common Stock to be Transferred, (iii) the L/D Offer Price (as defined below), and (iv) all other material terms and conditions of the proposed Transfer, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, and which L/D Offer Notice shall be accompanied by any written offer from the prospective transferee to purchase such shares of Class B Common Stock, if available and permitted pursuant to the terms thereof. The L/D Offer Notice shall constitute an irrevocable offer to the L/D Other Party, for the period of time described below, to purchase all (but not less than all) of such shares of Class B Common Stock.

(c) For purposes of this Section 4.3, "L/D Offer Price" shall mean the purchase price per share of Class B Common Stock to be paid to the L/D Transferring Party in the proposed transaction (as it may be adjusted in order to determine the net economic value thereof). In the event that the consideration payable to the L/D Transferring Party in a proposed transaction consists of securities, the purchase price per share shall equal the fair market value of such securities divided by the number of shares of Class B Common Stock to be Transferred. Such fair market value shall be the market price of any publicly traded security and, if such security is not publicly traded, the fair market value shall be equal to the Fair Market Value of such security determined as follows: Each of Liberty and Diller shall select an Independent Investment Banking Firm each of which shall promptly make a determination (each such determination, an "Appraisal") of the Fair Market Value of such security. If the higher of such Appraisals is less than or equal to 110% of the lower of such Appraisals, then the Fair Market Value shall be equal to the average of such Appraisals. If the higher of such Appraisals is greater than 110% of the lower of such Appraisals, then a third Independent Investment Banking Firm (which shall be an Independent Investment Banking Firm that shall not have been engaged by the Company,

Expedia (but only for so long as Diller is the Senior Executive of Expedia), IAC/InterActiveCorp (but only for so long as Diller is the Senior Executive of IAC/InterActiveCorp), Liberty or Diller in any significant matter for the three years prior to the date of such selection) shall be selected by the first two Independent Investment Banking Firms, which third Independent Investment Banking Firm shall promptly make a determination of the Fair Market Value. The Fair Market Value shall equal the average of the two of such three Appraisals closest in value (or if there are no such two, then of all three Appraisals).

(d) If the L/D Other Party elects to purchase the offered shares of Class B Common Stock, it shall give notice to the L/D Transferring Party within ten Business Days after receipt of the L/D Offer Notice of its election (or in the case of a third party tender offer or exchange offer, at least five Business Days prior to the expiration date of such offer, provided that all conditions to such offer that need to be satisfied prior to acceptance for payment (other than with respect to the number of shares of Class B Common Stock tendered) shall have been satisfied or waived and the L/D Offer Notice shall have been provided at least ten Business Days prior to the expiration date of such offer), which shall constitute a binding obligation, subject to standard terms and conditions for a stock purchase contract between two significant stockholders of an issuer (provided that the L/D Transferring Party shall not be required to make any representations or warranties regarding the business of the Company), to purchase the offered shares of Class B Common Stock, which notice shall include the date set for the closing of such purchase, which date shall be at least 20 Business Days following the delivery of such election notice, or, if later, five Business Days after receipt of all required regulatory approvals; provided that the closing shall only be delayed pending receipt of required regulatory approvals if (i) the L/D Other Party is using reasonable efforts to obtain the required regulatory approvals, (ii) there is a reasonable prospect of receiving such regulatory approvals and (iii) if such closing is delayed more than 90 days after the date of the L/D Other Party's notice of election to purchase, then the L/D Other Party agrees to pay interest on the aggregate L/D Offer Price at the Reference Rate to the L/D Transferring Party from such date to the closing date. Notwithstanding the foregoing, such time periods shall not be deemed to commence with respect to any purported notice that does not comply in all material respects with the requirements of this Section 4.3(d). Liberty and Diller may assign their respective rights to purchase under this Section 4.3 to any Person who is a Permitted Designee.

