
8.11	Effective Date	22
8.12	Change in Law	22
8.13	Authorization, Etc.	22
8.14	No Third Party Beneficiaries	22
8.15	Entire Agreement	22
8.16	No Strict Construction; Interpretation	23
8.17	Headings	23

TAX SHARING AGREEMENT

THIS TAX SHARING AGREEMENT (this “Agreement”) is entered into as of November 4, 2016, between Liberty Interactive Corporation, a Delaware corporation (“Distributing”), and Liberty Expedia Holdings, Inc., a Delaware corporation (“Splitco”). Unless otherwise indicated, all “Section” references in this Agreement are to sections of this Agreement.

RECITALS

WHEREAS, Splitco is a wholly owned subsidiary of Distributing; and

WHEREAS, the Board of Directors of Distributing has determined that it would be appropriate and desirable for Distributing to separate the Splitco Group from the Distributing Group; and

WHEREAS, the Board of Directors of Splitco has also approved such transaction; and

WHEREAS, following the Contribution, Distributing intends to distribute its entire interest in the stock of Splitco to holders of Liberty Ventures Common Stock in exchange for a portion of their shares of Liberty Ventures Common Stock (the “Distribution”), in what is intended to qualify as a tax-free transaction described under Sections 368(a)(1)(D), 355, and 361 of the Code; and

WHEREAS, the parties set forth in the Reorganization Agreement the principal arrangements between them regarding the separation of the Splitco Group from the Distributing Group; and

WHEREAS, the parties desire to provide for and agree upon the allocation between the parties of liabilities for Taxes arising prior to, as a result of, and subsequent to the Distribution, and to provide for and agree upon other matters relating to Taxes.

“Distributing Stock” means (x) the Series A QVC Group common stock, par value \$.01 per share, the Series B QVC Group common stock, par value \$.01 per

share, the Series A Liberty Ventures common stock, par value \$.01 per share, and the Series B Liberty Ventures common stock, par value \$.01 per share, (y) if and when issued, the Series C QVC Group common stock, par value \$.01 per share, and the Series C Liberty Ventures common stock, par value \$.01 per share, and (z) any series or class of stock into which the Series A, Series B, or Series C QVC Group common stock or the Series A, Series B, or Series C Liberty Ventures common stock is redesignated, reclassified, recapitalized or exchanged, including the following: (i) Federal or personal property, gross or net receipts, gross profits, transfer a (similar Taxes), (ii) imposed by a foreign country which qualify under Section 1303 of the Code or (iii) based upon, measured by, or calculated with respect to multiple bases (including, but not limited to,

“Distribution” has the meaning set forth in the recitals hereof.

“Distribution Date” means the date on which the Distribution occurs.

“Due Date” has the meaning set forth in Section 4.3.

“Effective Time” means the time at which the Distribution is effected on the Distribution Date.

“Employing Party” has the meaning set forth in Section 3.4(d)(i).

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

“Final Determination” means a determination within the meaning of Section 1313 of the Code or any similar provision of state or local Tax Law.

“Group” means the Distributing Group or the Splitco Group, as the context requires.

“Income Tax” means all Taxes (i) based upon, measured by, or calculated with respect to, net income, net profits or deemed net profits (including any capital gains Tax, minimum Tax based upon, measured by, or calculated with respect to, net income, net profits or deemed net profits, an exempt Tax of preference a

of the Tax Year or other taxable period through the end of the day on the Distribution Date.

“Preparer” means the Company that is responsible for the preparation and filing of the applicable Tax Return pursuant to Sections 3.1 or 3.2.

“Protective Election” has the meaning set forth in Section 3.4(a).

“Receiving Party” has the meaning set forth in Section 6.3.

“Reorganization Agreement” means the Reorganization Agreement between Distributing and Splitco dated Oct

Return and are attributable to the Pre-Distribution Period shall be for the account of Distributing, (iii) the Splitco Group that were reported on any Combined Return and are attributable to the Post-Distribution Period shall be for the account of Splitco, (iv) the Distributing Group that were reported on any Separate Return required to be filed by a member of the Distributing Group shall be for the account of Distributing, and (v) the Splitco Group that were reported on any Separate Return required to be filed by a member of the Splitco Group shall be for the account of Splitco.

(b) Notwithstanding Section 3.5(a), (i) any refunds, credits or offsets with respect to Taxes, including Transaction Taxes, allocated to, and actually paid by, Distributing pursuant to this Agreement shall be for the account of Distributing, and (ii) any refunds, credits or offsets with respect to Taxes, including Transaction Taxes, allocated to, and actually paid by, Splitco pursuant to this Agreement shall be for the account of Splitco.