(e) If the L/D Other Party does not respond to the L/D Offer Notice within the required response time period or elects not to purchase the offered shares of Class B Common Stock, the L/D Transferring Party shall be free to complete the proposed Transfer (to the same proposed transferee, in the case of a privately-negotiated transaction) on terms no less favorable to the L/D Transferring Party or its Affiliate, as the case may be, than those set forth in the L/D Offer Notice, provided that (x) such Transfer is closed within (I) 90 days after the latest of (A) the expiration of the applicable period for the L/D Other Party to accept the offer from the L/D Transferring Party, or (B) the receipt by the L/D Transferring Party of notice declining the offer to purchase the shares of Class B Common Stock or, in the case of (A) or (B), if later, five Business Days following receipt of all required regulatory approvals; provided that the closing shall only be delayed pending receipt of required regulatory approvals if (i) the L/D Transferring Party is using reasonable efforts to obtain the required regulatory approvals and (ii) there is a reasonable prospect of receiving such regulatory approvals, or (II) in the case of a public offering, within 20 days of the declaration by the Commission of the effectiveness of a



registration statement filed with the Commission pursuant to this Agreement, and (y) the price at which the shares of Class B Common Stock are transferred must be equal to or higher than the L/D Offer Price (except in the case of a public offering, in which case the price at which the shares of Class B Common Stock are sold (before deducting underwriting discounts and commissions) shall be equal to at least 90% of the L/D Offer Price).

(f) If the L/D Other Party elects to exercise its right of first refusal under this Section 4.3, the L/D Other Party shall pay the L/D Offer Price in cash (by wire transfer of immediately available funds) or by the delivery of marketable securities having an aggregate fair market value equal to the L/D Offer Price, provided, that if the securities to be so delivered by the L/D Other Party would not, in the L/D Transferring Party's possession, have at least the same general degree of liquidity as the securities the L/D Transferring Party was to receive in such proposed transaction (determined by reference to the L/D Transferring Party's ability to dispose of such securities (including, without limitation, the trading volume of such securities and the L/D Other Party's percentage ownership of the issuer of such securities)), then the L/D Other Party shall be required to deliver securities having an appraised value (calculated in accordance with the method described in Section 4.3(c)) equal to the L/D Offer Price. If the L/D Other Party delivers securities in payment of the L/D Offer Price, it will cause the issuer of such securities to provide the L/D Transferring Party with customary registration rights related thereto (if, in the other transaction, the L/D Transferring Party would have received cash, cash equivalents, registered securities or registration rights). Each of Diller and Liberty agrees to use his or its commercially reasonable efforts (but not to expend any money) to preserve for the other Stockholder, to the extent possible, the tax benefits available to it in such proposed transaction, and to otherwise seek to structure such transaction in the most tax efficient method available. Notwithstanding the foregoing, if Diller pays the L/D Offer Price in securities, such securities must be securities that Liberty is permitted to own under applicable FCC Regulations.

(g) Notwithstanding anything to the contrary contained in this Section 4.3, the time periods applicable to an election by the L/D Other Party to purchase the offered shares of Class B Common Stock shall not be deemed to commence until the Fair Market Value has been determined, provided that, in the case of a third party tender offer or exchange offer, in no event shall any such election be permitted within five Business Days prior to the latest time by which shares of Class B Common Stock shall be tendered in such offer if all conditions to such offer that need to be satisfied prior to acceptance for payment (other than the number of shares tendered) have been satisfied or waived. Each of Diller and Liberty agrees to use his and its best efforts to cause the Fair Market Value to be determined as promptly as practicable, but in no event later than ten Business Days after the receipt by the L/D Other Party of the L/D Offer Notice.

Section 4.4. Transfers of Class B Shares. (a) Subject to the rights of first refusal pursuant to Section 4.3 and subject to paragraph (c) below, in the event that any Stockholder or any members of its Stockholder Group (the "Transferring Stockholder") proposes to Transfer any shares of Class B Common Stock, such Transferring Stockholder shall send a written notice (which obligation may be satisfied by the delivery of the applicable L/D Offer Notice) (the "Exchange Notice," which term will include any corresponding L/D Offer Notice) to Diller, if the Transferring Stockholder is Liberty or a member of the Liberty Stockholder Group, or to Liberty, if the Transferring Stockholder is Diller or a member of the Diller Stockholder Group

(the recipient of such notice, the “Non-Transferring Stockholder”), that such Transferring Stockholder intends to Transfer shares of Class B Common Stock, including the number of such shares proposed to be Transferred. The Non-Transferring Stockholder shall give notice to the Transferring Stockholder within 10 Business Days of its receipt of the Exchange Notice of its desire to exchange some or all of such shares of Class B Common Stock proposed to be Transferred for an equivalent number of shares of Common Stock or its election to purchase all such offered shares of Class B Common Stock pursuant to Section 4.3. If the Non-Transferring Stockholder desires to exchange some or all of such shares rather than exercise its right of first refusal pursuant to Section 4.3, such shares of Class B Common Stock shall be exchanged. Except to the extent necessary to avoid liability under Section 16(b) of the Exchange Act and subject to applicable law, any such exchange shall be consummated immediately prior to the consummation of any such Transfer.

(b) (i) Subject to paragraph (c) below, if any shares of Class B Common Stock proposed to be Transferred are not exchanged pursuant to the provisions of paragraph (a) above or exchanged with the Company as contemplated by clause (ii) of this Section 4.4(b), then prior to any such Transfer, the Transferring Stockholder shall convert, or cause to be converted, such shares of Class B Common Stock into shares of Common Stock (or such other securities of the Company into which such shares are then convertible).

(ii) In the event Liberty or a member of its Stockholder Group is the Transferring Stockholder and the proposed Transfer is (x) a Block Sale, or (y) a Transfer, in a single transaction (other than a Transfer to a Qualified Distribution Transferee), of all of the Common Shares (or other equity securities of the Company) beneficially owned by Liberty at such time (other than any Restricted Equity Securities (as defined in the Governance Agreement)) to a Person (other than Mr. Diller, a Permitted Transferee or the Company) not affiliated with Liberty, instead of converting such shares of Class B Common Stock to Common Stock pursuant to clause (i) of this Section 4.4(b), the Transferring Stockholder will exchange, or cause to be exchanged, with the Company any remaining shares of Class B Common Stock not acquired by the Non-Transferring Stockholder pursuant to Section 4.4(a) for the number and type of shares of Common Stock or other securities it would have received upon conversion of such shares of Class B Common Stock; provided, however, that in the event Liberty is not reasonably satisfied that such exchange and subsequent Transfer in accordance with the applicable L/D Offer Notice or Exchange Notice will not cause or result in Liberty or its Affiliates incurring any liability or obligation to disgorge profits under Section 16 of the Exchange Act, then in lieu of such exchange, this clause (ii) shall not apply and Liberty will convert such remaining shares of Class B Common Stock into Common Stock or other securities as provided in clause (i) of this Section 4.4(b).

(c) The provisions of Section 4.4(a) and Section 4.4(b)(i) shall not be applicable to any Transfers (i) to a member of such Stockholder’s Stockholder Group, (ii) from Liberty, Diller or their respective Stockholder Group to the other Stockholder or its or his Stockholder Group subject to the terms of this Agreement or (iii) to a Qualified Distribution Transferee in a Distribution Transaction.

Section 4.5. Transferees. (a) Any Permitted Transferee or Permitted Designee of a Stockholder, or any Qualified Distribution Transferee in a Distribution Transaction, shall be subject to the terms and conditions of this Agreement as if such Permitted Transferee, Permitted Designee or Qualified Distribution Transferee were Liberty (in the event of a Distribution Transaction, or if Liberty or a Permitted Transferee of Liberty is the transferor) or Diller (if Diller or a Permitted Transferee of Diller is the transferor). Prior to the initial acquisition of beneficial ownership of any Common Shares by a Qualified Distribution Transferee or any Permitted Transferee (or a Permitted Designee), and as a condition thereto, the applicable Stockholder agrees (i) to cause the Qualified Distribution Transferee (in the event of a Distribution Transaction) or to cause its respective Permitted Transferees or Permitted Designees to agree in writing with the other parties hereto to be bound by the terms and conditions of this Agreement to the extent described in the preceding sentence and (ii) that (other than in the event of a Distribution Transaction) such Stockholder shall remain directly liable for the performance by its respective Permitted Transferees or Permitted Designees of all obligations of such Permitted Transferees or Permitted Designees under this Agreement. Except as otherwise contemplated by this Agreement (including the terms of Section 4.2, Section 4.3 and Section 4.4 and pursuant to a Distribution Transaction), (i) each of Diller and Liberty agrees not to cause or permit any of its respective Permitted Transferees to cease to qualify as a member of such Stockholder's Stockholder Group so long as such Permitted Transferee beneficially owns any shares of Class B Common Stock, and if any such Permitted Transferee shall cease to be so qualified, such Permitted Transferee shall automatically upon the occurrence of such event cease to be a "Permitted Transferee" for any purpose under this Agreement and (ii) each Stockholder agrees not to Transfer any Common Shares to any Affiliate other than a Permitted Transferee of such Stockholder.