(c) Distributing shall forward to Splitco, or reimburse Splitco for, any such refunds, credits or offsets, plus any interest received thereon, net of any Taxes incurred with respect to the receipt or accrual thereof and any expenses incurred in connection therewith, that are for the account of Splitco within five business days from receipt thereof by Distributing or any of its Affiliates. Splitco shall forward to Distributing, or reimburse Distributing for, any refunds, credits or offsets, plus any interest received thereon, net of any Taxes incurred with respect to the receipt or accrual thereof and any expenses incurred in connection therewith, that are for the account of Distributing within five business days from receipt thereof by Splitco or any of its Affiliates. Any refunds, credits or offsets, plus any interest received thereon, or reimbursements not forwarded or made within the five business day period specified above shall bear interest from the date received by the refunding or reimbursing party (or its Affiliates) through and including the date of payment at the Interest Rate (treating the date received as the Due Date for purposes of determining such Interest Rate). If, subsequent to a Tax Authority's allowance of a refund, credit or offset, such Tax Authority reduces or eliminates such allowance, any refund, credit or offset, plus any interest received thereon, forwarded or reimbursed under this Section 3.5 shall be returned to the party who had forwarded or reimbursed such refund, credit or offset and interest upon the request of such forwarding party in an amount equal to the applicable reduction, including any interest received thereon.

3.6 Carrybacks. If and to the extent that Splitco requests in writing that Distributing or any of its Affiliates obtain a refund, credit or offset of Taxes with

respect to the carryback of any Tax attribute of the members of the Splitco Group arising in a Post-Distribution Period to a Pre-Distribution Period, and provided that Distributing or any of its Affiliates would not otherwise be required to forego a refund, credit or offset of Taxes for its own account or otherwise be adversely affected as a result of such carryback, then (i) Distributing (or its Affiliate) shall take all reasonable measures to obtain a refund, credit or offset of Taxes with respect to such carryback (including by filing an amended Tax Return), and (ii) to the extent that Distributing or any of its Affiliates receives any refund, credit or offset of Taxes attributable (on a last dollar basis) to such carryback, Distributing shall pay such refund, credit or offset, plus any interest received thereon, to Splitco within five business days from receipt thereof by Distributing or any of its Affiliates; *provided, however*, that Distributing shall be entitled to reduce the amount of any such refund, credit or offset for its reasonable out-of-pocket costs and expenses incurred in connection therewith and any Taxes incurred with respect to the receipt or accrual thereof; and *provided further*, that Splitco, upon the request of Distributing, agrees to repay such refund, credit or offset, plus any interest received thereon and net of Taxes, to Distributing in the event, and to the extent, that Distributing is required to repay such refund, credit or offset, plus any interest received thereon, to a Tax Authority.

3.7 Amended Returns. Any amended Tax Return or claim for Tax refund, credit or offset with respect to any member of the Splitco Group may be made only by the Company (or its Subsidiaries) responsible for preparing the original Tax Return v

respective Groups with respect to the making of any Protective Elections in respect of the Distribution, and the preparation and filing of any forms, schedules, Tax Returns, and other materials in accordance therewith, shall not be considered a breach or nonle

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. Except as otherwise provided herein, the rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable law. Any consent provided under this Agreement must be in writing, signed by the party against whom enforcement of such consent is sought.

8.11 Effective Date. This Agreement shall become effective on the date recited above on which the parties entered into this Agreement.

8.12 Change in Law. Any reference to a provision of the Code or any other Tax Law shall include a reference to any applicable successor provision or law.

8.13 Authorization, Etc. Each of the parties hereto hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such party, that this Agreement constitutes a legal, valid and binding obligation of such party and that the execution, delivery and performance of this Agreement by such party does not contD

[Redacted content]

QVC Group common stock		
Basic	475	475
Diluted	481	481
Liberty Ventures common stock		
Basic	142	85
Diluted	143	86

Liberty Interactive Corporation
Notes to Condensed Pro Forma Consolidated Financial Statements
(unaudited)

-
- (1) Represents the historical financial position and results of operations of Liberty. Such amounts were derived from the historical consolidated financial statements of Liberty Interactive Corporation as filed on Form 10-K on February 26, 2016 and on Form 10-Q on August 5, 2016, respectively.
- (2) Represents the historical financial position and results of operations of Liberty. Such amounts were derived from the historical consolidated financial statements of Liberty Expedia Holdings, Inc. as filed on Form S-4 as amended on September 30, 2016.
-