(b) No Third Party Transferee shall have any rights or obligations under this Agreement, except:

(i) in the case of a Third Party Transferee of Liberty (or any member of the Liberty Stockholder Group) who acquires shares of Common Stock and who (together with its Affiliates) would not be a Public Stockholder, such Third Party Transferee shall be subject to the obligations of Liberty (but subject to the other terms and conditions of this Agreement) pursuant to Section 3.1(a) (but shall not have the right to consent to any Contingent Matters), Section 3.1(b), Section 3.1(c), Section 3.2, Section 3.4, this Section 4.5 and Article VI; provided that such Third Party Transferee shall only be subject to such obligations for so long as it would not be a Public Stockholder; and

(ii) in the case of a Third Party Transferee of Diller (or any member of the Diller Stockholder Group) who (together with its Affiliates) upon consummation of any Transfer would not be a Public Stockholder, such Third Party Transferee shall be subject to the obligations of Diller (but subject to the other terms and conditions of this Agreement) pursuant to Section 3.1(a) (but shall not have the right to consent to any Contingent Matters), Section 3.1(b), Section 3.1(c), Section 3.4, this Section 4.5 and Article VI; provided that such Third Party Transferee shall only be subject to such obligations for so long as it would not be a Public Stockholder.

(c) Prior to the consummation of a Transfer described in Section 4.5(b) to the extent rights and obligations are to be assigned, and as a condition thereto, the applicable Third Party Transferee shall agree in writing with the other parties hereto to be bound by the terms and

conditions of this Agreement to the extent described in Section 4.5(b). To the extent the Third Party Transferee is not an “ultimate parent entity” (as defined in the HSR Act), the ultimate parent entity of such Third Party Transferee shall agree in writing to be directly liable for the performance of the Third Party Transferee to the same extent Liberty would be liable for the performance of its Permitted Transferees.

Section 4.6. Notice of Transfer. In addition to any other notices required by this Agreement, to the extent any Stockholder and its Permitted Transferees Transfer any Common Shares, such Stockholder shall, within three Business Days following consummation of such Transfer, deliver notice thereof to the Company and the other Stockholder, provided, however, that no such notice shall be required to be delivered unless the aggregate Common Shares transferred by such Stockholder and its Permitted Transferees since the date of the last notice delivered by such Stockholder pursuant to this Section 4.6 exceeds 1% of the outstanding Common Shares.

Section 4.7. Compliance with Transfer Provisions. Any Transfer or attempted Transfer of Common Shares in violation of any provision of this Agreement shall be void.

Section 4.8. Hedging Transactions. (a) Pursuant to Section 4.1(i), Liberty is entitled to engage in one or more Hedging Transactions, provided that:

(i) no shares of Class B Common Stock shall be used for a Hedging Transaction unless such shares are first converted into shares of Common Stock in accordance with Section 4.4(b) (after Diller has had the opportunity to exercise his right to exchange such shares of Class B Common Stock for shares of Common Stock pursuant to Section 4.4); and

(ii) the shares of Common Stock subject to any Hedging Transaction shall remain subject to the Liberty Proxy and no Hedging Transaction shall, prior to the settlement of such Hedging Transaction, impair Diller’s right to vote any shares of the Common Stock pursuant to Section 3.3 (it being understood that a settlement of a Hedging Transaction may result in a disposition of the shares subject to such Hedging Transaction and that, upon such disposition and the termination of all of Liberty’s legal and beneficial ownership with respect to and economic interests in such shares, Diller will not have the right to vote such shares); provided that such right shall not be deemed to be impaired to the extent that a counterparty to a Hedging Transaction to whom Common Stock has been pledged has obtained the right to vote or take consensual action with respect to the Common Stock so pledged as a result of an event of default or termination event with respect to the Liberty Stockholder Group under the Hedging Transaction; provided, further, that the terms of such pledging arrangement shall permit the Liberty Stockholder Group to exercise voting rights and to take consensual action with respect to the Common Stock so pledged in circumstances where no event of default or termination event has occurred;

(b) Liberty will use its reasonable efforts to ensure that it will not be deemed part of a Group with a counterparty to a Hedging Transaction; and

(c) a Hedging Transaction shall not be deemed to be a Block Sale; provided that if the settlement of a Hedging Transaction that is permitted pursuant to this Agreement would otherwise qualify as a Block Sale, then upon the written request of Liberty delivered prior to the settlement of such Hedging Transaction, such Transfer at settlement will be treated as a Block Sale pursuant to this Agreement and the Governance Agreement.

## ARTICLE V

### DISTRIBUTION TRANSACTION

Section 5.1. Distribution Transaction. On or prior to the date of consummation of a Distribution Transaction in which Common Shares are Transferred to a Qualified Distribution Transferee (which Transfer, for the avoidance of doubt, will be deemed to occur on the date such Qualified Distribution Transferee ceases to be a Subsidiary of Liberty), Liberty, Diller and the Qualified Distribution Transferee and, if applicable under the proviso to this Section 5.1, the Liberty Spinco, will amend this Agreement in order to: (a) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) assign all rights and obligations of Liberty and the Liberty Stockholder Group under this Agreement to the Qualified Distribution Transferee in such Distribution Transaction, (b) have such Qualified Distribution Transferee agree to accept, as of immediately prior to the effective time of such Distribution Transaction (but subject to the consummation of the Distribution Transaction), such assignment of rights and agree to assume and perform all liabilities and obligations of Liberty and the Liberty Stockholder Group under this Agreement to be performed following the effective time of such Distribution Transaction including the obligation to ensure the compliance of its Stockholder Group with all obligations of the Liberty Stockholder Group under this Agreement, (c) effective immediately prior to such Distribution Transaction (but subject to the consummation of the Distribution Transaction) substitute such Qualified Distribution Transferee for Liberty for all purposes under this Agreement (and the stockholder group of the Qualified Distribution Transferee for the Liberty Stockholder Group) and (d) provide for (i) a representation from Liberty that such amendment is being entered into in connection with a Distribution Transaction involving a Qualified Distribution Transferee pursuant to Section 5.01 of the Governance Agreement and (ii) Liberty's acknowledgement that it shall not be entitled to any benefits under this Agreement following such Distribution Transaction; provided, that if the Qualified Distribution Transferee is not the Liberty Spinco, then the Liberty Spinco shall also become a party to this Agreement and in such case each reference in the foregoing clauses (a) through (c) to Qualified Distribution Transferee shall be to the Liberty Spinco and the Qualified Distribution Transferee shall become a party to this Agreement as a member of the Liberty Spinco's stockholder group. In connection with a Transfer of Common Shares to a Qualified Distribution Transferee in a Distribution Transaction, Liberty and Diller will execute a letter agreement in the form of Exhibit A to this Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Conflicting Agreements. Each of the parties hereto represents and warrants that such party has not granted and is not a party to any proxy, voting trust or other agreement that is inconsistent with or conflicts with any provision of this Agreement.

Section 6.2. Duration of Agreement. This Agreement may be terminated at anytime by the mutual agreement of Liberty and Diller. In addition, except as otherwise provided in this Agreement, the rights and obligations of a Stockholder under this Agreement shall terminate as follows:

(a) Each of Liberty and Diller shall cease to be entitled to exercise any rights and shall cease to have any obligations under this Agreement as of the date that its or his Stockholder Group collectively ceases to own its Eligible Stockholder Amount of Common Shares; provided that Liberty shall cease to be entitled to exercise any rights and shall cease to have any obligations under Section 4.2 at such time as the Liberty Stockholder Group ceases to beneficially own at least 5% of the outstanding Common Shares.

(b) Diller and each member of his Stockholder Group shall cease to be entitled to exercise any rights under this Agreement upon the Chairman Termination Date or the date upon which Diller has become Disabled.

In addition, at such time as the Chairman Termination Date has occurred or Diller has become Disabled, neither the Diller Stockholder Group nor the Liberty Stockholder Group shall have any obligation under this Agreement with respect to the matters covered under Section 3.3, Section 4.1 and Section 4.3.

Section 6.3. Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

Section 6.4. Amendment and Waiver. This Agreement may not be amended, modified, or waived except in a written instrument executed by the parties. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

Section 6.5. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 6.6. Effective Time. This Agreement shall become effective as of the date hereof, immediately following consummation of the Company's spin-off from Expedia and transactions relating thereto.

Section 6.7. Entire Agreement. Except as otherwise expressly set forth herein, (a) this Agreement and (b) the Governance Agreement, including, if applicable, the form of Standstill Agreement attached thereto as Exhibit A, embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof or thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

Section 6.8. Successors and Assigns. Except as otherwise provided herein, neither this Agreement nor any of the rights or obligations under this Agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger whose purpose is not to avoid the provisions of this Agreement), by any party without the prior written consent of the other party hereto. Subject to the foregoing, this Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

Section 6.9. Counterparts. This Agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement.

Section 6.10. Liabilities Under Federal Securities Laws. The exercise by any party (or its Affiliates or Stockholder Group, if applicable) (and including, in the case of the Liberty Stockholder Group, its exercise of the preemptive rights under Article III of the Governance Agreement) of any rights under this Agreement shall be subject to such reasonable delay as may be required to prevent any party or its respective Stockholder Group from incurring any liability under the federal securities laws and the parties agree to cooperate in good faith in respect thereof; provided, that this Section 6.10 will not be applicable to the transactions contemplated by Section 4.4(b).

Section 6.11. Remedies. (a) Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this Agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

Section 6.12. Notices. Except as otherwise provided herein, any notice, request, claim, demand or other communication under this Agreement shall be in writing, shall be either personally delivered, delivered by facsimile transmission, or sent by reputable overnight courier service (charges prepaid) to the address for such Person set forth below or such other address as the recipient party has specified by prior written notice to the other parties hereto and shall be deemed to have been given hereunder when receipt is acknowledged for personal delivery or facsimile transmission or one day after deposit with a reputable overnight courier service.

If to Liberty:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112  
Attention: General Counsel  
Telephone: (720) 875-5400  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts LLP  
30 Rockefeller Plaza  
44th Floor  
New York, NY 10112  
Attention: Frederick H. McGrath, Esq.  
Telephone: (212) 408-2530  
Facsimile: (212) 259-2530

If to Diller:

c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011  
Attention: TripAdvisor General Counsel  
Telephone: (212) 314-7376  
Facsimile: (212) 632-9551

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019  
Attention: Andrew J. Nussbaum, Esq.  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000

Section 6.13. Adjustment of Shares Numbers. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Capital Stock referred to in this Agreement, then, in



any such event, the numbers and types of shares of such Capital Stock referred to in this Agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such Capital Stock that a holder of such number of shares of such Capital Stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

Section 6.14. Governing Law; Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 6.15. Interpretation. The table of contents and headings contained in this Agreement are for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

IN WITNESS WHEREOF, the parties hereto have caused this Stockholders Agreement to be duly executed as of the day and year first above written.

LIBERTY INTERACTIVE CORPORATION

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
BARRY DILLER

[SIGNATURE PAGE TO TRIPADVISOR STOCKHOLDERS AGREEMENT]

EXHIBIT A: FORM OF LIBERTY-DILLER LETTER AGREEMENT

**Barry Diller**  
c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011

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

Dated [—]

Dear Sir:

1. Reference is hereby made to the Stockholders Agreement, dated as of [—] (the “Stockholders Agreement”), by and between Liberty Interactive Corporation (“Liberty”) and Mr. Barry Diller (“Diller”) in relation to TripAdvisor, Inc. (the “Company”). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Stockholders Agreement.

2. In the event that, at any time after consummation of a Distribution Transaction in connection with which Common Shares are Transferred to a Qualified Distribution Transferee, the Common Shares beneficially owned by Liberty and its Subsidiaries in the aggregate exceed 5% of the outstanding Common Shares, then, subject to paragraph 3 hereto, until the earlier of the date that (x) Diller is no longer Chairman or (y) Diller is Disabled, Diller shall be entitled to exercise voting authority and authority to act by written consent over all Common Shares beneficially owned by Liberty and its Subsidiaries (the “Post-Distribution Proxy Shares”), on all matters submitted to a vote of the Company’s stockholders or by which the Company’s stockholders may act by written consent, pursuant to a conditional proxy (which proxy is irrevocable and coupled with an interest for purposes of Section 212 of the Delaware General Corporation Law) (the “Post-Distribution Proxy”); provided, that in the event that Diller is removed by the Board as Chairman for any reason other than Cause, Diller shall be deemed to continue to be Chairman for purposes of this letter agreement and shall be entitled to the Post-Distribution Proxy set forth herein until the earlier of (A) such time as he has abandoned efforts to cause his reinstatement as Chairman and (B) the next stockholders meeting of the Company at which he had an adequate opportunity to nominate and elect his slate of directors (unless at such stockholders meeting Diller’s slate of directors is elected and Diller is promptly thereafter reinstated as Chairman).

3. The Post-Distribution Proxy shall terminate as provided for in the prior paragraph or, if earlier, (i) at such time as Diller has been convicted of, or has pleaded guilty to, any felony

involving moral turpitude, (ii) at such time as Diller ceases to beneficially own 2,500,000 Common Shares with respect to which he has a pecuniary interest or (iii) at such time as the Common Shares beneficially owned by Liberty and its Subsidiaries no longer represents greater than 5% of the outstanding Common Shares; provided, in the case of clauses (i) and (ii) above, that Liberty sends notice of such termination to Diller within 30 days after receiving notice of the event giving rise to such termination, in which case the Post-Distribution Proxy shall terminate immediately upon the receipt of such notice. In addition, Common Shares that cease to be beneficially owned by Liberty or its Subsidiaries upon Transfer to an unaffiliated third party will cease to be subject to the Post-Distribution Proxy upon the date of Transfer thereof.

4. Adjustment of Shares Numbers. If, after the effective time of this letter agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Capital Stock referred to in this letter agreement, then, in any such event, the numbers and types of shares of such Capital Stock referred to in this letter agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such Capital Stock that a holder of such number of shares of such Capital Stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

5. Stockholders Agreement. Diller hereby acknowledges and agrees that from and after the date hereof, Liberty will not have any liability to Diller or the members of the Diller Stockholder Group for any breach, violation or failure to perform by the Qualified Distribution Transferee of any of the liabilities and obligations of the Qualified Distribution Transferee under the Stockholders Agreement.

6. Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

7. Amendment and Waiver. This letter agreement may not be amended, modified, or waived except in a written instrument executed by the parties. The failure of any party to enforce any of the provisions of this letter agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this letter agreement in accordance with its terms.

8. Severability. Whenever possible, each provision of this letter agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this letter agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this letter agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

9. Effective Time. This letter agreement shall become effective as of the date hereof.

10. Entire Agreement; Survival. Except as otherwise expressly set forth herein, this letter agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof or thereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way.

11. Successors and Assigns. Neither this letter agreement nor any of the rights or obligations under this letter agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger whose purpose is not to avoid the provisions of this letter agreement), by any party without the prior written consent of the other party hereto. Subject to the foregoing, this letter agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

12. Counterparts. This letter agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement.

13. Remedies. (a) Each party hereto acknowledges that money damages would not be an adequate remedy in the event that any of the covenants or agreements in this letter agreement are not performed in accordance with its terms, and it is therefore agreed that in addition to and without limiting any other remedy or right it may have, the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof.

(b) All rights, powers and remedies provided under this letter agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

14. Notices. Except as otherwise provided herein, any notice, request, claim, demand or other communication under this letter agreement shall be in writing, shall be either personally delivered, delivered by facsimile transmission, or sent by reputable overnight courier service (charges prepaid) to the address for such Person set forth below or such other address as the recipient party has specified by prior written notice to the other parties hereto and shall be deemed to have been given hereunder when receipt is acknowledged for personal delivery or facsimile transmission or one day after deposit with a reputable overnight courier service:

If to Liberty:

Liberty Interactive Corporation  
12300 Liberty Boulevard  
Englewood, CO 80112  
Attention: General Counsel  
Telephone: (720) 875-5400  
Facsimile: (720) 875-5401

with a copy to:

Baker Botts LLP  
30 Rockefeller Plaza  
44th Floor  
New York, NY 10112  
Attention: Frederick H. McGrath, Esq.  
Telephone: (212) 408-2530  
Facsimile: (212) 259-2530

If to Diller:

c/o IAC/InterActiveCorp  
555 West 18th Street  
New York, NY 10011  
Attention: TripAdvisor General Counsel  
Telephone: (212) 314-7376  
Facsimile: (212) 632-9551

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019  
Attention: Andrew J. Nussbaum, Esq.  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000

15. Governing Law; Consent to Jurisdiction. This letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware for any action, proceeding or investigation in any court or before any governmental authority ("Litigation") arising out of or relating to this letter agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this letter agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this letter agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this letter agreement or the transactions contemplated hereby.

16. Interpretation. The headings contained in this letter agreement are for convenience only and shall not affect in any way the meaning or interpretation of this letter agreement. Whenever the words “include”, “includes” or “including” are used in this letter agreement, they shall be deemed to be followed by the words “without limitation.”

If the foregoing is consistent with your understanding, please so indicate by your signature below, which will constitute the agreement of the parties hereto.

\_\_\_\_\_  
BARRY DILLER

Accepted and Agreed:

LIBERTY INTERACTIVE CORPORATION

By: \_\_\_\_\_  
Name:  
Title: