

(3) Filing Party:

(4) Date Filed:



LIBERTY MEDIA CORPORATION
12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5400

[DATE]

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of Liberty Media Corporation (**Liberty Media**) to be held at [TIME], local time, on [DATE], at [LOCATION], telephone [· ·]. A notice of the special meeting, a proxy card and a proxy statement containing important information about the matters to be acted on at the special meeting accompany this letter.

I am pleased to write to you regarding our agreement to acquire Formula 1, the iconic global sportmfeemeerthe tag sthe





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We describe the proposals in more detail in the accompanying proxy statement. We encourage you to read the proxy statement in its entirety before voting. The form of the proposed new charter is included as *Annex E* to the accompanying proxy statement.

After careful consideration, the board of directors of Liberty Media unanimously determined that the acquisition and the proposed share issuance in each case on the terms set forth in the accompanying proxy statement, are in the best interests of Liberty Media and its stockholders. In addition, our board of directors has unanimously approved and declared advisable the new charter, and unanimously recommends that you vote "**FOR**" each of the proposals.

Votes may be cast in person at the special meeting or by proxy prior to the meeting by telephone, via the Internet, or by mail.

YOUR VOTE IS IMPORTANT. Voting promptly, regardless of the number of shares you own, will aid us in reducing the expense of any further proxy solicitation in connection with the special meeting.

By order of the board of directors,

Pamela L. Coe
*Senior Vice President, Deputy General
Counsel and Secretary*

Englewood, Colorado
[DATE]

WHETHER OR NOT YOU INTEND TO BE PRESENT AT THE SPECIAL MEETING, PLEASE VOTE PROMPTLY VIA TELEPHONE OR ELECTRONICALLY VIA THE INTERNET. ALTERNATIVELY, PLEASE COMPLETE, SIGN AND RETURN BY MAIL THE ENCLOSED PAPER PROXY CARD.

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If you are a record holder and you do not submit a proxy or vote in person at the special meeting, your shares will not be counted as present and entitled to vote for purposes of determining a quorum, and your failure to vote will have no effect on determining whether the share issuance proposal or the adjournment proposal is approved (if a quorum is present), however it will have the effect of a vote "**AGAINST**" the group name change proposal.

Voting Procedures for Shares Held in Street Name

General. If you hold your shares in the name of a broker, bank or other nominee, you should follow the instructions provided by your broker, bank or other nominee when voting your shares or to grant or revoke a proxy. The rules and regulations of the New York Stock Exchange and The Nasdaq Stock Market prohibit brokers, banks and other nominees from voting shares on behalf of their clients with respect to numerous matters, including, in our case, each of the proposals. Accordingly, to ensure your shares held in street name are voted on these matters, we encourage you to provide promptly specific voting instructions to your broker, bank or other nominee.

Effect of Broker Non-Votes. Broker non-votes will not be counted as shares of our common stock present and entitled to vote for purposes of determining a quorum and will have no effect on any of the proposals, other than the group name change proposal (i.e., broker non-votes will count as a vote "**AGAINST**" the group name change proposal). You should follow the directions your broker, bank or other nominee provides to you regarding how to vote your shares of LSXMA, BATRA, LMCA, LSXMB, BATRB or LMCB or how to change your vote or revoke your proxy.

Revoking a Proxy

~~By filing a submission with Computershare prior to the start of the special meeting, you may change your vote by voting in person at the special meeting or by delivering a signed proxy revocation or a new signed proxy with a later date to Liberty Media Corporation, c/o Computershare Trust Company, N.A., P.O. Box 30202, College Station, Texas 77842-ific voti~~

INFORMATION ABOUT THE FORMULA 1 ACQUISITION

The following summary describes certain material terms of, and documents and agreements related to, the acquisition of Formula 1 by Liberty Media Corporation. This summary is not intended to be a complete description of the acquisition and is not intended to be a contract. For more information, please refer to the relevant documents and agreements.



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- the Buyer will acquire from the Selling Shareholders 100% of the fully diluted F1 Shares (other than a nominal number of equity securities held by the Teams).

The aggregate purchase price payable to the Selling Shareholders under the Second SPA is approximately \$4.4 billion (assuming a valuation for the shares of LMCK of the LMCK reference price (as defined herein)), consisting of:

- a minimum of \$1.1 billion in cash (including the cash paid to the Initial Sellers at the First Closing and the Additional Closing);
- approximately \$351 million in principal amount of the Exchangeable Notes (which consists of outstanding F1 Loan Notes to be converted upon the Second Closing);
- up to 138 million newly issued shares of LMCK; and
- up to approximately \$51 million of contingent cash consideration, which may be payable to the Selling Shareholders if Formula 1 receives certain monies owed to it in connection with race fees in India.

Pursuant to the Second SPA, following the request of a nominee appointed by the Selling Shareholders (the **Sellers' Representative**), Liberty Media will use its reasonable endeavors between the First Closing and the Second Closing to secure commitments from certain third party investors to purchase a number of shares of LMCK for an aggregate purchase price at an amount upon which Liberty Media and the Sellers' Representative agree. The Sellers' Representative has requested that Liberty Media use its reasonable endeavors to raise at least \$1 billion in additional funds for this purpose. The shares of LMCK sold pursuant to the additional cash raising are to be sold at a price per share no less than \$21.26 (the **LMCK refE** **HXW GS hN T**).



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Information about Formula 1

Formula 1 holds exclusive commercial rights with respect to the FIA Formula One World Championship® (the **World Championship**), an annual, approximately nine-month long, motor race-based competition in which teams (the **Teams**) compete for the Constructors' Championship and drivers compete for the Drivers' Championship. The World Championship is a global series with a varying number of events (**Events**) taking place in different countries around the world each season. For 2016, 21 Events are scheduled to take place in 21 countries across Europe, Asia-Pacific, the Middle East and North and South America. It is followed by hundreds of millions of television viewers in over 200 territories, and Formula 1's largest Events have hosted live audiences in excess of 300,000 on race weekends, such as the British Grand Prix at the Silverstone circuit and the Mexican Grand Prix at the Autódromo Hermanos Rodríguez.

Delta Topco is based in Jersey with a registered address of 1 Waverley Place, Union Street, Jersey, JE1 1SG, Channel Islands. Formula 1's principal executive offices are located at 6 Princes Gate, Knightsbridge, London SW7 1QJ.

For more detailed business and financial information about Formula 1, see "Appendix: Business and Financial Information of Formula 1".

Background to the Acquisition

The following chronology summarizes the key meetings and events that led to the signing of the stock purchase agreements and related transaction documents in connection with the acquisition. The following chronology does not purport to catalogue every conversation among the representatives of each company, their respective advisors or any other persons. All meetings described herein were held telephonically, unless otherwise noted.

In September 2013, representatives of Liberty Media contacted CVC Capital Partners Limited (**CVC**), and advised to certain CVC funds (which funds collectively hold the single largest stake in Formula 1), to begin exploring a potential strategic transaction involving Formula 1. In connection with such discussions, Liberty Media and CVC executed a Confidentiality Agreement on November 1, 2013.

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20% of the equity interests of Formula 1 from CVC Delta Topco Nominee Limited, the nominee for the CVC funds (**CVC Nominee**), and certain other Formula 1 shareholders for cash pursuant to an initial stock purchase agreement, which would close simultaneously with its execution. Concurrently with the signing and closing of the initial stock purchase agreement, the parties would execute a second stock purchase agreement, which would provide for the sale of 10R stock pu

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The representations, warranties and covenants contained in the stock purchase agreements and described in this proxy statement were made only for purposes of the stock purchase agreements and as of specific dates and may be subject to more recent developments, were made solely for the benefit of the parties to the stock purchase agreements and may be subject to limitations agreed upon by the contracting parties, including being qualified by reference to confidential disclosures, for the purposes of allocating risk between the parties to the stock purchase agreements instead of establishing these matters as facts, and may apply standards of materiality in a way that is different from what may be viewed as material by you or other investors. The representations and warranties contained in the stock purchase agreements do not, with certain exceptions, survive the effective time of the acquisition. Investors should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or conditions of Liberty Media, Formula 1 or any of their respective subsidiaries in this divestiture or any other divestiture.

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- the approval of the share issuance proposal by the stockholders of Liberty Media.

In addition, it is a condition to Buyer's obligations to complete the Second Closing that the securities to be purchased by the Buyer at the Second Closing constitute 100% of the fully diluted F1 Shares and F1 Loan Notes (other than a nominal number of equity securities held by the Teams).

The parties have agreed to ensure that the conditions to which such party is subject are satisfied as soon as practicable and in any case no later than June 30, 2017 (or as otherwise agreed) (the **longstop date**).

Each of the Buyer and Liberty Media agree to promptly take any and all steps necessary to avoid or eliminate all impediments under any antitrust, competition or trade regulation or law that may be asserted by any governmental entity with respect to the acquisition such that the acquisition may be consummated as early as possible but in no event later than five business days prior to the longstop date. Liberty Media and the Buyer have also agreed to defend any claim asserted in court by any person in order to avoid, or have vacated or terminated, any order or judgment that would restrain or prevent the closing of the acquisition by the longstop date. Formula 1 and each of the Selling Shareholders have agreed to cooperate in good faith and provide reasonable assistance to each of Liberty Media, the Buyer and Formula 1 and its subsidiaries in order to assist with the fulfillment of the competition conditions, including providing such information as reasonably requested by Liberty Media and the Buyer in connection with filings to and/or answers to queries posed by governmental entities in connection with the competition conditions and in any investigations or litigation.

Representations and Warranties

The Second SPA contains a number of warranties made by the Selling Shareholders and Formula 1, on the one hand, and Liberty Media and the Buyer, on the other hand, solely for the benefit of each other, that are subject in some cases to certain exceptions and qualifications, including, among other things, as to materiality and to material adverse effect when deemed repeated at the Second Closing. See "—Definition of Material Adverse Effect" for a definition of material adverse effect applicable to each party.

Some of the significant warranties made by the Selling Shareholders and Formula 1, on the one hand, and Liberty Media and the Buyer, on the other hand, relate to:

- power and authority to enter into the Second SPA and the related transaction documents;
- absence of any conflict with, or violation or breach of, any organizational documents, laws or regulations or material agreements or other arrangements as a result of the execution, delivery and performance of the Second SPA, the acquisition and the related transaction documents; and
- absence of any necessary consents, approvals, filings or similar actions necessary to execute the Second SPA and related transaction documents and consummate the acquisition (except as provided in the Second SPA);

Liberty Media and the Buyer also made certain warranties including, but not limited to:

- solvency and ability to pay debts;
- ability to pay the aggregate consideration at the Second Closing;
- since January 1, 2016, conduct of business in the ordinary course of business and the absence of an LMG Material Adverse Effect;
- capital structure, including authorized capital stock and outstanding securities;
- resolution by the board of directors of Liberty Media to recommend to the stockholders of Liberty Media the approval of the share issuance proposal and the group name change proposal;

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- ability of Liberty Media to issue the shares of LMCK necessary in connection with the acquisition (assuming the approval of the share issuance proposal);
- the listing of outstanding shares of LMCK on Nasdaq and, upon issuance, the listing of the shares of LMCK issued in connection with the acquisition on Nasdaq;
- timeliness of SEC filings, and the absence of misstatements or omissions from such filings;
- fair presentation of financial statements; and
- absence of certain undisclosed liabilities.

The Selling Shareholders and Formula 1 also made certain warranties including, but not limited to:

- title to the equity interests of Formula 1 to be sold at the Second Closing;
- ability of the Selling Shareholders to transfer the equity interests of Formula 1 to be sold at the Second Closing; and
- the equity interests of Formula 1 to be sold at the Second Closing constituting all of the equity interests of Formula 1 held by each Selling Shareholder.

Definition of "Material Adverse Effect"

The conditions that the warranties of Liberty Media, the Buyer and the Selling Shareholders, in each case, remain true and correct at the Second Closing are qualified by a "material adverse effect" standard (that is, they will not be deemed to be untrue or incorrect unless their failure to be true or correct has had or would reasonably be expected to have a material adverse effect).

The definition of each of "**LMG Material Adverse Effect**" and "**Material Adverse Effect**" for purposes of the Second SPA means any event, condition, or development that, individually or in the aggregate, (i) prevents or delays the ability of Liberty Media, the Selling Shareholders or Formula 1, as applicable, to perform their respective obligations under the Second SPA and the related transaction documents, or to consummate the transactions contemplated thereby, or (ii) is materially adverse to the business, results of operations or condition (financial or otherwise) of Liberty Media or Formula 1, as applicable.

The definition of each of LMG Material Adverse Effect and Material Adverse Effect contains customary exceptions for, among other things, general changes in economic and political conditions, natural events, events relating to the announcement and pendency of the acquisition and each party's ability to meet its respective revenue or earnings projections. In addition, any caution or recommendation (but not a blanket prohibition) against travel to or attendance in public places in the U.S., the UK or the European Union by any governmental entity will not be taken into account for determining whether an LMG Material Adverse Effect or Material Adverse Effect, as applicable, has occurred.

Any matter related to the interpretation of "LMG Material Adverse Effect" or "Material Adverse Effect" will be governed by the laws of the state of Delaware.

Conduct of Business of Formula 1 Pending the Second Closing

From the date of the Second SPA through the date of the Second Closing, except (i) as specifically contemplated or required by the Second SPA or any of the other transaction documents in connection with the acquisition, or (ii) as consented to by the Buyer in writing (such consent, in certain cases, not to be unreasonably withheld), Formula 1 and each of its subsidiaries agrees to, and each Selling

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- change any terms of employment (including pension fund commitments) of any person, accelerate any payments due to employees and other individuals by a material amount, or increase pay to any one director or employee of Delta Topco or any of its subsidiaries by a material amount, subject to certain exceptions; and/or
- give any notice of termination of the employment, or the dismissal of, certain key managers of Delta Topco.

Conduct of Business of Liberty Media Pending the Second Closing

From the date of the Second SPA through the date of the Second Closing, except (i) as expressly contemplated or required by the Second SPA or any of the other transaction documents in connection with the acquisition, or (ii) as consented to in writing by the Sellers' Representative, Liberty Media will, and will cause its subsidiaries attributed to the Media Group to, (A) conduct its business in the ordinary course of business consistent with past practice and (B) use its reasonable best efforts to preserve its and its subsidiaries' business organization, insofar as such actions would relate to or affect the Media Group.

In addition, between the date of the Second SPA and the Second Closing, except (i) as expressly contemplated by the Second SPA or any of the other transaction documents in connection with the acquisition, (ii) as required by law or (iii) as consented to in writing by the Sellers' Representative (such consent not to be unreasonably withheld or delayed), Liberty Media will not, and will not permit any of its subsidiaries attributed to the Media Group to, take any of the following actions insofar as such actions would relate to or affect the Media Group:

- amend its organizational documents (except as contemplated by the group name change proposal);
- (i) split, combine or reclassify the Liberty Media Group tracking stock, (ii) repurchase, redeem or otherwise acquire any shares of Liberty Media Group tracking stock (other than pursuant to the terms of any compensatory equity awards relating to shares of Liberty Media Group tracking stock in the ordinary course of business, pursuant to previously existing contractual arrangements, in connection with the employment or retention of certain management employees or for any other purpose in an aggregate amount not to exceed \$5 million), or (iii) declare, set aside or pay any dividend or distribution on Liberty Media Group tracking stock; or
- issue, sell, pledge, dispose of, or encumber any shares of Liberty Media Group tracking stock other than (i) the issuance of shares of Liberty Media Group tracking stock upon the exercise of equity awards relating to shares of Liberty Media Group tracking stock in the ordinary course of business, pursuant to previously existing contractual arrangements, in connection with the employment or retention of certain management employees or for any other purpose in an aggregate amount not to exceed \$5 million, or (ii) the issuance of shares of Liberty Media Group tracking stock upon the exercise of any warrants to purchase shares of Liberty Media Group tracking stock.

Obligations of the Board of Directors of Liberty Media to Recommend the Acquisition and Hold a Stockholders' Meeting

Pursuant to the Second SPA, promptly after this proxy statement is cleared by the SEC for mailing to the stockholders of Liberty Media, Liberty Media agreed to duly call and hold a special meeting of its stockholders solely for the purpose of obtaining the approval of the share issuance proposal and the group name change proposal and to use its reasonable endeavors to solicit proxies from its stockholders to obtain the approvals.

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Formula 1 and the Selling Shareholders agreed to co-operate in good faith and provide reasonable assistance to Liberty Media in connection with the preparation and filing of this proxy statement.

No Solicitation by Formula 1

Pursuant to the Second SPA, Formula 1 and the Selling Shareholders have agreed that until the earlier of (i) the Second Closing and (ii) the termination of the Second SPA, each will immediately terminate all of its discussions and negotiations with any other person (other than the Buyer, Liberty Media and their affiliates) regarding any company alternative proposal (as defined below) and, except as required by applicable law, not grant any waiver or release under, or knowingly fail to enforce, any confidentiality, standstill or similar agreement entered into or amended in the 2 years prior to the date of the Second SPA in respect of a company alternative proposal.

Additionally, until the earlier of (i) the Second Closing and (ii) the termination of the Second SPA, Formula 1 and the Selling Shareholders have agreed not to, directly or indirectly, and will cause their respective representatives and affiliates not to, solicit, initiate or knowingly encourage or engage in discussions or negotiations regarding any inquiry, proposal or offer, or the making, submission or announcement of any inquiry, proposal or offer, which constitutes or would reasonably be expected to lead to a company alternative proposal. Formula 1 and the Selling Shareholders have agreed also not to enter into or approve any letter of intent, memorandum of understanding or other arrangement, or provide any information or data relating to Formula 1 to any third party (other than any statement that they have entered into the Second SPA and are subject to the obligations entered into under the Second SPA).





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The foregoing description of the voting agreement is qualified in its entirety by reference to the full text of the voting agreement, a copy of which is provided in the



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Prior to the taking of any of the foregoing corporate actions, the Board of Directors of Formula 1 must deliver to the Noteholder representative a written notice of such action and may proceed with such action only if the Noteholder representative does not veto such action within five business days of the delivery of such notice.

Additionally, the articles of association of Formula 1 in effect at the issuance of the Exchangeable Notes (the **Formula 1 articles**) will provide that until the veto termination date any purported grant of a security interest in the equity securities of Formula 1 or a sale or transfer of equity securities of Formula 1 such that it ceases to be 100% owned, directly or indirectly, by the Buyer or Liberty Media will be void and will not be registered by the Board of Directors of the Company, other than:

- the Exchangeable Notes and related PIK notes;
- in connection with obtaining or maintaining financing, the proceeds of which are used exclusively for the benefit of Formula 1 and its subsidiaries; or
- in connection with acquisitions of assets or businesses by Formula 1 or its subsidiaries not otherwise subject to the consent of the Noteholder representative.

Rights to Appoint Members to the Board of Directors of Formula 1

The Exchangeable Notes instrument provides that the Formula 1 articles will grant the Noteholders certain board appointment rights. The Formula 1 articles will provide that any Noteholder owning Exchangeable Notes (including PIK notes and excluding Exchangeable Notes acquired by means of a transfer from another Noteholder) together with its affiliates representing 15% or more in principal amount of the Exchangeable Notes issued and outstanding immediately following the Second Closing, together with any PIK notes, will have the right to designate one director to the Board of Directors of Formula 1 for a term of 5 years from the date of the Second Closing.

Additionally, those Noteholders which do not individually own Exchangeable Notes (including PIK notes and excluding Exchangeable Notes acquired by means of a transfer from another Noteholder) representing 15% or more in principal amount of the Exchangeable Notes issued and outstanding immediately following the Second Closing, together with the PIK notes, will, so long as such holders collectively own Exchangeable Notes (including PIK notes) representing at least 25% in principal amount of the total principal amount of Exchangeable Notes issued and outstanding immediately following the Second Closing, plus any PIK notes, have the right to designate one person to be a director of Formula 1. Such nominee will serve until the earlier of (i) the maturity date and (ii) the date on which such Noteholders cease to own at least 25% or more in principal amount of the Exchangeable Notes issued on the date of the Second Closing, including PIK notes.

Independent Conflict Committee

The Formula 1 articles to be in effect at the Second Closing will establish an Independent Conflict Committee of the Board of Directors of Formula 1 (the **IC Committee**), which will continue in effect until the first to occur of (i) the maturity date and (ii) the first date on which both (A) no Noteholder together with its affiliates owns Exchangeable Notes (including PIK notes and excluding Exchangeable Notes acquired by means of a transfer from another Noteholder) representing 15% or more in principal amount of the Exchangeable Notes issued and outstanding immediately following the Second Closing, together with any PIK notes, and (B) those Noteholders which do not individually own Exchangeable Notes representing 15% or more in principal amount of the Exchangeable Notes issued on the date of the Second Closing, but collectively own Exchangeable Notes representing at least 25% in principal amount of the total principal amount of Notes issued on the date of the Second Closing, including PIK notes, collectively cease to own at least 25% or more in principal amount of the Exchangeable Notes issued on the date of the Second Closing.

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No Dissenters' Rights

Stockholders of Liberty Media will not be entitled to exercise dissenters' rights or to demand payment for their shares of capital stock of Liberty Media in connection with the acquisition.

Material U.S. Federal Income Tax Consequences

The completion of the acquisition will not be taxable to stockholders of Liberty Media for U.S. federal income tax purposes.

Accounting Treatment

[To come.]

Regulatory Matters

The completion of the acquisition is subject to the satisfaction or waiver of certain competition law and regulatory conditions, including the approval of various competition and antitrust authorities of the jurisdictions in which Formula 1 operates.

Pursuant to the Second SPA, the Buyer and Liberty Media have agreed to promptly tants

RISK FACTORS

In addition to the other information incorporated by reference or included in this proxy statement, including the risks identified in our Annual Report on Form 10-K filed with the SEC on February 26, 2016, as amended by our Annual Report on Form 10-K/A filed with the SEC on April 29, 2016, and the matters addressed in the section of this proxy statement entitled "Cautionary Statement Concerning Forward-Looking Statements", you should carefully consider the following risks before deciding how to vote on the proposals presented at the special meeting. The risks and uncertainties described below are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. The risks below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements, discussed further below in the section entitled "Cautionary Statement Concerning Forward-Looking Statements".

Risks Relating to the Acquisition

The ~~financial~~ ~~statements~~ ~~included~~ ~~in~~ ~~this~~ ~~proxy~~ ~~statement~~ ~~are~~ ~~pres~~

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operations, and devote time and effort to consummating the acquisition. The risks, and adverse effects, of such disruptions and diversions could be exacerbated by a delay in the completion of the acquisition. These factors could adversely affect the financial position or results of operations of Liberty Media and Formula 1, regardless of whether the acquisition is completed.

Liberty Media is subject to contractual restrictions while the acquisition is pending, which could adversely affect Liberty Media's business.

The Second SPA imposes certain restrictive interim covenants on Liberty Media. For instance, the consent of the Sellers' Representative is required in respect of, among other things, amendments to Liberty Media's organizational documents, payments of dividends or capital reorganizations with respect to Liberty Media Group tracking stock and certain issuances of shares of Liberty Media Group tracking stock. These restrictions may prevent Liberty Media from taking certain actions before the acquisition is completed or the Second SPA is terminated, including making certain acquisitions or otherwise pursuing certain business opportunities, or making certain changes to its capital stock, that its board of directors may deem beneficial.

Uncertainties among counterparties and employees of Formula 1 while the acquisition is pending could adversely affect the value of Formula 1 following the closing.

Uncertainty about the effect of the acquisition could impact counterparties (including to race promotion, broadcasting, advertising, sponsorship or other commercial agreements) and employees of Formula 1 and have an adverse effect on Formula 1 and, consequently, on Liberty Media following the completion thereof. These uncertainties may impair Formula 1's ability to attract, retain and motivate key personnel until the acquisition is completed and for a period of time thereafter, and could cause Formula 1's counterparties (including to race promotion, broadcasting, advertising, sponsorship or other commercial agreements), the Teams and others who deal with Formula 1 to seek to change their existing business relationships with Formula 1. Employee retention may be particularly challenging during the pendency of the acquisition because employees may experience uncertainty about their post-closing roles. If key employees depart despite Formula 1's and Liberty Media's efforts to retain them, the value of the Formula 1 business can be significantly reduced.

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Following the acquisition, one or more representatives of the Selling Shareholders may be able to exercise significant influence over Liberty Media corporate transactions and other matters as a result of Liberty Media's agreement to appoint a nominee designated by the Selling Shareholders to its Board of Directors and to provide certain shareholder protections to the Selling Shareholders under the shareholders agreement.

At the closing under the Second SPA, Liberty Media and the Selling Shareholders will enter into the shareholders agreement. The shareholders agreement provides that upon the closing under the Second SPA, Liberty Media will increase the number of members constituting its board of directors from nine to ten, and appoint a shareholder director to serve on the board of directors of Liberty Media for a term of 30 months following the date of the closing under the Second SPA. The shareholder director, along with two of Liberty Media's independent directors, will also serve on a new committee of the board of directors of Liberty Media that will review and approve certain actions by Liberty Media relating to or affecting the Media Group. Additionally, the shareholders agreement grants the shareholder representative veto rights, during the restriction period, over certain actions proposed to be taken by Liberty Media, including, with certain exceptions, the creation of other classes of stock tracking the economic performance of Liberty Media and the issuance of any equity securities that may be held by the Selling Shareholders.



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cause Formula 1 to discontinue its operations, lead to the termination of substantially all of Formula 1's commercial contracts, prevent Formula 1 from exploiting the commercial rights to the World Championship and require Formula 1 to discontinue use of the World Championship trademarks and other intellectual property rights.

Formula 1 is reliant upon certain key personnel, and Formula 1 may lose one or more of them.

Formula 1's commercial su

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prospects. In addition, no assurance can be given (i) that relevant authorities or other third parties will not take actions with regard to these matters or any others not known at this time and (ii) that if any such actions are taken that they will not have an adverse impact on Formula 1.

The Teams may, in certain circumstances, terminate their existing commitment to participate in the World Championship until (and including) 2020 or breach their obligations and withdraw.

Formula 1's ability to effectively stage the World Championship depends on the ongoing involvement of its participants. Pursuant to individual Team Agreements, each of the current 11 Teams have committed to participate in the World Championship until December 31, 2020, subject to earlier termination upon the occurrence of certain events. Formula 1 cannot provide assurance that any of the Teams will commit to participate in the World Championship beyond 2020, or that the FIA will renew the Current Concorde Arrangements under the 2013 Concorde Implementation Agreement beyond 2030. If any of the current Teams cease to participate in the World Championship, Formula 1 may attempt to encourage new entrants to the World Championship, however, there is no assurance Formula 1 will be able to do this. If such Teams were not replaced, it could result in a less competitive World Championship as compared to recent seasons which may impact the perceived appeal of the sport.

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series is established (or if an existing series develops into a rival series), this may reduce the popularity of Formula 1 leading to a decline in the value of Formula 1's commercial contracts which may materially adversely affect Formula 1's business, financial condition, results of operations and prospects. See "*—There could be a decline in the popularity of Formula 1 which may have a material adverse effect on Formula 1's ability to exploit Formula 1's commercial rights to the World Championship*" and "*—The Teams may, under certain circumstances, terminate their existing commitment to participate in the World Championship until (and including) 2020 or breach their obligations and withdraw.*"

Changes in consumer viewing habits and the emergence of new content distribution platforms could adversely affect Formula 1's business

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this proxy statement or in the documents incorporated by reference constitute forward-looking statements within the meaning of the Private Securities
Litigation Reform Act of 1995.

SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF LIBERTY MEDIA

The following table sets forth our historical financial data as of June 30, 2016, and for the six months ended June 30, 2016 and 2015, and for each of the years in the five-year period ended December 31, 2015, 2014, 2013, 2012 and 2011. The following information is qualified in its entirety by, and should be read in conjunction with, our audited financial statements and notes thereto for the periods presented that are included in our Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference herein. See "Where You Can Find More Information".

Summary Balance Sheet Data:



SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF DELTA TOPCO

The following is



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The Exchangeable Notes will be exchangeable for newly issued shares of LMCK in the following circumstances:

- *Noteholder Optional Exchange.* Noteholders will have the right, at any time, to require Formula 1 (which will become our indirect, wholly owned subsidiary following consummation of the Second SPA), to exchange any or all of the Exchangeable Notes held by such Noteholder for a number of fully paid shares of LMCK equal to the quotient of (i) the principal amount of the Exchangeable Notes to be so exchanged, plus accrued and unpaid interest thereon, and (ii) 105% of the LMCK reference price (subject to adjustment for certain events). Alternatively, upon receipt of a request for a Noteholder optional exchange, Formula 1 will have the right to redeem the Exchangeable Notes for an amount in cash. See "Information about the Formula 1 Acquisition—Additional Agreements in connection with the Acquisition—Exchangeable Redeemable Loan Note Instrument—Exchange of Exchangeable Notes for Shares of LMCK.
 - *Mandatory Exchange.* At any time when the total principal amount of the Exchangeable Notes (including PIK notes) outstanding and owned by a Noteholder or its affiliates is less than the total principal amount of Exchangeable Notes first issued to such Noteholder, Formula 1 will have the right to require the Noteholder to exchange any or all such Exchangeable Notes for a number of fully paid shares of LMCK equal to (i) the principal amount of the Exchangeable Notes to be so exchanged, plus all accrued and unpaid interest thereon, divided by (ii) the volume weighted average trading price of shares of LMCK over the five consecutive trading days ending on the trading day immediately prior to the notification of the mandatory exchange. Alternatively, Formula 1 may elect to redeem any or all of such Exchangeable Notes for an amount in cash equal to the principal amount of the Exchangeable Notes to be redeemed plus accrued and unpaid interest thereon.
 - *Transfer Exchange.* Formula 1 will have the option to redeem Exchangeable Notes that a Noteholder proposes to transfer to a person (other than a permitted transferee) at a price, payable in cash, equal to the product of (i) the principal amount of the Exchangeable Notes proposed to be transferred, plus all accrued and unpaid interest thereon, divided by the exchange price, and (ii) the volume weighted average trading price of shares of LMCK over the five consecutive trading days ending on the trading day immediately prior to the delivery of the notice of transfer. If Formula 1 does not timely exercise its right to effect a transfer purchase, the Exchangeable Notes to be transferred shall be automatically exchanged prior to such transfer for a number of shares of LMCK equal to the quotient of (i) the principal amount of the Exchangeable Notes proposed to be transferred, plus all accrued and unpaid interest thereon, and (ii) 105% of the LMCK reference price (subject to adjustment for cet equal to th
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-



Second SPA to obtain the approval of our stockholders to amend and restate the current charter through the group name change proposal.

Vote and Recommendation

Approval of the group name change proposal requires the affirmative vote of the holders of a majority of the aggregate voting power of the shares of our common stock outstanding on the record date and entitled to vote at the special meeting, voting together as a single class.

Our board of directors unanimously recommends a vote "FOR" the group name change proposal.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGED BY

REDOUBT

NO



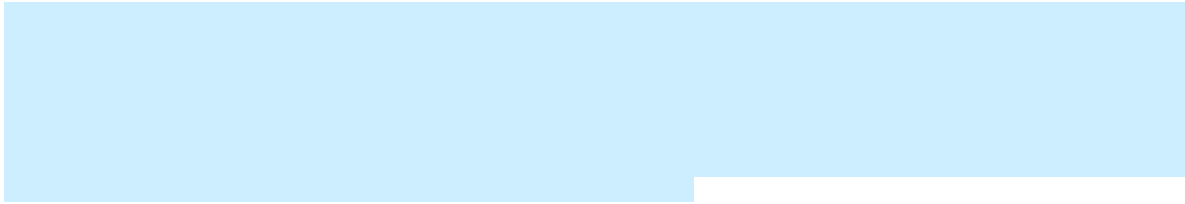
Security Ownership of Management

The following table sets forth information with respect to the ownership by each of our directors and named executive officers and by all of our current directors and executive officers as a group of shares of (1) each series of our common stock (LSXMA, LSXMB, LSXMK, BATRA, BATRB, BATRK, LMCA, LMCB and LMCK) and (2) the Common Stock, par value \$0.001 per share (SIRI), of Sirius XM, in which we hold a controlling interest. The security ownership information with respect to our common stock is given as of July 31, 2016 and, in the case of percentage ownership information, is based upon (1) 102,328,903 LSXMA shares, (2) 9,870,956 LSXMB shares, (3) 222,776,438 LSXMK shares, (4) 10,230,989 BATRA shares, (5) 986,828 BATRB shares, (6) 38,214,044 BATRK shares, (7) 25,570,920 LMCA shares, (8) 2,466,821 LMCB shares and (9) 55,687,219 LMCK shares, in each case, outstanding on that date. The security ownership information with respect to SIRI is given as of July 22, 2016, and, in the case of percentage ownership information, is based on 4,877,889,221 SIRI shares outstanding on July 22, 2016. The percentage voting power with respect to our company is presented in the table below on an aggregate basis for all LSXMA, LSXMB, BATRA, BATRB, LMCA and LMCB shares.

Shares of restricted stock that have been granted pursuant to our incentive plans are included in the outstanding share numbers, for purposes of the table below and throughout this report. Shares of common stock issuable upon exercise or conversion of options, warrants and convertible securities that were exercisable or convertible on or within 60 days after July 31, 2016 are deemed to be outstanding and to be beneficially owned by the person holding the options, warrants or convertible securities for the purpose of computing the percentage ownership of that person and for the aggregate percentage owned by the directors and named executive officers as a group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other individual person. For purposes of the following presentation, beneficial ownership of shares of LSXMB, BATRB or LMCB, though convertible on a one-for-one basis into shares of LSXMA, BATRA or LMCA, respectively, are reported as beneficial ownership of LSXMB, BATRB or LMCB only, and not as beneficial ownership of LSXMA, BATRA or LMCA, respectively. So far as is known to us, the persons indicated below have sole voting and dispositive power with respect to the shares indicated as owned by them, except as otherwise stated in the notes to the table.

The number of shares indicated as owned by the persons in the table includes interests in shares held by the Liberty Media 401(k) Savings Plan as of July 31, 2016. The shares held by the trustee of the Liberty Media 401(k) Savings Plan for the benefit of these persons are voted as directed by such persons.

<u>Name</u>	<u>Title of Series</u>	<u>Amount and Nature of Beneficial Ownership</u> (In thousands)	<u>Percent of Series (%)</u>	<u>Voting Power (%)</u>
John C. Malone Chairman of the Board and Director	LSXMA	1,168(1)(2)	1.1	47.6
	LSXMB	9,455(1)(3)(4)	95.8	
	LSXMK	18,652(1)(2)(4)(5)	8.4	
	BATRA	117(1)(2)	1.1	
	BATRB	946(1)(3)(4)	95.8	
	BATRK	3,264(1)(2)(4)(5)	8.5	
	LMCA	292(1)(2)(6)	1.1	
	LMCB	2,364(1)(3)(4)	1.1	





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<u>Name</u>	<u>Title of Series</u>	<u>Amount</u>	<u>UQ</u>	<u>U</u>

Changes in Control

We know of no arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date r o~ Â



APPENDIX: BUSINESS AND FINANCIAL RISK



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Financial Profile

For the year ended December 31, 2015, Formula 1 recorded total revenue of \$1.7 billion, Adjusted OIBDA of \$462 million and cash provided by operating activities of \$492 million.

Sources of Revenue

Formula 1 derives the majority of its revenue from race promotion, broadcasting and advertising and sponsorship at enue fro

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global in-flight/ship at sea distribution contract). Formula 1's key broadcasters include Channel 4 (free-to-air television) and Sky (pay television) in the United Kingdom, RTL (free-to-air television) and Sky Deutschland (pay television) in Germany, RAI (free-to-air television) and Sky Italia (pay television) in Italy, Movistar (pay television) in Spain, Canal+ (pay television) in France, Globo (free-to-air television) in Brazil, NBC (free-to-air television) in the United States, Fox Sports (pay television) in Pan Asia and beIn Sports (pay television) in the Middle East.

Viewers

Formula 1 believes that Formula 1 is attractive to broadcasters because of its premium live content and viewership, which is typically male orientated with above average incomes. Formula 1 has TRAs covering all significant countries and regions globally. In 2015, Formula 1 had a cumulative live television audience of hundreds of millions of unique viewers measured by the definition of 15 minutes of viewing time. This figure relates only to dedicated programming and does not include those viewers that see Formula 1 on the news or via other media. Formula 1 can have a positive effect on a network's viewership.

Viewership in a specific country can be influenced significantly by the performance of local drivers. For example, the previously very high viewership in Germany dropped after Michael Schumacher's original retirement in 2006 but increased in 2010 and 2011 because of Sebastian Vettel winning the Drivers' Championship in those years. More recently, audience reach in the Netherlands significantly increased as Max Verstappen made his debut for Toro Rosso in 2015. Formula 1 is able to suggest (subject to FIA approval) race times to maximize the sport's global viewership, including by introducing late afternoon and night races for Middle East and Asian Events to maximize the core European viewership.

Advertising and Sponsorship

Formula 1 sells Event-based advertising and sponsorship in the form of trackside advertising and race title sponsorship packages. In addition, advertisers can acquire status as a Global Partner of Formula 1 and/or Official Supplier to Formula 1. These advertiser and sponsor contracts typically have a term of three to five years (but d ee

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In addition, the FIA may terminate Formula 1's license if (i) certain Delta (~ a ~ a ~ a ~ a



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Regulatory Matters—Competition Laws

The operations and business of Formula 1 are subject to European and national competition laws which require Formula 1 at all times to ensure its business practices and agreements are consistent with the operation of competitive markets. Following an investigation by the EC into the commercialization of Formula 1, Formula 1 has confirmed that its business practices and agreements are consistent with the operation of competitive markets.







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team that had qualified for an additional performance-related Prize Fund element in 2016, together with \$2 million growth in the expected full year variable Team payments based on underlying forecast performance.

Other costs of Formula 1 revenue include hospitality costs, which are principally related to catering and other aspects of the production and delivery of the Paddock Club, and circuit rights' fees payable under various agreements with race promoters to acquire certain commercial rights at Events, including the right to sell advertising, hospitality and support race opportunities. Other costs include annual FIA regulatory fees, advertising and sponsorship commissions and those incurred in the provision and sale of freight, travel and logistical services, GP2 and GP3 cars, parts and maintenance services, television production and post-production services, advertising production services and digital and social media activities. These costs are largely variable in nature and relate directly to revenue opportunities.

Other costs of Formula 1 revenue increased by \$11 million during the six months ended June 30, 2016 as compared to the corresponding period in the prior year due to other

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Selling, general and administrative expenses increased \$



Significant cash outflows, other than the payyts ~ 0



Formula 1 revenue

Primary F1 Revenue

Primary F1 revenue represents the majority of Formula 1's revenue and is derived from the following streams:

- race promotion fees earned from granting the rights to host, stage and promote each Event on the World Championship calendar;
- broadcasting fees earned from licensing the right to broadcast Events on television and other platforms, including the internet; and
- advertising and sponsorship fees earned from the sale of World Championship and Event-related advertising and sponsorship rights.

Primary F1 revenue accounted for 82%, 81% and 81% of total revenue for the years ended December 31, 2015, 2014 and 2013, respectively.

Formula 1 has entered into long term contracts for its race promotion, broadcasting and advertising and sponsorship businesses. Such contracts typically have high credit quality counterparties, are for multi-year terms, have built in annual fee escalators and require payment in advance. Additionally, Formula 1's primary revenue is spread over a large number of contracts with staggered expiration dates such that renewals occur on a rolling basis and are not overly concentrated in any one year. Historically, Formula 1's primary revenue has been largely contracted at the start of any year, and those contracts have generally translated into actual revenue by year end. The majority of Formula 1's contracts are denominated in US Dollars, but Formula 1 also has a small number of contracts denominated in foreign currencies.

The fees received from race promoters under multi-year contracts that typically have an initial term of five to seven years and often include an option, exercisable by Formula 1, to extend the contract for up to an additional five years, are for a fixed amount per Event and are not typically tied to the race promoter's own income levels. For establishing Events, the duration of the contract is more variable according to local market conditions. These contracts may allow for flatters n e rsact ire not tels. n



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Formula 1 to fund its projected uses of cash with cash provided by operations, cash on hand and borrowing capacity under its Facilities Agreements.

Quantitative and Qualitative Disclosures about Market Risk

Formula 1 is exposed to market risk in the normal course of business due to its ongoing investing and financial activities. Market risk refers to the risk of loss arising from adverse changes in interest rates and foreign currency exchange rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. Formula 1 has established policies, procedures and internal processes governing its management of market risks and the use of financial instruments to manage its exposure to such risks.

Formula 1 is exposed to changes in interest rates primarily as a result of its borrowing activities, which include borrowings used to maintain liab r

Delta Topco Limited and Subsidiaries
Condensed Consolidated Income Statement
for the six months ended 30 June 2016 (comparatives for the six months ended 30 June 2015)

All amounts relate to continuing activities.

The notes on pages F-7 to F-19 form an integral part of these financial statements.

Delta Topco Limited and Subsidiaries
Condensed Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2016 (comparatives for the six months ended 30 June 2015)

	2016	2015

The notes on pages F-7 to F-19 form an integral part of these financial statements.



Delta Topco Limited and Subsidiaries
Condensed Consolidated Statement of m

Delta Topco Limited and Subsidiaries
Condensed Consolidated Statement of Cash Flows
for the six months ended 30 June 2016 (comparatives for the six months ended 30 June 2015)

The notes on pages F pages Fps

Delta Topco Limited and Subsidiaries

Notes to the financial statements

for the six months ended 30 June 2016

1. General information

Delta Topco Limited (the "company") is a private company limited by share capital, and incorporated and domiciled in Jersey. The company's registered office is 1 Waverley Place, Union Street, St Helier, Jersey JE1 1SG, Channel Islands.

These unaudited Condensed Consolidated Interim Financial Statements of the company and its subsidiaries (the "group") for the period ended 30 June 2016 ("the Interim Financial Statements") were authorised for issue by the Board on 13 October 2016.

Basis of preparation

The Interim Financial Statements do not include all the information and disclosures required to be presented by the group in its full annual financial statements, and therefore should be read in conjunction with the group's most recent audited annual Consolidated Financial Statements, prepared for the year ended 31 December 2015 ("the 2015 Consolidated Financial Statements").

The Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and under historical cost accounting rules, except for derivative financial instruments that have been measured at fair value.

The Interim Financial Statements are presented in US dollars and all values are rounded to the nearest thousand (\$000) except where otherwise indicated. No separate information is presented for the company.

Going concern

After making enquiries the directors have a reasonable expectation that the group and the company have adequate resources available to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Interim Financial Statements.

2. Accounting policies

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the 2015 Consolidated Financial Statements, and disclosed therein. An additional accounting policy on team payments, applicable in the preparation of the Interim Financial Statements, and an explanation of the impact of the group's revenue recognition policy on interim reporting periods, are disclosed below.

Team payments

The teams competing in the FIA Formula One World Championship® ("the Championship") receive, in any year, prize fund payments consisting of a combination of variable fees and fixed annual fees. The variable team fees are determined by reference to a calculation of an adjusted operating profit measure ("Prize Fund Adjusted EBITDA") which is calculated by applying various adjustments to the group's reported operating profit in any year.

Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

2. Accounting policies (Continued)

The variable team payments are paid with reference to a particular Championship season and, whilst there is no cea



Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

2. Accounting policies (Continued)

post-production activities, and revenue from other services and licensing of the I





Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

4. Non-GAAP measures (Continued)

Adjusted Total Shareholder Benefit

In addition to holding shares, the group's shareholders also own an equivalent proportion of shareholder loan notes (see note 10). Therefore when analysing the group's results and their impact on shareholders it is necessary to consider returns on their combined holding of both shares and loan notes, and so in order to facilitate such an analysis the group utilises a performance measure called Adjusted Total Shareholder Benefit ("Adjusted TSB").

Adjusted TSB represents the group's cash net income, and is derived by deducting depreciation, income taxes and Net External Finance Costs from the Adjusted EBITDA measure, which in turn has already eliminated certain specific items and other non-cash items which impact the group's financial performance, as explained above. This provides a basis to assess the aggregate performance of the group as Adjusted TSB is economically comparable to "total earnings" adjusted to reflect the group's capital structure and the group's non-cash charges.

Cash Flow Available for Debt Service

The group analyses cash flow using a measure known as Cash Flow Available for Debt Service. This measures the group's performance in generating cash to service debt and make distributions to shareholders, and is determined by deducting capital expenditure from net cash flows from operating activities.

(a) Adjusted Cost of Sales

Adjusted Cost of Sales is defined as cost of sales adjusted for the following items:



Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

4. Non-GAAP measures (Continued)

(c) Adjusted EBITDA

As noted the Adjusted EBITDA measure is provided to assist in analysing the underlying performance of the group. The measure is non-GAAP in nature and the table below reconciles it to operating profit.

Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

4. Non-GAAP measures (Continued)

e) Non-cash shareholder Payment In Kind loan interest

<u>Six months ended 30 June:</u>	<u>2016</u>	<u>2015</u>
	<u>\$000</u>	<u>\$000</u>
Non-cash payment in kind interest on shareholder loan notes	<u>216,868</u>	<u>196,081</u>

Shareholder loans represent Payment In Kind ("PIK") loan notes issued by the company to shareholders in proportion to the relevant equity holdings of each shareholder. Non-cash payment in kind interest accrues on the balance of the notes at an annual compound rate of 10% payable on 31 December each year. The interest costs are excluded from the calculation of Net External Finance Costs.

f) Net Finance Costs

Net Finance Costs is defined as net finance income and finance costs, adjusted for the non-cash mark to market movements in derivatives and amortisation of finance fees. The measure is non-GAAP in nature and the table below reconciles it to items on the Income Statement and specific items discussed in note 4 (d) above.

	<u>2016</u>	<u>2015</u>
	<u>\$000</u>	<u>\$000</u>

g) Adjusted Total Shareholder Benefit

Adjusted TSB is a measure of the group's cash net income, and is defined as Adjusted EBITDA less depreciation, income taxes and Net External Finance Costs. The measure is non-GAAP in nature and the table below reconciles it to Adjusted EBITDA and other items discussed in notes 4 and 5.

Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

4. Non-GAAP measures (Continued)

h) Cash Flow Available For Debt Service

Cash Flow Available For Debt Service is defined as cash flows from *ofi*

Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

7. Property, plant and equipment (Continued)

Delta Topco Limited and Su S



Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

13. Related party transactions (Continued)

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Delta Topco Limited and Subsidiaries
Notes to the financial statements (Continued)
for the six months ended 30 June 2016

13. Related party transactions (Continued)

Expenditure with and payables to other related parties

At 30 June 2016 there were no ~~RMB~~

Delta Topco Limited and Subsidiaries

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Delta Topco Li



Delta Topco Limited and Subsidiaries

Consolidated Statement of Changes in Equity for the Year Ended 31 December

	Share capital	Share premium	Foreign currency translation	Other reserves	Share-based payment reserve	Retained earnings	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
At 1 January 2013 (unaudited)	42,404	3,165,620	(10)	31	213,753	(5,390,816)	(1,969,018)
Total comprehensive loss (unaudited)	—	—	(829)	—	—	(165,181)	(166,010)
Dividends paid (unaudited)	—	—	—	—	—	923	923
New share capital subscribed (unaudited)	458	—	—	—	—	—	458
Non cash equity-settled share-based payment transactions (unaudited)	—	—	—	—	16,760	—	16,760
Other reserves movements (unaudited)	—	—	—	28	—	—	28
At 31 December 2013 (unaudited)	42,862	3,165,620	(839)	59	230,513	(5,555,074)	(2,116,859)
Total comprehensive income/(loss) (unaudited)	—	—	5,399	—	—	(398,860)	(393,461)
Dividends paid (unaudited)	—	—	—	—	—	(795,674)	(795,674)
Non cash equity-settled share-based payment transactions (unaudited)	—	—	—	—	20,882	—	20,882
At 31 December 2014 (unaudited)	42,862	3,165,620	4,560	59	251,395	(6,749,608)	(3,285,112)
Total comprehensive income/(loss) (audited)	—	—	5,241	—	—	(362,571)	(357,330)
Dividends paid (audited)	—	—	—	—	—	(196,578)	(196,578)
Non cash equity-settled share-based payment transactions (audited)	—	—	—	—	26,890	—	26,890
At 31 December 2015 (audited)	<u>42,862</u>	<u>3,165,620</u>	<u>9,801</u>	<u>59</u>	<u>278,285</u>	<u>(7,308,757)</u>	<u>(3,812,130)</u>

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of the foreign subsidiaries.

Other reserves

The reserve is used to account for the recognition of Luxembourg net worth tax in relation to Delta 2 (Lux) S.à r.l.

Share-based payment reserve

The share-based payment reserve is used to recognise the fair value of equity-settled share-based payment transactions (see note 31).

The notes on pages F-27 to F-81 form an integral part of these financial statements.

Delta Topco Limited and Subsidiaries
Consolidated Statement of Cash Flow





Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

4 Accounting policies (Continued)

Finance income

Income is recognised as interest accrues using the effective interest rate ("EIR") method; that is, the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Tax

The tax expense for the period comprises current and deferred tax. Tax is charged or credited to the income statement except where it relates to items charged or credited to other comprehensive income or directly to equity, in which case the tax is recognised in other comprehensive income or in equity.

Current tax is the expected tax payable for the year based on tax rates and laws enacted or substantively enacted at the balance sheet date plus any adjustments to tax payable in respect of previous periods.

Tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities, and the taxes relate to the same taxation authority and to the same taxable entity or to different entities which intend to settle the current tax assets and liabilities on a net basis.

Deferred tax is recognised on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and amounts relevant for tax purposes. Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

4 Accounting policies (Continued)

Goodwill

Business combinations have been accounted for using the acquisition method. Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the statement of financial position as goodwill and is not amortised. To the extent that the net fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities is greater than the cost of the investment, a gain is recognised immediately in the income statement.

After initial recognition, goodwill is stated at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment, at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired. The carrying amount of goodwill allocated to a cash-generating unit ("CGU") is taken into account when determining the gain or loss on disposal of the unit, or of an operation within it.

For the purpose of impairment testing, goodwill is allocated to the related CGU's monitored by management. Where the recoverable amount of the CGU is less than its carrying amount, including goodwill, an impairment loss is recognised in the income statement.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Investments

Investments in subsidiaries are carried at cost less provision for impairment.

Impairment of non-financial assets



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

4 Accounting policies (Continued)

individual assets are allocated. These budgets and forecast calculations generally cover a period of more than five years. Beyond this, a long-term growth rate is calculated and applied to project future cash flows after the final year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the income statement in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made of the recoverability of the carrying amount.



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Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

5 Changes in accounting policy (Continued)

IFRS 16 Leases

IFRS 16 was issued in January 2016 and establishes a single lease accounting model for lessee accounting where all leases, barring some minor exceptions for short term and low value leases, will be brought onto the Statement of Financial Position. The dual lease accounting model will remain for lessor accounting, which will remain largely in line with IAS 17. The new leasing standard is applicable to all entities and will supersede all current leasing requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2019 with early adoption permitted if IFRS 15 Revenue from Contracts with Customers is also adopted. The group is currently assesshs less



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

6 Judgements and key sources of estimation uncertainty (Continued)

exercises judgement when considering the likelihood of such exit events in determining the amount charged and obligation to be recorded (see note 31).

Trade receivables

Management identifies impairment of trade receivables on an ongoing basis. An impairment allowance in respect of doubtful debts is raised against trade receivables when their collectability is considered to be doubtful. Management believe that the impairment adjustment is conservative and there are no significant trade receivables that are doubtful and have not been impaired or allowance provided for. In determining whether a particular receivable could be doubtful, the age, customer current financial status and disputes with the customer are taken into consideration.

At the statement of financial position date, the key assumptions concerning the future and other key sources of estimation uncertainty that represent a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

At the statement of financial position date, the key assumptions concerning the future and other key sources of estimation uncertainty that represent a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:





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Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

10 Non-GAAP measures (Continued)

Adjusted EBITDA, Adjusted Cost of Sales and Selling, General and Administrative Expenses

The group considers the Adjusted EBITDA measure, which is defined as operating profit adjusted to exclude certain specific, and largely non-cash items, to be an important indicator of the operational strength and performance of the business, which allows better comparison of results against prior periods and aids the understanding of underlying performance. In determining Adjusted EBITDA, specific items are excluded from the GAAP measures of cost of sales and administrative expenses, resulting in the identification of alternative non-GAAP measures called Adjusted Cost of Sales and Selling, General and Administrative Expenses.

As Adjusted EBITDA, Adjusted Cost of Sales and Selling, General and Administrative Expenses are non-GAAP measures, accordingly they should be considered non-representative of the group's performance.



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

10 Non-GAAP measures (Continued)

(b) Selling, General and Administrative Expenses

Selling, General and



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Ma ~



Delta Topco Limited and Subsidiaries
Notes to the Financial Statements for the Year Ended ; ed ed



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

17 Intangible assets (Continued)

the adoption of IFRS the goodwill is considered to have an il2 fw< Tbf ons



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Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

18 Investments

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows (*indicates investment is held by a subsidiary undertaking):

OperBTBT

On 18 May 2015 the group transferred six subsidiaries, Beta Principal Limited, Beta Operations Limited, Beta Topco 1 Limited, Beta Topco 2 Limited, Speed Investments Limited and Gamma Topco Limited to Ms Sacha Woodward Hill, a director of the company. dt y. d.limite



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

19 Other financial assets and liabilities

Derivatives

During 2013 the group entered into four interest rate swaps with termination dates of 30th Jun 2013 and 30th Jun 2014.





Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

22 Cash and cash equivalents and term deposits (Continued)

The term deposits above are considered to be held-to-maturity financial assets as they have an initial maturity of three months or more.

Non-cash transactions excluded from the cash flow statement

On 31 December 2015, \$395.6m of PIK interest was capitalised to shareholder loan balances (2014-\$359.4m, 2013-\$351.0m).

During the year \$1.6m (2014-\$40.9m, 2013-\$5.1m) of finance fees were amortised by the group.

Offsetting the simple reclassification of loan instalment payments between those due within one year and those due after more than one year is the revaluation downwards by \$4.9m of the €39.1m loan facility (2014-\$6.5m downwards, 2013-\$2.4m upwards).

23 Share capital

Allotted, called up and fully paid shares

The \$0.01 redeemable ordinary share has been issued to the longest serving team participating in the Championship and ranks pari passu with the other ordinary shares. The share carries the right to appoint the longest serving team director. The company has the option to redeem the share on an Initial Public Offering, if the related team ceases to participate in the Championship.

24 Finance leases

The \$1 t heictoiree s thri pa5.1m) of

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

26 Other provisions (Continued)

The provision for the Delta Topco Option Scheme represents the costs of the Manager Loan LoanMan

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

29 Obligations

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

31 Delta Topco Option Scheme (Continued)

Awards granted

Following the establishment of the Option Scheme, Awards were made to the initial Participants on 20 June 2008. Participants were initially granted both an interest in Shares ("Manager Shares") and an option to acquire an interest in the company's Loan Notes ("Manager Loan Note Options").

The company initially issued 90,716,794 Manager Shares to the Participants at a price payable of \$0.01 per share. The company also granted options over \$398,824,163 loan notes to the Participants. The grant price and exercise price under the options were both set at \$0.000001 per \$1 loan note.

On 27 April 2012, the terms of the Option Scheme were amended, with some of the previously granted Manager Loan Note Options replaced by an option to acquire an additional interest in the company's yddí yll d y ~ ~



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Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

31 Delta Topco Option Scheme (Continued)

in a credit to the share-based payment charge. Certain Awards were also forfeited following a Participant's departure from employment with the group, and rei shárd-li 9 gcmí 9 gcmí 9g



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

31 Delta Topco Option Scheme (Continued)

Following the exercise of rights under the Option Scheme during 2014 by Participants with UK based service contracts, an element of the accrued UK national insurance contribution liability totalling \$2.0m was paid.

No rights were exercised in 2015.

Expense recognised

As noted, with the directors of the company concluding in 2012 that an event would occur that would trigger the vesting and/or exercise of all elements of the Awards under the Option Scheme, an expense has been recorded subsequently in the financial statements in accordance with the requirements of IFRS 2 and IAS 19. In accordance with the accounting policies (see note 4), the expense recognised during 2015 is detailed below:

The expense arising from equity-settled share-based payment transactions has been recognised in the income statement as a specific item included within administrative expenses.



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

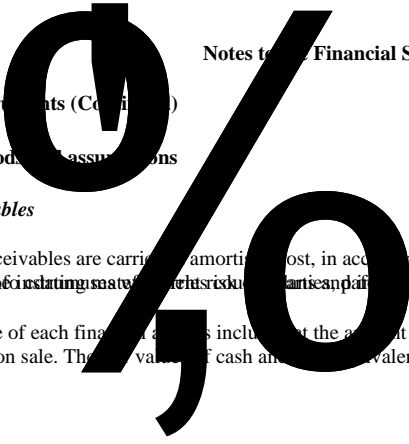
32 Financial instruments (Continued)

Valuation methods and assumptions

Loans and receivables

Loans and receivables are carried at amortized cost, in accordance with the accounting policy. The carrying value might be affected by changes in credit risk of the instruments. The fair value of these instruments is determined using the market rate of interest at the reporting date.

The fair value of each financial instrument is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. The fair value of cash and cash equivalents, trade receivables and other current receivables approximate to their carrying amounts.



Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

32 Financial instruments (Continued)

The following methods and assumptions were used to estimate the fair values:

- Trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments;
- The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

33 Financial risk management and impairment of financial assets

The group's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group has loan and other receivables, trade and other receivables, and cash and short-term deposits that derive di ei Å





Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

33 Financial risk management and impairment of financial assets (Continued)

analysis demonstrates the sensitivity to a reasonably possible change in interest rates applied to those financial assets and liabilities held at the relevant year ends.

In 2015, a 0.5% increase in interest rates would decrease the loss before tax and increase equity by a maximum of \$16.5m (2014—a.





Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

33 Financial risk management and impairment of financial assets (Continued)

repayments or amendments to the interest terms before the maturity date, the amount repayable in 2060 would be \$315.0bn (2014—\$315.0bn). This amount has not been included in the table above.

Capital risk management

Capital components

The directors consider the capital of the group as most appropriately represented by equity attributable to the shareholders of the parent, shareholder loans and accrued interest on shareholder loans.

Capital management

In assessing the management of capital, the directors review the current and forecast future projected EBITDA of the business. The level of debt is reviewed annually, with additional interim reviews as necessary where facts and circumstances warrant.

No changes were made in the objectives or processes for managing equity attributable to the shareholders of the parent, shareholder loans and accrued interest on shareholder loans during the year.

The group monitors capital on an absolute basis, as shown below:

	_____	_____
	_____	_____

34 Related party transactions

Key management personnel and compensation

Key management personnel are considered to be the directors of the group and personnel who are not directors but are Participants in the Delta Topco Option Scheme. Compensation of directors is disclosed within directors' remuneration (see note 13).

Summary of transactions with key management

Transactions with key management include expense recharges and transactions related to their membership of the Delta Topco Option Scheme (see note 31).

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

34 Related party transactions (Continued)

On 18 May 2015 the group transferred six subsidiaries, Beta Principal Limited, Beta Operations Limited, Beta Topco 1 Limited, Beta Topco 2 Limited, Speed Investments Limited and Gamma Topco Limited to Ms Sacha Woodward Hill, a director of the company. These companies were transferred for consideration of either \$1 or £2, being the amount of the issued paid up share capital in each company at the time of the disposals. There was no profit or loss on the disposals in the books of their parent companies.

Directors' Interests in the Delta Topco Option Scheme

Share Options held by directors do not have an expiry date and all have an exercise price of between \$Nil and \$0.01 (2014-\$Nil and \$0.01, 2013-\$Nil and \$0.01). Manager Loan Note Options held by directors do not have an expiry date and all have an exercise price of between \$Nil and \$0.01 (2014-\$Nil and \$0.01, 2013-\$Nil and \$0.01). Manager iNote Options held by directors do not have an expiry date and all have an exercise price of between \$Nil and \$0.01 (2014-\$Nil and \$0.01, 2013-\$Nil and \$0.01).





Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

34 Related party transactions (Continued)

Expenditure with and payables to related parties

35 Parent and ultimate parent undertaking

The directors consider the company's ultimate controlling party to be CVC Capital Partners SICAV—

Delta Topco Limited and Subsidiaries

Notes to the Financial Statements for the Year Ended 31 December 2015 (Continued)

36 Events after the balance sheet date (Continued)

The completion of the full acquisition is subject to certain conditions, including the receipt of: (i) certain clearances and approvals by anti-trust and competition law authorities in various countries, (ii) certain third-party consents and approvals, including that of the FIA, and (iii) the approval of Liberty Media's stockholders for the issuance of new shares in connection with the acquisition. It is anticipated that the approvals will be obtained in due course, and the transaction is expected to close by the end of the first quarter of 2017.

Prior to completion of the 100% acquisition, CVC Capital Partners SICAV—FIS S.A., its subsidiaries and affiliates continue for the time being to be the controlling shareholder of the company.

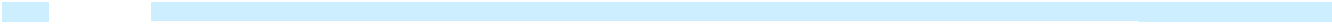
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In accordance with the acquisition method of accounting, the actual consolidated financial statements of Liberty Media will reflect the Formula One business combination only from and after the date of the completion of the acquisition. Liberty Media has not yet undertaken a detailed analysis of the fair value of Formula One's assets and liabilities and will not finalize the purchase price allocation related to the Formula One business combination until after the transaction is consummated. Accordingly, the unaudited pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed consolidated financial information. Differences between these preliminary estimates and the final acquisition accounting may occur and these differences could be material. Additionally, the differences, if any, could have a material impact on the accompanying unaudited pro forma condensed consolidated financial statements and Liberty Media's future results of operations and financial position.

The unaudited pro forma condensed consolidated financial information is presented for illustrative purposes only and does not purport to represent what the results of operations or financial position of Liberty Media would actually have been had the business combination occurred on the dates noted above, or to project the results of operations or financial position of Liberty Media for any future periods. The unaudited pro forma adjustments are based on available information and certain assumptions that Liberty Media management believes are reasonable. The unaudited pro forma adjustments are directly attributable to the business combination and are expected to have assMedi

Liberty Media Corporation
Pro Forma Condensed Consolidated Balance Sheet
As of June 30, 2016
(unaudited)

Liberty Media Corporation
Pro Forma Condensed Consolidated Statement of Operations
For the Six Months Ended June 30, 2016
(unaudited)



Notes to Unaudited Pro Forma Condensed Consolidated Financial Information

(1) Basis of Pro Forma Presentation

The unaudited pro forma condensed consolidated balance sheet as of June 30, 2016 and the unaudited pro forma condensed consolidated statements of operations for the six months ended June 30, 2016 and for the year ended December 31, 2015 are based on (i) the historical unaudited consolidated financial statements of Liberty Media Corporation ("Liberty Media" or "we") as of and for the six months ended June 30, 2016 contained in Liberty Media's Quarterly Report on Form 10-Q filed with the SEC on August 5, 2016, (ii) the historical audited consolidated financial statements of Liberty Media as of and for the year ended December 31, 2015 contained in Liberty Media's Annual Report on Form 10-K filed with the SEC on February 12, 2016, (iii) the historical audited consolidated financial statements of Formula One as of and for the year ended December 31, 2015, and (iv) the historical unaudited consolidated financial statements of Formula One as of and for the six months ended June 30, 2016. Upon the second

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information (Continued)

(2) Formula One Financial Statements (Continued)

deferred taxes resulting from the fair value step-up result in a net deferred tax liability as of June 30, 2016.

(3) Pro Forma Adjustments

The unaudited pro forma adjustments related to the transactions included in the unaudited pro forma condensed consolidated financial statements are as follows. Tw9b are a

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information (Continued)

(3) Pro Forma Adjustments (Continued)

(e) Formula One purchase price allocation

As discussed above, the acquisition of Delta Topco is expected to be funded by a mix of cash on hand, newly issued shares of Series C Liberty Media Group tracking stock and a Delta Topco debt instrument exchangeable into shares of Series C Liberty Media Group tracking stock.

The following is a pro forma purchase price allocation as if the Formula One acquisition had occurred on June 30, 2016 (amounts in millions):

For purposes of these unaudited condensed consolidated pro forma financial statements, we allocated 30% of the excess purchase price of Formula One to amortizable intangible assets, based on our current understanding of assets purchased. Formula One's amortizable intangible assets consist of customer and supplier relationships, which were acquired in May 2006 and Formula1.com website traffic, which was acquired in 2002. Formula One historically considered the useful lives of each of these assets to be 20 years. The weighted average remaining useful life of these intangible assets is 9.9 years as of June 30, 2016, resulting in amortization expense of approximately \$119 million for the six months ended June 30, 2016 and approximately \$238 million for the year ended December 31, 2015.

The final determination of the allocation of the purchase price will be based on the fair value of such assets and liabilities as of the date of the second closing and may change significantly from the amounts determined in the pro forma purchase price allocation.

(f) Shareholder loan notes

Shareholder loans represent Payment In Kind ("PIK") loan notes issued by Formula One to its shareholders in proportion to the relevant equity holdings of each shareholder. Interest accrues on the balance of the notes at an annual compound rate of 10% payable on December 31 each year. Interest is capitalized to the shareholder loan note balance. It is expected that these shareholder loan notes will be converted to equity in Formula One and into the exchangeable notes upon the second closing. Interest expense on the shareholder loan notes was \$217 million for the six months ended June 30, 2016 and \$396 million for the year ended December 31, 2015.

Formula One Stock-based Compensation Expense *Formula One* *Formula One* *Formula One*

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information (Continued)

(3)

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information (Continued)

(3) Pro Forma Adjustments (Continued)

out the accrued notional dividends payable on vested Manager Share Options at that time. As of June 30, 2016, the accrued notional dividends payable was approximately \$68 million.

(h) *Income tax benef 9h ente n̄e x̄eoyeN̄fi āCl e lit tatN̄ey yppri i wl t̄at/æ c d̄r/mt̄eātN̄fi āCl e la gz t p̄N̄tri i am̄teȳpi l yshy yfye IM "M0'is l e z̄x̄eoyeN̄p*

SEPTEMBER 7, 2016

THE SELLERS
listed in Schedule 1 hereto

DELTA TOPCO LIMITED

LIBERTY GR CAYMAN ACQUISITION COMPANY

and

LIBERTY MEDIA CORPORATION

AGREEMENT
FOR THE SALE AND PURCHASE OF DELTA TOPCO LIMITED

26. NOTICES

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27. ASSIGNMENT

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28. ENTIRE AGREEMENT

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SCHEDULE 1 DETAILS OF THE SELLERS AND THE SALE SECURITIES	
PART A	
PART B	
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SCHEDULE 3 LIMITATIONS ON LIABILITY	A-66
SCHEDULE 4 EXERCISE OF THE MANAGEMENT EQUITY PLAN	
SCHEDULE 5 LOAN NOTE CONVERSION	A-67
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- (K) After the Reference Date, the Company shall take the steps set out in clause 5 and issue an Exercise Request Notice to the holders of Management Option Shares and Management Option Loan Notes (each an "**Optionholder**") giving each Optionholder the opportunity to elect irrevocably to exercise their options over the Management Option Shares and the Management Option Loan Notes (such exercise to be effected in accordance with the terms of this Agreement) (the "**Management 4" j**
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and the ISA, to enter into this Agreement to sell the Sale Securities to the Purchaser on the terms and subject to the conditions set out in this Agreement.

(Q) On 7 September 2016 the I Director (as defined in the Interim Articles and the ISA) issued an I Director Consent consent

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amended, and the rules and regulations promulgated thereunder, and a person's Beneficial Ownership of Sale Securities shall be calculated in accordance with the provisions of such rule (including for the avoidance of doubt taking into account any person who would constitute a "group" with such first person pursuant to Rule 13d-3);

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks generally are open in London, United Kingdom, Jersey and New York, United States of America for the transaction of normal banking business;

"**Cash Component Minimum**" has the meaning given in clause 11.2(a)(i);

"**Cash Shortfall**" means any cash shortfall in the Excess Cash Amount as a result of any Investor Default;

"**Closing**" means completion of the sale and purchase of all of the Sale Securities on the Closing Date in accordance with the provisions of this Agreement;

"**Closing Articles**" means the articles of association of the Company in the Agreed Form to be adopted on Closing;

"**Closing Date**" has the meaning given in clause 14.1;

"**Commercial Agreement**" means the commercial agreement relating to the commercial development of the FIA Formula One Championship dated 24 April 2001 between FOAM and FOWC (as such agreement may be amended from time to time in accordance with its terms);

"**Company Alternative Proposal**" has the meaning given in clause 21.4;

"**Company Conditions**" has the meaning given in clause 10.3;

"**Competition Conditions**" means the conditions set out in Schedule 9;

"**Condition**" means any of the conditions to Closing set out in clause 10;

"**Confidential Information**" has the meaning given in clause 23.2;

"**Consideration**" has the meaning given in clause 11.1;

"**Conversion Completion**" has the meaning given in clause 14.3(a)(v);

"**Costs**" means obligations, liabilities, losses, damages, fees, costs (including reasonable legal costs) and expenses

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"**Ferrari Option Agreement**" means the option agreement dated 24 March 2014 between the Company, FOWC and Ferrari;

"**Ferrari Option Loan Notes**" has the meaning given in Recital (E);

K "**Ferrari Option Shares**" has the meaning given in Recital (E);

"**FIA Formula One World Championship**" means the FIA Formula One World Championship FIA Switzerland;

"**FIA Formula One World Championship**" or "**Championship**" means the championship for drivers and constructors of Formula One racing cars which was founded by FIA France in 1950 and which has been organised annually since then by either FIA France or FIA Switzerland;

"**FIA France**" means Fédération Internationale de l'Automobile, the association declared in conformity with the French law of 1 July 1901 and enjoying consultative status at the Council of Europe and at the United Nations having its office at 8, place de la Concorde, 75008 Paris, France;

"**FIA Switzerland**" means Fédération Internationale de l'Automobile, the association declared in conformity with article 60 et seq. of the Swiss Civil Code having its registered office in the commune of Meyrin, Switzerland and its principal address e;

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"**Initial Securities**" has the meaning given in Recital (I);

"**Initial Sellers**" has the meaning given in Recital (I);

"**Interim Articles**" means the articles of association of the Company in the Agreed Form to be adopted shortly after the Relevant Date;

"**Investor Coupon Rate**" means the rate for the time being at which interest accrues in relation to the Loan Notes under the terms of the Loan Note Instrument from time to time;

"**Investor**" has the meaning given to that term in the ISA;

"**Investor Default**" has the meaning given in clause 11.4;

"**Investor Group**" has the meaning given to that term in the Existing Articles;

"**IRS**" has the meaning given in clause 24.4;

"**ISA**" means the Investment and Shareholders Agreement dated 24 November 2006 between the Company, the CVC Funds and other holders of Ordinary Shares, as amended from time to time and as last amended on 20 September 2013;

"**Issued Loan Notes**" has the meaning given in Recital (C);

"**Issued Shares**" has the meaning given in Recital (B);

"**Jaypee Sports**" means Jaypee Sports International Limited (now Jaiprakash Associates Limited), the company incorporated under the Laws of India whose registered office is Sector-128, Noida—201304, Uttar Pradesh, India;

"**Key Managers**" means the persons listed in Schedule 8;

"**Law**" means all laws, decrees, resolutions, instructions, statutes, rules, regulations, acts, ordinances and other pronouncements of a Governmental Entity having the effect of binding law or regulation of any country, as well as any city or other political subdivision of any of the foregoing;

"**Leakage**" means:

- (a) in each case to, or on behalf of, a Seller or any of its Affiliates (other than the Company or another Group Company except, in respect of FOWC, for the B share held in FOWC by the FIA):
 - (i) any dividend or distribution (whether in cash or in kind), or any payment in lieu of any dividend or distribution, declared, paid or made, by any Group Company;
 - (ii) any return of capital (including by reduction of capital redemption or purchase of shares) by any Group Company;
 - (iii) any fees (including directors' fees or monitoring fees) paid by any Group Company (excluding any VAT in respect of the fees which is recoverable by the Group Companies by repayment or credit) outside of the ordinary course of business and other than for services provided to the Group;
 - (iv) any transfer or agreement to transfer of an asset or contractual right, value or benefit by any Group Company at a value below its current market value or otherwise outside the ordinary course of business;
 - (v) any waiver or agreement to waive any amount owed to any Group Company in return for consideration equal to less than the current market value of such amount; and

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par value \$0.01 per share, and Series B Liberty Braves common stock, par value \$0.01 per share, in each case, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such series of stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event);

"LMG Common Stock" means the LMG Series A Stock, LMG Series B Stock, LMG Series C Stock and any other series of common stock attributable to the LMG Group;

"LMG Group" means Liberty Media's Media Group, as it may be renamed to Liberty Media's Formula One Group on Second Closing;

"LMG Series A Stock" means Series A Liberty Media common stock, par value \$0.01 per share, of LMC, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series A Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event);

"LMG Series B Stock" means Series B Liberty Media common stock, par value \$0.01 per share, of LMC, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series B Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event);

"LMG Series C Stock" means Series C Liberty Media common stock, par value \$0.01 per share, of LMC, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series C Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event);

"LMG Material Adverse Effect" means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, (I) is materially adverse to the business, assets, properties, liabilities, results of operations or condition (financial or otherwise) of LMC and its subsidiaries, taken as a whole; provided, however, that none of the following shall be deemed in and of themselves, either alone or in combination, to constitute, nor shall any of the following be taken into account in determining whether there has been or will be, a LMG Material Adverse Effect: (a) events, occurrences, facts, conditions, changes, developments or effects relating to or resulting or arising from: (i) changes in economic conditions in the US, the UK or European Union or financial, security or credit markets, or changes affecting the availability or cost of financing (including, without limitation, changes in prevailing interest rates, credit availability and liquidity, currency exchange rates, price levels or trading volumes in the US, the UK or European Union securities markets), (ii) political conditions or changes therein (including, without limitation, any such conditions or changes arising out of acts of terrorism or war), (iii) weather conditions and natural disasters (including, without limitation, hurricanes, tornados, floods, tsunamis, earthquakes, or financial occurrences);

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"**Optionholder**" has the meaning given in Recital (K);

"**Ordinary Shares**" has the meaning given in Recital (A);

"**Ownership Percentage**" means the percentage of the fully-diluted Sale Securities owned by each Seller as shown in Column G of Schedule 1 as may be amended by the Revised Schedule;

"**Permitted Communications**" means any communications reasonably required to be made between any Seller, the Company and/or any member of the Group and any shareholder, optionholder or contractual counterparty;

"**Permitted Intergroup Transaction**" means any transaction (including a payment, transfer, or distribution) which is between one Group Company and another Group Company and which either (a) would not reasonably be expected to have an Adverse Tax Effect or (b) has received the prior written consent of LMC (which consent shall not be unreasonably withheld or delayed);

"**Permitted Leakage**" means \$- ,000,000 e s Agreementnngn

- (a) any amounts paid pursuant to clause 10.20 of the ISA;
 - (b) Sellers' Transaction Costs, up to an aggregate cap on such Sellers' Transaction Costs of \$25,000,000 (whether paid pursuant to this Agreement or any other Transaction Document) (but excluding from such cap (i) third party accounting and legal expenses reasonably incurred in the preparation of the ProximiTn legany ur
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- (m) any payment, or the incurrence of, (or the agreement to pay or incur) any amounts for any tickets, passes, hospitality or other packages or expenses in connection with any Formula 1 races and in each case made in the ordinary course;

"**Power of Attorney**" means the power of attorney in favour of the Sellers' Representative on the terms set out in clause 24.3;

"**Proposed Transaction**" means the transaction contemplated by the Transaction Documents;

"**Proxy Statement**" has the meaning given in clause 22.4;

"**Purchaser**" has the meaning given in the Preamble;

"**Purchaser Group**" means the Purchaser, LMC and their respective Affiliates from time to time, other than the Company and the other Group Companies;

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"**Stock Transfer Forms**" means the stock transfer forms to be executed by or on behalf of the Sellers in favour of the Purchaser pursuant to which the Sale Securities will be transferred to the Purchaser at Closing in accordance with the terms of this Agreement;

"**Surviving Provisions**" means clauses 1, 3, 9, 11.10, 13.4 to 13.7, 20, 23, 26, 27, 28, 29, 31, 32 and 33;

"**Tax**" and "**Taxation**" means corporation tax, income tax, capital gains tax, inheritance tax, petroleum revenue tax and supplementary charge to corporation tax, value added tax, national insurance contributions, ee Selentarw^{ee} See^{Se} Å

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- (11) the Transaction Assistance Agreement;
- (12) each Sale Deed of Adherence;
- (13) the Backstop Loan Facility;
- (14) the Voting and Support Agreement; and
- (15) Deed of Amendment and Restatement to the Loan Note Instrument;

"**Transaction Escrow Agent**" means SJT Limited, being the escrow agent for the escrow account under the First SPA;

"**Umbrella Agreement**" means the agreement relating to the commercial development and regulation of the FIA Formula One World Championship dated 24 April 2001 between FIA Switzerland and FIA France and SLEC Holdings;

"**Unconditional Date**" has the meaning given in clause 10.14;

"**Unwind Completion**" has the meaning given in clause 13;

"**Voting and Support Agreement**" means the Voting and Support Agreement dated the Reference Date between CVC Nominee, LMC and certain stockholders of LMC;

"**Warranties**" means the warranties set out in Schedule 2;

"**Warranty Claim**" means a claim for breach of the Warranties;

"**Warranty Deed**" means the deed dated the Reference Date between the Managers, the Purchaser and the Company; and

"**Written Resolution**" means the written resolution of the Company, as required in order to adopt the Closing Articles.

1.2 In this Agreement, unless the context otherwise requires:

- (a) references to a sale with "**full title guarantee**" means that the same covenants shall be deemed to be given by the Sellers on Closing in relation to the Sale Securities as are implied under Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 where a disposition is expressed to be made with full title guarantee;
- (b) references to a person shall be construed so as to include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership works council or employee representative body (whether or not having separate legal personality);
- (c) the headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement;
- (d) the singular shall include the plural and vice versa;
- (e) references to one gender include all genders;
- (f) references to times of the day are to London, United Kingdom time unless otherwise stated;
- (g) references to any English legal term for any action, remedy, method or judicial proceeding, legal document, legal status, court, official, or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term;
- (h) a reference to a document includes any valid amendment or supplement to, or replacement or novation of, that document;

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- (i) references to US Dollars or US\$ are references to the lawful currency from time to time of the United States of America;
 - (j) "**subsidiary**" has the meaning given to it in Section 1159 of the UK Companies Act 2006;
 - (k) an undertaking is a "**subsidiary undertaking**" of another undertaking (its "**parent undertaking**") if that other undertaking, directly or indirectly, through one or more subsidiary undertakings:
 - (i) holds a majority of the voting rights in it; or
 - (ii) is a member or shareholder of it and has the right to appoint or remove a majority of its board of directors or other equivalent managing body; or
 - (iii) has a right to exercise a dominant influence over it:
 - (1) by virtue of provisions contained in its memorandum or articles or equivalent constitutional documents; or
 - (2) by virtue of an agreement or arrangement with that undertaking or other members or shareholders of that undertaking; or
 - (iv) is a member or shareholder of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it;
 - (l) any reference to "**fully-diluted**" means, when used in relation to Ordinary Shares after giving effect to the Management Exercise Process, the Ferrari Exercise Process and, after taking into account all relevant securities in the Company, which any person has the right to have issued to them, but excludes securities reserved for issue but in relation to which no such right exists; and
 - (m) any phrase introduced by the terms "**including**", "**include**", "**in particular**" "**without limitation**" or any similar expression or
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1.7 Any amount to be converted fro



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- 2.4 No later than four Business Days prior to Closing, a schedule (the **Draft Revised Schedule**) in substantially the same form as Schedule 1, shall be delivered by or on behalf of the Sellers' Representative to the Purchaser and LMC which reflects the number and type of Sale Securities to be transferred by each Seller to the Purchaser and the Ownership Percentage of each Seller, which Revised Schedule is correct, or will be correct, following, inter alia:
- (a) the Dragged Sellers (if any) (A) becoming parties to this Agreement before Closing by signing a Sale Deed of Adherence, or a Sale Deed of Adherence being signed on their behalf or (B) otherwise being required to comply with the terms of this Agreement following delivery of the Drag Along Notice;
 - (b) Unwind Completion;
 - (c) completion of the Management Exercise Process;
 - (d) completion of the Ferrari Exercise Process; and
 - (e) the Loan Note Conversion,
- and the Draft Revised Schedule shall be accompanied by reasonable evidence of any changes not listed in clauses 2.4(a) to 2.4(e).
- 2.5 No later than two Business Days prior to Closing, the Purchaser and LMC shall send to the Sellers' Representative a definitive version of Schedule 1 (the **Revised Schedule**) reflecting:
- (a) corrections to mathematical or typographical or other manifest errors set out in the Draft Revised Schedule; and/or
 - (b) any other changes to it in the Sale Securities or Ownership Percentages of each Seller not notified under clause 2.4 but of which it is otherwise aware provided that if any changes are proposed pursuant to this sub-clause (b), the Purchaser shall consult with the Sellers' Representative before delivering the Revised Schedule with such changes.
- 2.6 Following delivery of the Revised Schedule by the Purchaser in accordance with clause 2.4 and notwithstanding clause 32.3:
- (a) the number and type of Sale Securities to be sold by each Seller and purchased by the Purchaser pursuant to clause 2.1; and
 - (b) the Ownership Percentage of each Seller,
- shall be adjusted to reflect the number and type of Sale Securities and, if any adjustment is required, the Ownership Percentage set out in the Revised Schedule, it being agreed that such adjustments shall not result in:
- (i) any change to the Consideration payable by the Purchaser; or
 - (ii) the Purchaser not acquiring all of the Sale Securities on Closing.
- 2.7 Notwithstanding any other provision of clauses 2.1 or 2.2 or the Warranties, the parties agree that the Sellers shall have no liability under clauses 2.1 or 2.2 or the Warranties, and each of the Purchaser and LMC hereby waives any related claim under this Agreement (including any Warranty Claim) against any of the Sellers, in the event and to the extent that the Sellers would not have been in breach of any of the provisions in clauses 2.1 or 2.2 or the Warranties but for a breach by the Purchaser of its obligations pursuant to clauses 13.1(g) to (i) of this Agreement.

9. **SELLERS' REPRESENTATIVE**

9.1 Each of the Sellers hereby irrevocably appoints the Sellers' Representative as the sole representative of such Seller to act on its, his or her behalf for all purposes under this Agreement and the Transaction Documents including for the purposes of:

- (a) delivering payment instructions to the Purchaser in connection with the payment of the consideration;
- (b) accepting notices on behalf of such Seller in accordance with clause 26;
- (c) taking any and all actions that may be necessary or desirable, as determined by the Sellers' Representative in its sole discretion, in connection with the payment of the Costs incurred with respect to the Proposed Transaction;
- (d) granting any consent or approval on behalf of such Seller under this Agreement or the Transaction Documents; and
- (e) generally taking any and all other actions and doing any and all other things provided in or contemplated by this Agreement or the Transaction Documents to be performed by such Seller or the Sellers' Representative on behalf of such Seller,

save that, for the purposes of this clause 9 "Transaction Documents" shall not be construed to include either the Warranty Deed, or with respect to any individual Seller, any Transaction Document to which that Seller is not a party, unless the Seller has the benefit of that relevant document.

9.2 Each Seller (including, for the avoidance of doubt, any Seller who signs a Sale Deed of Adherence or on whose behalf a Sale Deed of Adherence is signed) hereby irrevocably (by way of security for the performance of its obligations under this Agreement or the Transaction Documents) appoints the Sellers' Representative as its attorney with full authority on its behalf and in the Seller's name or otherwise to do all acts and to execute and deliver such documents or deeds as is required by Law or as may, in the reasonable opinion of the Sellers' Representative, be required to give effect to the matters described in clause 9.1, provided that the authority granted on the Sellers' Representative shall not extend to the acceptance of service of process and any other documents in proceedings in England or any other proceedings in connection with this Agreement (each of which shall be within the remit of the process agent appointed under and in accordance with clause 33.4).

9.3 The Purchaser shall be entitled to rely on the exercise of the powers and authorities conferred on the Sellers' Representative as if the relevant Seller is exercising such powers and authorities.

9.4 The provisions of this clause 9 are intended to be for the express benefit of, and will be enforceable by, the Sellers' Representative as a third party beneficiary in accordance with clause 31, and the Sellers' Representative shall have the right to take action(s) against the Purchaser and/or LMC as a third party beneficiary under this Agreement to enforce the rights of the Sellers (or any one of them) under this Agreement or any of the Transaction Documents (any such action being a "**Representative Action**"). For the avoidance of doubt, the Sellers' Representative shall be acting as the attorney of the Sellers (or any one of them) in respect of any Representative Action in accordance with clause 9 and not on its own behalf. The Purchaser, LMC and each Seller acknowledge that in exercising the powers and authorities conferred by this clause 9 and/or the Transaction Documents upon the Sellers' Representative, the Sellers' Representative shall not be acting, or be construed as acting, as the agent or trustee on behalf of any Seller, and each Seller, the Purchaser and LMC agree that the Sellers' Representative shall have no liability whatsoever to the Purchaser, LMC, any member of the Purchaser Group or any Seller in relation to the exercise of those powers and authorities, save to a Seller, LMC or the

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Purchaser in the case of fraud or bad faith. Accordingly, nothing within this clause 9 shall prevent or in any way restrict the rights the Purchaser and/or LMC may have to bring a claim against any of the Sellers.

10. **CONDITIONS TO CLOSING**

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- 10.10 The Sellers' Representative may waive all or any of the LMC Conditions set out in clauses 10.4(b) and 10.4(c) in whole or in part at any time on or before the Longstop Date provided that such waiver is express and is in writing.
- 10.11 The Purchaser and the Sellers' Representative may together waive the Company Condition at clause 10.3(b) in whole or in part at any time on or before the Longstop Date provided that such waiver is express and is in writing.
- 10.12 Any Condition not referred to in clauses 10.9 to 10.11 (each inclusive) may only be waived with the agreement of the Purchaser and the Sellers' Representative.
- 10.13 If all the Conditions have not been satisfied or have not been waived in accordance with this clause 10 by 11.59p.m. on the Longstop Date, then:
- (a) this Agreement will terminate and have no further effect (subject only to Surviving Provisions which will continue in force); and
 - (b) subject to any liability which may arise from any breach of the Warranties or obligations contained in this Agreement, the parties will be released from all liabilities and obligations hereunder.
- 10.14 The first Business Day on or by which, prior to 4.00 p.m. in London, each of the Conditions contained in clauses 10.3, 10.4(a) and 10.5(a) have been fulfilled or waived in accordance with this clause 10 shall be the "**Unconditional Date**".

11. CONSIDERATION

- 11.1 The aggregate price for the acquisition of all the Sale Securities, on a fully-diluted basis, under this Agreement is (a) US\$ 4,382,992,348.41 (the "**Consideration**") and (b) any amounts payable to the Sellers pursuant to and in accordance with clause 11.9.
- 11.2 The Consideration payable to the Sellers at the Closing will be payable as follows:
- (a) if, in accordance with clause 11.3, the Additional Cash Raising is not completed at or prior to the Closing:
 - (i) an aggregate of US\$1,100,000,000 in cash (the "**Cash Component Minimum**");
 - (ii) the amendment and restatement by the Company of a portion of the Loan Notes in accordance with the Loan Note Conversion into Exchangeable Notes with an aggregate principal amount equal to 8% of the Consideration (the "**Aggregate Note Principal**"); and
 - (iii) the issuance of a number of shares of LMG Series C Stock equal to the quotient obtained by dividing (x) the Consideration less the Cash Component Minimum less the Aggregate Note Principal, by (y) the LMC Reference Price (the "**Stock Component Maximum**"); or
 - (b) if, in accordance with clause 11.3, the Additional Cash Raising is completed at or prior to the Closing:
 - (i) the Cash Component Minimum;
 - (ii) the Net Additional Cash Raise Amount in cash;
 - (iii) the Aggregate Note Principal; and
 - (iv) the issue of a number of shares of LMG Series C Stock equal to the Adjusted Stock Component Amount;

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- (c) minus, in the case of either clause 11.2(a)(iii) or (b)(iv) but solely to the extent that the Backstop Loan Facility is drawn on or prior to Closing, a number of shares of LMG Series C Stock equal to the aggregate of the Backstop Loan Amount (if any) divided by the LMC Reference Price, rounded to the nearest whole share of LMG Series C Stock.

11.3 Additional Cash Raising

- (a) Following the First Closing, upon the request of the Sellers' Representative, LMC shall use its reasonable endeavours, at a time determined by LMC and the Sellers' Representative (each acting reasonably) but in any event prior to the Closing, to seek to secure commitments to purchase a number of shares of LMG Series C Stock that would yield an aggregate gross cash purchase price equal to at least the Additional Cash Minimum Amount at a price per share no less than the LMC Reference Price (it being understood that it is reasonable for the Sellers' Representative to reject any commitments at a price per share less than the LMC Reference Price) and, if such endeavours are successful, on such other terms (including without limitation registration rights and lock-ups) as LMC and the Sellers' Representative (each acting reasonably) may agree, with the receipt of funds by LMC to be completed no later than concurrently with the Closing.
- (b) To the extent upon the request of the Sellers' Representative LMC secures commitments to purchase a number of shares of LMG Series C Stock that would yield aggregate gross cash proceeds at any amount upon which LMC and the Sellers' Representative (each acting reasonably) agree (at a price per share no less than the LMC Reference Price (it being understood that it is reasonable for the Sellers' Representative to reject any commitments at a price per share less than the LMC Reference Price) and on such other terms as LMC and the Sellers' Representative (each acting reasonably) may agree), LMC shall use its reasonable endeavours to secure such commitments with regard to the applicable number of shares, at such price equal to or greater than the LMC Reference Price (unless a lower price is consented to by the Sellers' Representative) on such other terms (including without limitation registration rights and lock-ups) as LMC and the Sellers' Representative (each acting reasonably) may agree, with the receipt of funds by LMC to be completed no later than concurrently with the Closing.
- (c) Any road show presentation or other marketing materials utilized by LMC shall be submitted to the Sellers' Representative at least 3 Business Days prior to their issue, and shall be approved by the Sellers' Representative within 2 Business Days of such submission, such approval not to be unreasonably withheld, conditioned or delayed.
- (d) LMC shall provide the Sellers' Representative with drafts of documents to be entered into with potential purchasers a reasonable period of time before suod





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Leakage Amount exceeds the amount otherwise receivable by such Seller pursuant to clause 11.5(c), the remainder of such Leakage Amount after reduction under this clause 11.5(f) shall remain payable to the Company in accordance with clause 15.2).

- 11.6 Conditional upon the Unwind Completion in accordance with clause 13, the First Closing Cash Consideration, will be set off against and will reduce in the same amount the Purchaser's obligation to pay the Cash Component Minimum component of the Consideration under this Agreement.
- 11.7 Any cash payment pursuant to this Agreement to be made by or on behalf of the Purchaser to the Sellers in respect of the Sale Securities shall be made to either:
- (a) the Sellers' Bank Account, or such other account a
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11.9 If any amount (or amounts) of the Indian Race Fees (whether under the Indian Race Promotion Agreement or the Letters of Credit) are received:

- (a) by FOWC on or prior to the Closing Date, then subject to the provisions of this clause 11.9, the amount of the Indian Race Fees received by FOWC (net of any Tax payable or borne by any Group Company on such amount and any costs and expenses suffered or incurred by the Purchaser (or its assignees or successors in title, as applicable) or any Group Company in recovering such amount) shall be paid
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- (c) not take any action, and shall procure that no action is taken by any Group Company or by any Seller, which is contrary to the provisions of this Agreement or inconsistent with the consummation of the transactions contemplated by the Proposed Transaction;
- (d) procure that all reasonable steps are taken to preserve the assets



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(h) the Purchaser shall sell the Initial Secur- ean of Con



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14.2 On the Closing Date (or on any other date as may be agreed in writing by the Purchaser and the Sellers' Representative), each of the parties shall do, or shall procure the doing of, all those things listed in relation to them respectively in Schedule 7.

14.3 On the Closing Date:

- (a) the following steps shall take place prior to Closing in the order set out below and in accordance with their respective terms:
 - (i) the First Unwind Completion in accordance with clauses 13.1(a) to 13.1(f);
 - (ii) the Second Unwind Completion in accordance with clauses 13.1(g) to 13.1(l);
 - (iii) the Ferrari Exercise Process in accordance with clause 6 and paragraph 4 of Schedule 6;
 - (iv) the Management Exercise Process in accordance with Recital (J) and paragraph 4 of Schedule 4;
 - (v) paragraph 2 of Schedule 5 in respect of the Loan Note Conversion ("**Conversion Completion**"); and

 - (b) simultaneously with Closing, the steps in paragraphs 6 to 8 of Schedule 5 shall take place in respect of the Loan Note Conversion ("**Exchangeable Notes Completion**") ctiv M ;
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17.3 Each of the Seller acknowledges and agrees that MGS and the Purchaser are entitled to all its necessary information and documents in accordance with the provisions of the Purchase Agreement.



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- (g) the Purchaser is not bankrupt, has not proposed a voluntary arrangement and has not made or proposed any arrangement or composition with its creditors generally or with any class of its creditors;
- (h) the Purchaser is purchasing the Sale Securities for itself beneficially and not wholly or partly as agent for any other person (other than LMC);
- (i) at Closing the Purchaser will have available cash which will provide in immediately available funds the necessary cash resources to meet the Purchaser's funding obligations under this Agreement (other than any cash not received by Purchaser and LMC as a result of an Investor Default) and it is not aware of any reason why such cash resources will not be available when required;
- (j) since 1 January 2016, except in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, the business of LMC and each of its subsidiary undertakings has been conducted in the ordinary course of business and there has not been or occurred:
 - (i) any LMG Material Adverse Effect or any event, condition, change or effect that could reasonably be expected to have, individually or in the aggregate, a LMG Material Adverse Effect; or
 - (ii) except as declared in the LMC SEC Documents, any event, condition, action or effect that, if taken during the period from the Reference Date to the Closing Date, would constitute a breach of clause 22.1;
- (k) the authorized capital stock of LMC related to the LMG Group consists of (1) 1,018,750,000 shares of common stock, designated as follows:

	Series A	Series B	Series C
shares authorised	500,000,000	18,750,000	500,000,000

and (2) 50,000,000 shares of preferred stock ("**LMC Preferred Stock**"), of which the following represents the shares issued and outstanding as of the close of business on 2 September, 2016:

Group	Series A	Series B	Series C
LMC Media common stock	25,571,019	2,466,821	55,687,160
LMC Preferred Stock	0	0	0

- (l) as of the close of business on 2 September, 2016, there were (i) no outstanding shares of capital stock of LMC that track the economic performance of the LMG Group, (ii) no outstanding securities of LMC convertible into or exchangeable for shares of capital stock of LMC that track the economic performance of the LMG Group, (iii) no outstanding options, warrants, rights or other commitments or agreements to acquire from LMC, or that obligate LMC to issue, any capital stock of or any securities convertible into or exchangeable for shares of capital stock of LMC that track the economic performance of the LMG Group (the items in clauses (i), (ii) and (iii), together with the LMG Common Stock, being referred to collectively as "**LMC Securities**") and (iv) no obligations of LMC to repurchase, redeem or otherwise acquire any outstanding LMC Securities, or to vote or to dispose of shares of capital stock of LMC that track the economic performance of the LMG Group other than (A) as disclosed under clause 18.1(k), (B) outstanding compensatory equity awards relating to LMC Common Stock, together with the net settlement provisions applicable thereto and (C) those certain warrants to acquire shares of LMG Series A Stock as filed with the LMC SEC Filings. As of the Reference Date, neither LMC nor any of its subsidiary undertakings is a party to any stockholders' agreement, voting trust agreement,

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undertakings



21.5 In addition to the other obligations under clause 21.1 to 21.3,



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ordinary course of business consistent with past practice, (B) pursuant to contractual arrangements existing as of the Reference Date, (C) in connection with the employment or retention of Persons related to the management of the Company if reasonable in the best judgement of the Company or (D) for any other purpose in an aggregate amount not to exceed USD\$5,000,000, including, without limitation, in each case pursuant to any withholding or net settlement obligations or (ii) the issuance of shares of LMG Common Stock upon exercise of any warrants in LMC; or

(d) amend, waive or vary the terms of the Backstop Loan Facility.

22.2 As promptly as practicable after the date of this Agreement, LMC shall prepare and file a Proxy Statement with theeeeeeeeee





24. **FURTHER ASSURANCE**

- 24.1 Each of the parties agrees to perform, or procure the performance of, all further acts and things and execute and deliver, or procure the execution and delivery of such further documents as may in each case be required by Law or as may be necessary or reasonably requested by the Purchaser to implement and give effect to this Agreement and the other Transaction Documents and the Proposed Transaction for the purpose of vesting in the Purchaser the full benefit of the assets, rights and benefits to be transferred to the Purchaser, including, without limitation, the execution of all deeds and documents, procuring the convening of all meetings, the giving of all necessary waivers and consents and the passing of all resolutions and otherwise exercising all powers and rights available to them.
- 24.2 In the absence of specific agreement to the contrary, each party shall be responsible for all of its own Costs (and the Purchaser shall be responsible for those of any of its Affiliates) incurred in giving effect to the provisions of clause 24.1.
- 24.3 Each of the Sellers (including, for the avoidance of doubt, any Seller who signs a Sale Deed of Adherence or on whose behalf a Sale Deed of Adherence is signed) hereby unconditionally and irrevocably appoints the Sellers' Representative as its attorney to take the following actions on the following basis (the Sellers' Representative being the "**Attorney**" for the purposes of this clause 24.3 and the power granted hereunder being the **Power of Attorney**):
- (a) to consider, settle, approve, sign, execute, deliver and/or issue the following agreements (whether as a deed or not) to which such Seller is a party (the "**Documents**");
 - (i) Shareholders Agreement (such document to take effect on Closing);
 - (ii) Stock Transfer Forms (such document(s) to take effect on Closing);
 - (iii) Security Certificate Indemnity (such document(s) to take effect on Closing);
 - (iv) the Written Resolution (such document(s) to take effect on Closing);
 - (v) to take all actions on a Seller's behalf to remove or discharge any Encumbrance over the Issued Shares and Issued Loan Notes set alongside the Seller's name in Schedule 1 such that on Closing, the Warranties in paragraph 2.1 of Schedule 2 are true, accurate and not misleading;
 - (vi) each of the Transaction Documents to which the Seller is a party; and
 - (vii) any document required or desirable in connection with the Proposed Transaction;
 - (b) to take all actions on a Seller's behalf to remove or discharge any Encumbrance over the Issued Shares and Issued Loan Notes set alongside the Seller's name in Schedule 1 such that on Closing, the Warranties in paragraph 2.1 of Schedule 2 are true, accurate and not misleading;
 - (c) to do any and all acts and things in such Seller's name and on such Seller's behalf which the Attorney in their absolute discretion considers necessary or desirable in connection with the Proposed Transaction and any matters incidental or related to it or any part of it including the execution of any documents ancillary to the Documents and/or in connection with the Proposed Transaction and the agreeing of any immaterial amendments to the Documents and/or any such ancillary documents (provided that such amendments do not place such Seller in a position materially more detrimental to it than under the terms of the Documents or the relevant ancillary documents);
 - (d) the Attorney may sign or otherwise execute any Document in such Seller's name or (at that Attorney's option) in his own name on behalf of such Seller;

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- (c) any Taxation attributable to the Group Companies on making payment of any amount of the Reserved Amount to the extent that any such Taxation is included with the Reserved Amount.

26. **NOTICES**

26.1 Any notice or other communication to be given by a party to another party under, or in connection with, this Agreement shall be in writing and signed by or on behalf of the party giving it. It shall be served by sending it by fax to the number set out in clause 26.2, or delivering it by hand, or sending it by pre-paid recorded delivery, special delivery or registered post, to the address set out in clause 26.2, or by sending it by email to the email address set out in clause 26.2 (with a hard copy delivered by hand or by post in accordance with this clause 26), and in each case marked for the attention of the relevant party set out in clause 26.2 (or as otherwise notified from time to time in accordance with the provisions of this clause 26). Any notice so served by hand, fax, email or post shall be deemed to have been duly given:

- (a) in the case of delivery by hand, when delivered;
- (b) in the case of fax, at the time of transmission;
- (c) in the case of email, at the time of transmission (provided a copy is also delivered by hand on the same day or sent at the same time by pre-paid recorded delivery, special delivery or registered post in accordance with this clause 26);and
- (d) in the case of prepaid recorded delivery, special delivery or registered post, at 10am on the second Business Day following the date of posting,

provided that in each case where delivery by hand, fax or email occurs after 6pm on a Business Day, or at any time on a day which is not a Business Day, service shall be deemed to occur at 9am on the next following Business Day.

References to time in this clause are to local time at the address to which the relevant notice is sent.

26.2 The addresses, fax numbers and email addresses of the parties for the purpose of clause 26.1 are as follows:

THE ASSOCIATION
The e-ethic group G261D @

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- 26.6 All notices, demands, requests, statements or other documents or communications under or in connection with this Agreement shall be in the English language or, if in any other language, accompanied by a translation into English. If there is any conflict between the English text and the text in any other language, the English text shall prevail.
27. **ASSIGNMENT**
- 27.1 The Purchaser may freely assign the benefit of the whole or any part of this Agreement to any member of its Investor Group to whom it has validly transferred Sale Securities, it being agreed that there shall be no such transfer of Sale Securities before the earlier of Closing and the termination of this Agreement and the Purchaser shall provide written notice of any such assignment to the Sellers' Representative as soon as practicable thereafter.
- 27.2 If the benefit of the whole or any part of this Agreement is assigned by the Purchaser in accordance with clause 27.1 such assignee may at any time assign the same to any other person to whom assignment by the Purchaser would be permitted under clause 27.1 and where any such original or subsequent assignee subsequently ceases to be a permitted assignee under clause 27.1 the Purchaser shall procure that before it so ceases it shall assign that benefit to the Purchaser or to another permitted assignee under clause 27.1.
- 27.3 Immediately after any assignment in accordance with this clause 27.1 the Purchaser will give notice of the assignment to the Sellers' Representative containing details of the assignment including the identity of the assignor and assignee.
- 27.4 The Sellers agree that, if the Purchaser makes any claim following a permitted assignment validly made in accordance with clause 27.1, they shall not dispute or seek to dispute the enforceability of this Agreement including the Warranties by reason of such assignment or change of control, or argue that the measure of damages or nature of any relief available to the Purchaser is in any way affected, altered or reduced.
- 27.5 If an assignment is made in accordance with this clause 27 the liabilities of the parties under this Agreement shall be no greater than said liabilities would have been if the assignment had not occurred.
- 27.6 Save as provided in clause 27.1, or as otherwise agreed between the Sellers and the Purchaser in writing, no party shall nor shall it purport to assign, transfer, charge or otherwise deal with all or any of its rights under this Agreement nor grant, declare, create or dispose of any right or interest in it without the prior written consent of the other parties. Any purported assignment in contravention of this clause 27 shall be void.
28. **ENTIRE AGREEMENT**
- 28.1 This Agreement, the First SPA, the Deed of Covenant, the Stock Transfer Forms and the Loan Note Transfer Forms set out the entire agreement and understanding between the parties in respect of the sale and purchase of the Sale Securities. This Agreement supersedes any prior drafts, agreements, understandings or arrangements (whether oral or written) relating to the sale and purchase of the Sale Securities (other than the First SPA, which, subject to clause 13, shall remain in full force and effect), which shall cease to have any further force or effect. It is agreed that:
- (a) none of the parties has entered into this Agreement or any other Transaction Document in reliance or otherwise relied upon, or shall have any claim or remedy arising under or in connection with, any statement, representation, warranty or undertaking made by or on behalf of any other party or any of their Representatives other than those expressly set out in this Agreement or any other Transaction Document;

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- (b) the only rights or remedies of each of the parties in relation to any provision of this Agreement or any other Transaction Document shall be: (i) for breach of this Agreement or the relevant Transaction Document and (ii) if applicable, an order for specific performance;
- (c) save for such liability as a party has under or in respect of any breach of this Agreement or any of the other Transaction Documents, none of the parties or any of their Representatives shall owe any duty of care, nor have any liability in tort or otherwise, to any other party or any of their Representatives in respect of, arising out of, or in any way relating to the Proposed Transaction;
- (d) this clause shall not exclude any liability for, or remedy in respect of, fraudulent misrepresentation; and
- (e) any terms or conditions implied by law in any jurisdiction in relation to the Proposed Transaction are excluded to the fullest extent permitted by law or, if incapable of exclusion, any right or remedies in relation to them are irrevocably waived.

28.2 Each party agrees to the terms of this clause 28 on its own behalf and as agent for each of its Representatives.

29. WAIVERS, RIGHTS AND REMEDIES

29.1 Except as expressly provided in this Agreement, no failure or delay by any party in exercising any right or remedy provided by Law or under or pursuant to this Agreement or any of the Transaction Documents shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any further exercise of it or the exercise of any other remedy.

29.2 The rights and remedies of each party under or pursuant to this Agreement and under or pursuant to the other Transaction Documents are cumulative, may be exercised as often as the relevant party considers appropriate and are in addition to the relevant party's respective rights and remedies under general Law.

29.3 The rights and remedies of each party under this Agreement shall not be affected, and the liabilities of each party under this Agreement shall not be released, discharged or impaired, by Closing.

30. GUARANTEE

30.1 Subject to clause 30.4, in consideration of the Sellers entering into this Agreement, LMC unconditionally and irrevocably guarantees to the Sellers as a continuing primary obligation and as principal obligor the proper and punctual performance by the Purchaser and the Backstop Facility Lender (in accordance with the terms of the relevant agreement) of all their respective obligations under or pursuant to this Agreement and the Backstop Loan Facility to which they are party (including their respective liabilities to pay damages, agreed or otherwise, under this Agreement and the Backstop Loan Facility and (irrespective of the identity of the Backstop Facility Lender) the obligation of the Backstop Facility Lender to fund the loan contemplated under the Backstop Loan Facility) .

30.2 LMC's liability under this Agreement shall not be discharged or impaired by:

- (a) any amendment to or variation of this Agreement or the Backstop Loan Facility, or any waiver of or departure from its terms, or any transfer or assignment of it or any part of it, or any document entered into under this Agreement or the Backstop Loan Facility;

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(b) any release of



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provisions of this Agreement or that other Transaction Document in any other jurisdiction; and

- (b) the parties shall use all reasonable endeavours to rep



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(c) in respect of the Company, Formula

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Loan Note Conversion having occurred, the Seller will be the sole owner of the Sale Securities set alongside the Seller's name in Schedule 1 and such Sale Securities shall be sold free from all Encumbrances at Closing. As at the Reference Date, the Seller has been granted and holds, free from Encumbrances, options over the Option Shares and the Option Loan Notes set out alongside the Seller's name in Schedule 1.

2.2 The Seller is or will at Closing be entitled to transfer or procure the transfer of the full ownership of the Sale Securities set out alongside the Seller's name to the Purchaser on the terms set out in this Agreement.

2.3 The Sale Securities set out alongside the Seller's name in Schedule 1 constitute all of the Sale Securities held by that Seller.

SCHEDULE 3

LIMITATIONS ON LIABILITY

2. Neither a Seller nor the Company shall be liable for a Warranty Claim unless the Sellers' Representative receives from the Purchaser written notice containing reasonable details of the Warranty Claim on or before the second anniversary of the Closing Date.
 3. The aggregate amount of the liability of a Seller for all Warranty Claims shall not exceed an amount equal to the Seller's Consideration.
 4. The limitation contained in paragraph 2 shall not apply to any Warranty Claim to the extent that such claim is the consequence of, or is increased as a consequence of, fraud by the Seller.
 5. If any Warranty Claim is based upon a liability which is contingent only, the Purchaser may give notice of the claim in accordance with paragraph 1 before such time as it becomes an actual liability. For the avoidance of doubt, the fact that the liability may not have become an actual liability by the relevant date provided in paragraph 1 shall not exonerate the Seller in respect of any Warranty Claim properly notified before that date.
 6. Any Warranty Claim shall (if it has not been previously satisfied, settled or withdrawn) be deemed to have been withdrawn six months after the notice is given pursuant to paragraph 1, unless legal proceedings in respect of it have been commenced by being both issued and served. No new Warranty Claim may be made in respect of the facts or events which constitute the liability such with ~~drawn Warranty Claim~~ ~~the matters, erly noti t of e providr~~
 7. ~~· satisfed commenc such rom~~
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SCHEDULE 5

LOAN NOTE CONVERSION

9. The provisions of this Schedule 5 shall apply in respect of the Loan Note Conversion.

Conversion Completion

10. After the Reference Date and prior to the delivery of the Conversion Notice under paragraph 3, the Company shall amend the terms of the Loan Note Instrument to enable: (a) the accrued and unpaid interest on the Loan Notes to be converted into shares in the Company on the terms set out in Schedule 5 of the Loan Note Instrument; (b) PIK notes to be issued in respect of the accrued and unpaid interest on the Loan Notes at any time which the Company determines; or (c) the accrued and unpaid interest on the Loan Notes to be converted into shares in the Company on the terms set out in Schedule 5 of the Loan Note Instrument. The proportion of Loan Notes to be converted as provided herein shall be determined on the basis of the Aggregate Conversion Amount and the subject to the Loan Note Conversion and the pro rata determination of the proportion of Loan Notes to be converted as provided herein.

11. Subject to the Share Capital Increase Resolution being duly adopted by the Board of Directors, the Company shall, on the date of the Loan Note Conversion, convert the Loan Notes into shares in the Company on the terms set out in Schedule 5 of the Loan Note Instrument. The proportion of Loan Notes to be converted as provided herein shall be determined on the basis of the Aggregate Conversion Amount and the subject to the Loan Note Conversion and the pro rata determination of the proportion of Loan Notes to be converted as provided herein.

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interest with respect to the Exchangeable Notes for any period prior to the Exchangeable Notes Completion.

17. Upon Exchangeable Notes Completion, the Exchangeable Note certificates shall be delivered to each holder of Exchangeable Notes.
18. **General**
19. Each Seller hereby acknowledges that the number of Ordinary Shares which it receives on the Conversion Completion will be rounded to a whole number of Ordinary Shares and that Seller has no claim (and waives all such rights) against the Company, the Purchaser, LMC or any other Seller in respect of any such rounding.
20. Each Seller hereby waives any and all rights and claims against the Company, the Purchaser, LMC or any other Seller in respect of any failure by the Company to serve the Conversion Notice in accordance with the terms of the Loan Note Instrument.
21. Following the Conversion Completion and the Exchangeable Notes Completion, there will not be outstanding any Loan Notes of the Company (other than the Exchangeable Notes).
22. In this Schedule 5, the following words and expressions shall have the following meanings:
 - (a) "**Aggregate Conversion Amount**" means the Aggregate Conversion Amount, together with all accrued and unpaid interest, of the Loan Notes in issue immediately prior to the Conversion Completion less an amount equal to the Aggregate Note Principal;
 - (b) "**Conversion Notice**" has the meaning given to it in the Loan Note Instrument;
 - (c) "**Conversion Proportion**" means each holder of Loan Notes' pro rata proportion of the Aggregate Conversion Amount;

(changed to the first sentence of the 'Aggregate Conversion Amount' definition in the Loan Note Instrument; in the

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- (c) evidence of a change of name for each of the following entities: Motor Racing Developments (International) Limited; FOPA Limited; F.O.C.A World Travel Limited and Formula One Race Car Engineering Limited.

On or prior to Closing, the Company shall deliver or cause to be delivered to the Purchaser and the Sellers' Representative:

- (a) a copy of a resolution of the board of directors of the Company authorising the execution of and the performance by the Company of its obligations under this Agreement and each of the Transaction Documents to be executed by it;
- (b) either:
 - (i) a copy of the Lender Consent (as defined in clause 7) in respect of the First Lien Facilities Agreement, countersigned by the facility agent under the First Lien Facilities Agreement, and a copy of the Lender Consent (as defined in clause 7) in respect of the Second Lien Facilities Agreement, countersigned by the second lien facility agent under the Second Lien Facilities Agreement; or
 - (ii) a written calculation that evidences that the conditions to a Permitted Change of Control at paragraphs (b) and (c) of the definition of Permitted Change of Control in the First Lien Facilities Agreement and the Second Lien Facilities Agreement are or will be satisfied on the intended Closing Date;
- (c) approval of the Jersey Financial Services Commission of the amendment to the Loan Note Instrument, constituting the Exchangeable Securities;
- (d) updated register of Exchangeable Notes updated as at the date of Closing; and
- (e) Exchangeable Note certificates in the name of each Seller.

On or prior to Closing, the Purchaser and LMC shall deliver or cause to be delivered to the Sellers' Representative and the Company:

- (a) a copy of a resolution of the board and/or supervisory board (as necessary to provide valid authorisation) of directors of each of the Purchaser and LMC) authorising the execution of and the performance by the relevant company of its obligations under this Agreement and each of the Transaction Documents to be executed by it (and, with respect to Purchaser, evidence of approval of its shareholders if required by applicable law or its organisational documents);
- (b) evidence of LMC shareholder approval of the issuance of LMC Securities to be provided as part of the Consideration (including LMG Series C Stock to be issued at Closing, that may be issued upon exchange of the Exchangeable Notes or that may be issued upon the exercise of options that will be issued at Closing to the Sellers which are or were managers of the Group);
- (c) evidence of payment by electronic funds transfer of the Consideration (and any amounts, if any, payable on the Closing Date pursuant to clause 11.8) to the Sellers' Bank Account on the Closing Date;
- (d) evidence to the reasonable satisfaction of the Sellers' Representative that it is a Listed Entity within the meaning of the First Lien Facilities Agreement and the Second Lien Facilities Agreement and that it controls the Purchaser in each case on the date of this Agreement and on the Closing Date for the purposes of paragraph (a) of the definition of Permitted Change of Control under the First Lien Facilities Agreement and the Second Lien Facilities Agreement;

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- (e) executed lockup agreements described in section 1.4(c) of the Shareholders' Agreement;
- (f) executed counterparts to the Shareholders Agreement; and
- (g) stock register evidence of the issue of LMG Series C Stock to each of the Sellers.

SCHEDULE 9

COMPETITION CONDITIONS

23. In the event that the European Commission does not take jurisdiction to review the purchase of the Sale Securities under the terms of this Agreement (the **Acquisition**) pursuant to Article 22(3) of the EU Merger Regulation or under Article 5(4) of the EU Merger Regulation:
- (a) Confirmation from the Competition and Markets Authority (CMA) that the Acquisition will not be made subject to a Phase 2 reference made pursuant to Schedule 4 to the Enterprise and Regulatory Reform Act 2013 (a "**Phase 2 Reference**"); *or* confirmation from the CMA that there will not be a Phase 2 Reference of the Acquisition as a result of the acceptance of undertakings by the CMA pursuant to Part 3 of the Enterprise Act 2003; *or* following a Phase 2 Reference, a finding by the CMA that the Acquisition is not expected to result in a substantial lessening of competition within any relevant market; *or* following a Phase 2 Reference, a finding by the CMA that the Acquisition may be expected to result in a substantial lessening of competition within a relevant market, but that the acceptance of specified undertakings by the Purchaser would have the effect of remedying, mitigating or preventing that lessening of competition;
 - (b) Either (i) confirmation by the Federal Competition Authority ("FCA") and the Federal Cartel Prosecutor ("FCP") of the waiver of their right to request the initiation of Phase II proceedings by the Vienna Court of Appeals as Cartel Court ("Cartel Court") or the expiry of the four-week Phase I period (or six-week period in the case of a valid extension request) without a request by either the FCA nor FCP to initiate Phase II proceedings; or (ii) in the event that Phase II proceedings are initiated, the issuance of a final decision whereby the Phase II proceedings are ceased, the request of the FCA or FCP to initiate Phase II proceedings is held inadmissible, the Acquisition is found not to constitute a notifiable concentration, the relevant waiting periods are found to be expired, or the Acquisition is approved; or (iii) the issuance of a decision by the Austrian Supreme Court as Supreme Cartel Court, whereby the request of the FCA or FCP to initiate Phase II proceedings is held inadmissible, the Acquisition is found not to constitute a notifiable concentration, the relevant waiting periods are found to be expired or the Acquisition is approved, pursuant to the relevant terms of the Cartel Act'
 - (c) Approval by the National Markets and Competition Commission ("**CNMC**") of Spain or by the Spanish Council of Ministers, as the case may be, pursuant to the relevant terms of Law No. 15/2007 on the Defence of Competition, in the event that the CNMC determines that it has jurisdiction to review the Acquisition; and
 - (d) Approval by the Portuguese Competition Authority (Autoridade da Concorrência ("AdC")), either expressly or tacitly, pursuant to Article 50(1)(b) or 53(1)(a) of Law No. 19/2012 of 8 May ("Portuguese Competition Act"), or a determination by the AdC that it has no jurisdiction to review the Acquisition, either during pre-notification contacts or by means of a decision under Article 50(1)(a) of the Portuguese Competition Act, setting out that the Acquisition is not subject to Portuguese merger control requirements'
24. Approval by the Russian Federal Antimonopoly Service, pursuant to the relevant terms of Federal Law No. 135-FZ on the Protection of Competition dated 26 July 2006.
25. In so far as the Acquisition triggers a mandatory filing requirement, approval by the Administrative Council of Economic Defence ("**CADE**"), pursuant to the relevant terms of Law No. 12,529 of 2011, and applicable regulations.

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26. In so far as the competition authority of any relevant EU Member State requests referral to the European Commission pursuant to Article 22(1) of the EU Merger Regulation to review all or part of the Acquisition and such a request being accepted, or the European Commission takes jurisdiction under Article 5(4) of the EU Merger Regulation, either:
- (a) the European Commission declaring the transaction to be compatible with the internal market pursuant to Article 6(1)(b), 8(1) or 8(2) of the EU Merger Regulation applied directly or pursuant to Article 22(4) first subparagraph of the EU Merger Regulation in respect of all parts of the Acquisition which were the subject of such request; or
 - (b) all parts of the Acquisition which were the subject of the request having been deemed compatible with the internal market pursuant to Article 10(6) of the EU Merger Regulation applied directly or pursuant to Article 22(4) first subparagraph of the EU Merger Regulation.
27. In so far as the Purchaser reasonably believes that a competition authority in any other jurisdiction requires a pre-merger notification of the purchase of the Sale Securities, the approval or deemed approval of such competition authority. Any such filings shall be subject to the prior written approval of the Sellers' Representative not to be unreasonably withheld or delayed.

SCHEDULE 11

COMPANY BOARD OF DIRECTORS

The Company's board of directors as at the Closing Date shall consist of:

- three directors appointed by the Purchaser
- three Director Designees (as such term is defined in the Exchangeable Instrument)
- three directors from senior management
- two independent directors
- three directors appointed by the Teams
- Chase Carey (who will be appointed as chairman of the Company on First Closing)

EXECUTED AS A DEED)
for and on behalf of)
CVC European Equity IV (CDE) Limited)
as General Partner of)
CVC European Equity Partners IV (C) L.P.) /s/ CARL JOHN HANSEN

Director/Authorised Signatory

In the presence of:

Signature of witness: /s/ HANNAH CULSHAW

Name of witness: u u
b u u



EXECUTED AS A DEED)
for and on behalf of)
CVC DELTA TOPCO NOMINEE)
LIMITED)
acting by its authorised representative) /s/ CARL JOHN HANSEN

Di K



EXECUTED AS A DEED)
for and on behalf of)
DELTA TOPCO LIMITED)
acting by its authorised representative) /s/ CARL JOHN HANSEN

Director/Authorised Signatory

In the presence of:

Signature of witness: /s/ HANNAH CULSHAW

Name of witness: Hannah Culshaw

Address: Waverley Place

St. Helier Jersey

Occupation: Director

EXECUTED AS A DEED)
for and on behalf of)
LIBERTY MEDIA CORPORATION)
acting by its authorised representative) /s/ CRAIG TROYER

Director/Authorised Signatory

In the presence of:

Signature of witness: /s/ JUSTIN BLASS

affecting creditors' rights generally and by general principles of equity. The execution, delivery and performance of this AgreeT



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(d) "*Law*" means an

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that this Agreement may not be enforced in or by such courts, and the parties irrevocably agree that all claims with respect to such action or proceeding shall be heard and determined in the Delaware Courts. The parties hereby consent to and grant the Delaware Courts jurisdiction over the person of such parties and, to the extent permitted by Law, over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in *Section 9(b)* or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY HEREBY AND AS KNOWLEDGERS HEREAFTER ACKNOWLEDGES AND AGREES THAT ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT.



IN WITNESS WHEREOF, each party has caused this Agreement to be signed by its representative thereunto duly authorized as of the date first written above.

LIBERTY MEDIA CORPORATION

By: /s/ CRAIG TROYER

Name: Craig Troyer
Title: Vice President, Deputy General Counsel and Assistant
Secretary

[Signature Page to Voting Agreement]

CVC DELTA TOPCO NOMINEE LIMITED

By: /s/ CARL JOHN HANSEN

Name: Carl John Hansen
Title: Director

[Signature Page to Voting Agreement]

STOCKHOLDERS

/s/ JOHN C. MALONE

John C. Malone

[Signature Page to Voting Agreement]

/s/ LESLIE MALONE

Leslie Malone

[Signature Page to Voting Agreement]



SHAREHOLDERS AGREEMENT

by and among

LIBERTY MEDIA CORPORATION

and

THE SHAREHOLDERS LISTED ON *SCHEDULE A* HERETO

Dated [·], 2016



SHAREHOLDERS AGREEMENT

This SHAREHOLDERS AGREEMENT, dated [-], 2016 (this "Agreement"), is by and among Liberty Media Corporation, a Delaware corporation (the "Company"), and each of the Shareholders listed on *Schedule A* hereto (each a "Shareholder"). Each Shareholder and the Company are referred to herein as a "Party" and together as the "Parties."

RECITALS

WHEREAS, pursuant to the Stock Purchase Agreement by and among the Company, Liberty GR Cayman Acquisition Company, a company registered in the Cayman Islands and an indirect wholly-owned subsidiary of the Company ("Buyer"), Delta Topco Limited, a Jersey corporation ("*Delta Topco*"), and certain of the Shareholders (the "*First Purchase Agreement*"), and the Stock Purchase Agreement by and among the Company, Buyer, Delta Topco, and the Shareholders (the "*Second Purchase Agreement*"), each dated September 7, 2016 (collectively, the "*Purchase Agreements*"), each Shareholder has agreed to sell all of the Sale Securities that it holds in Delta Topco to Buyer in exchange for consideration consisting of (i) cash (the "*Cash Component*"), (ii) the re-characterization of a portion of the ex f (i) hgre St holds in a

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right (e.g., such Eligible Shareh

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the number of Shares specified in such Market Sale Notice for cash at the price that it shall specify in the Offer Notice (the *ROFO Price*"). The Shareholder is not obligated to accept the Company's offer under this *Section 1.2(c)*.

(iii) If the Shareholder accepts the Company's offer under this *Section 1.2(c)*, the closing of the purchase of any Shares with respect to which such right has been exercised will take place prior to the close of business on the third (3rd) Business Day following the date of the Shareholder's acceptance of the offer set forth in the Offer Notice, which acceptance shall be made by written notice to the Company no later than five (5) Business Days after the date of the Offer Notice. If the Shareholder accepts the Company's offer under this *Section 1.2(c)* in full, any Shares included in the Market Sale Notice which the Company does not offer to purchase in its Offer Notice may be Transferred by the Shareholder at any price.

(iv) If the Shareholder does not accept the Company's offer (or only accepts a portion of the Company's offer with respect to the Shares subject to an Offer Notice) under this *Section 1.2(c)*, the Shareholder (and its Shareholder Affiliates) may sell some or all of the Shares specified in the Market Sale Notice but not purchased by the Company, in one or a series of transactions (A) to the extent such Shares (together with any Shares specified in the Market Sale Notice that are purchased by the Company) do not exceed the number of Shares specified by the Company in the applicable Offer Notice, at a price no lower than the price specified by the Company in the applicable Offer Notice and (B) to the extent such Shares (together with any Shares specified in the Market Sale Notice that are purchased by the Company) exceed the number of Shares specified by the Company in the applicable Offer Notice, at a price no lower than the ROFO Price minus the product of the ROFO Price and the VWAP Adjustment. For the avoidance of doubt and subject to the shorter notice requirements of *Section 2.1(f)* with respect to Underwritten Block Trades, subsequent to the thirty (30) Trading Day period specified in the preceding sentence, any Market Sale by the applicable Shareholder shall again be subject to this *Section 1.2(c)*.

(v) Upon the Shareholder's acceptance with respect to any Offer Notice under this *Section 1.2(c)*, the Company and the Shareholder will be legally obligated to consummate the purchase and sale contemplated thereby.

(vi) This *Section 1.2(c)* shall not apply to the Shares sold to cover the Relevant Proportion of a tax liability of any Shareholder that is an individual pursuant to an election by such Shareholder as described in the last sentence of *Section 2.5(a)*.

Section 1.3 Legend.

(a) All certificates or other instruments representing the Shares will bear the following legend:

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER, OWNERSHIP AND OTHER RESTRICTIONS SET FORTH IN THE SHAREHOLDERS AGREEMENT, DATED [·], BY AND AMONG LIBERTY MEDIA CORPORATION AND THE SHAREHOLDERS LISTED ON SCHEDULE A THERETO, AS

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MAY BE AMENDED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE WITH AND AVAILABLE FROM THE SECRETARY OF THE COMPANY, WITHOUT COST.

(b) At a Shareholder's request, upon receipt of a written opinion of such Shareholder's counsel reasonably satisfactory to the Company to the effect that the first paragraph of such legend is no longer required under the Securities Act and applicable state laws, and no restrictions set forth herein continue to apply to such Shareholder's Shares, the Company will promptly cause such legend to be removed from any certificate or other instrument representing any Shares to be Transferred in accordance with the terms of this Agreement (concurrently with such Transfer) or following the termination hereof.

Section 1.4 *Restricted Period.*

(a) In the event that the Cash Component is an amount equal to or more than the Cash Component Minimum but less than the Cash Component Maximum, each Shareholder agrees not to Transfer any LMG Series C Stock Beneficially Owned by such Shareholder during the Restricted Period without the prior written consent of the Company. If the Company grants such prior written consent to any Shareholder, the Company must grant such consent to all Shareholders, any such consent to be on a pro rata basis based on the number of Shares each Shareholder receives at Closing.

(b) In the event that the Cash Component is an amount greater than or equal to the Cash Component Maximum, each Shareholder agrees not to Transfer any LMG Series C Stock Beneficially Owned by such Shareholder during the one hundred eighty (180) calendar days commencing on the Closing Date without the prior written consent of the Company; provided, that, such one hundred eighty (180) period may be reduced if the board of directors of the Company so determines based on the advice of financial advisors to each of the Company and the Shareholder Representative. If the Company grants its prior written consent to any Shareholder, the Company must grant such consent to all Shareholders, any such consent to be on a pro rata basis based on the number of Shares each Shareholder receives at Closing.

(c) Simultaneously with the execution of this Agreement, the Company and Delta Topco shall use commercially reasonable efforts to cause (1) each of the directors and executive officers of Delta Topco, to agree to the same restrictions contained in *Section 1.4(a)* and *Section 1.4(b)* (for the avoidance of doubt, it being understood that John C. Malone and Greg Maffei shall have delivered lock-up agreements as of the Closing Date in accordance with the Second Purchase Agreement), (other than (i) with respect to such Person's ability to receive equity awards from the Company or Delta Topco or exercise, vest or otherwise settle, including without limitation, net settling of, any equity awards received from the Company or Delta Topco, (ii) pursuant to any pledge or margin loan or 10b5-1 plan in existence in each case prior to the date of such reasonable request by the managing underwriter or (iii) in connection with bona fide estate or tax planning Transfers as a result of which such Person retains Beneficial Ownership of the Transferred Shares), and (2) each of the Persons who purchase any LMG Series C Stock in connection with any Additional Cash Raising to agree to the same restrictions contained in *Section 1.4(a)* and *Section 1.4(b)*. The Company shall use commercially reasonable efforts to cause the lockup agreements described in this *Section 1.4(c)* to be delivered to the Shareholder Representative at Closing.

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Company of such revocation, and (yy) thereafter, the Company, in each case prior to the effective date of the corresponding Registration Statement or the filing of any prospectus supplement with respect to any particular underwritten offering; provided, that, such request shall count as one of the Requesting Shareholder's requests for a Demand Registration unless the Requesting Shareholder reimburses the Company for all out-of-pocket expenses (including Registration Expenses) incurred by the Company relating to such Registration Statement; provided, further, (xxx) during the Representative Period, if the Shareholder Representative, on behalf of a Requesting Shareholder, notifies the Company in writing that such Requesting Shareholder revokes its request for a Demand Registration within two (2) Business Days after notice in writing has been received by the Shareholder Representative that the number of Registrable Securities to be included in such Registration Statement is to be reduced pursuant to an Underwriter Cutback, or (yyy) thereafter, if the Requesting Shareholder notifies the Company in writing that such Requesting Shareholder revokes its request for a Demand Registration within two (2) Business Days after notice in writing has been received by the Requesting Shareholder that the number of Registrable Securities to be included in such Registration Statement is to be reduced pursuant to an Underwriter Cutback, then in each case such request shall not count as one of such Requesting Shareholder's requests for a Demand Registration.

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ability to receive equity awards from the Company or exercise, vest or otherwise settle, including without limitation, net settling of, any equity awards received from the Company, (ii) pursuant to any pledge or margin loan or 10b5-1 plan in existence in each case prior to the date of such reasonable request by the managing underwriter or (iii) in connection with bona fide estate or tax planning Transfers as a result of which such Person retains Beneficial Ownership of the Transferred Shares) to so agree.

Section 2.6 Registration Procedures. Whenever a Shareholder requests that any Registrable Securities be registered pursuant to *Section 2.1* or *Section 2.2*, subject to the provisions of those Sections, the Company will use its commercially reasonable efforts to effect the registration and the offer and sale of such Registrable Securities in accordance with the intended method of disposition thereof as soon as reasonably practicable, and shall, in connection with any such request:

(a) Prepare and promptly file with the SEC a Registration Statement (or a prospectus supplement, as applicable) with respect to such securities and use its commercially reasonable efforts to cause such Registration Statement to become effective as soon as practicable thereafter and remain effective for the period of the distribution contemplated thereby (but in no event longer than the Effectiveness Period) and at least three (3) Business Days (or, with regard to any Underwritten Block Trade, as soon as reasonably practicable) before filing a Registration Statement or Prospectus or any amendments or supplements thereto, or any related free writing prospectus, furnish to the Shareholder Representative on behalf of the participating Shareholders and the underwriter or underwriters, if any, copies of all such documents proposed to be filed, and the Shareholder Representative on behalf of such Shareholders shall have the opportunity to object to any information pertaining to such Shareholder and the plan of distribution that is contained therein;

(b) (i) Prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith and such free writing prospectuses and Exchange Act reports as may be necessary to keep such Registration Statement effective for the period specified in paragraph (a) above and comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such Registration Statement and any prospectus so supplemented to be filed pursuant to Rule 424 under the Securities Act in accordance with the Shareholder's intended method of disposition set forth in such Registration Statement for such period, (ii) provide reasonable notice to the Shareholder Representative on behalf of such participating Shareholder and the managing underwriters, if any, to the extent that the Company determines that a post-effective amendment to a registration statement would be appropriate and (iii) to the extent additional pay-in-kind Notes are issued that may be in lieu of cash interest on such Notes subsequent to the Closing Date, and shares of LMG Series C Stock that may be issued in respect thereof have not already been registered on the Transaction Shelf Registration Statement, file a post-effective amendment to the Transaction Shelf Registration Statement (or other Registration Statement) registering such shares of LMG Series C Stock upon the request of a Participating Shareholder;

(c) Furnish to the Shareholder Representative on behalf of the participating Shareholders and any underwriters (without charge) such number of copies of the Registration Statement, each amendment and supplement thereto, the Prospectus included therein (including each preliminary prospectus) and any other prospectuses filed under Rule 424 and each free writing prospectus as such Persons reasonably may request in order to facilitate the public sale or other disposition of the Registrable Securities covered by such Registration Statement;

(d) Use its commercially reasonable efforts to register or qualify the Registrable Securities covered by such Registration Statement under the securities or "blue sky" Laws of such

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(h) Use its commercially reasonable efforts to list the Registrable Securities covered by such Registration Statement on Nasdaq or, if the LMG Series C Stock is not then so listed, with any securities exchange on which the LMG Series C Stock is then listed or, if such Registrable Securities are not then listed with a securities exchange, on a national securities exchange selected by the Company;

(i) Use its commercially reasonable efforts to cause its officers, employees and independent public accountants (in the case of the independent public accountants, subject to any applicable accounting guidance regarding their participation in the offering or the due diligence process) to participate in, make themselves reasonably available, supply such information as may reasonably be requested and to otherwise facilitate and cooperate with the preparation of the Registration Statement and Prospectus and any amendments or supplements thereto (including participating in meetings, marketing activities, investor calls, drafting sessions, due diligence sessions and rating agency presentations) taking into account the Company's reasonable business needs (it being acknowledged that the activities specified in this *Section 2.6(i)* may be required approximately once every ninety (90) calendar day period depending on market conditions and other factors and subject to the proper exercise of a demand hereunder);

(j) Provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement (or the pricing date of the relevant offering);

(k) Immediately notify (i) during the Representative Period, the Shareholder Representative on behalf of the participating Shareholders, and (ii) thereafter, each participating Shareholder, at any time when a Prospectus is required to be delivered under the Securities Act, of the occurrence or happening of any event as a result of which the Prospectus contained in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and (x) during the Representative Period, at the request of the Shareholder Representative on behalf of any Shareholder as promptly as reasonably practicable prepare and furnish to the Shareholder Representative on behalf of such Shareholder and (y) thereafter, at the request of any Shareholder as promptly as reasonably practicable prepare and furnish to such Shareholder, in each case a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered, such Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(l) If the offering is underwritten and at the request of the Shareholder Representative on behalf of any Shareholder, (i) enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the Shareholder Representative on behalf of such Shareholder reasonably requests in order to expedite or facilitate the disposition of such Registrable Securities (including making executive officers of the Company available, on reasonable advance notice, to participate in, and cause them to cooperate with the underwriters in connection with, one "road-show" per underwritten offering and underwriter due diligence calls and (ii) use commercially reasonable efforts to furnish on the date that Registrable Securities are delivered to the underwriters for sale: (A) an opinion of counsel to the Company, dated such date, addressed to the underwriters and to the applicable Shareholders, covering such matters as are typically included in an opinion to underwrite the Company's securities,

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liability of any Shareholder be greater in amount than the amount of net proceeds received by such Shareholder from the sale of such Registrable Securities related to the matter in which Damages are sought or the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under *Section 2.8(a)(i)* or *Section 2.8(a)(ii)* hereof had been available or sufficient under the circumstances.

(b) *Notice of Reg Rights Claim.*

(i) As used in this Agreement, the term "*Reg Rights Claim*" means a claim for indemnification by any Company Registration Rights Indemnitee or any Registration Rights Indemnitee, as the case may be, for Damages under *Section 2.8(a)* (such Person making a Reg Rights Claim, "*Reg Rights Indemnified Person*"). A Company Registration Rights Indemnitee or a Registration Rights Indemnitee shall give notice of a Reg Rights Claim under this Agreement (and in the case of a Registration Rights Indemnitee whether for its own Damages or for Damages incurred by any other Registration Rights Indemnitee) pursuant to a written notice of such Reg Rights Claim executed by the Company or the Shareholder Re Shareho byreho byrdc0 n

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Person shall have the right to effect a settlement of such Third-Party Reg Rights Claim with the consent of the Reg Rights Indemnifying Person (which consent shall not be unreasonably withheld, conditioned or delayed). No settlement by the Reg Rights Indemnified Person of such Third-Party Reg Rights Claim shall limit or reduce the right of any Reg Rights Indemnified Person to indemnity hereunder for all Damages they may incur arising out of or resulting from the Third-Party Reg Rights Claim to the extent indemnified in this *Section 2.8(c)*; provided, that such settlement is effected in accordance with this *Section 2.8(c)*. As used in this *Section 2.8(c)(iv)*, the term "settlement" refers to any consensual resolution of the claim in question, including by consent, decree or by permitting any judgment or other resolution of a claim to occur without disputing the same, and the term "settle" has a corresponding meaning.

(v) The indemnification and contribution required by this *Section 2.8* shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, Damage or liability is incurred.

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Company may reasonably request or as may be required by Law for use in connection with any related Registration Statement or Prospectus (or amendment or supplement thereto) and all information required to be disclosed in order to make the information each Shareholder previously furnished to the Company not contain a material misstatement of fact or necessary to cause such Registration Statement or Prospectus (or amendment or supplement thereto) not to omit a material fact with respect to such Shareholder necessary in order to make the statements therein not misleading;

(b) Complying with (i) the Securities Act and the Exchange Act, (ii) all applicable state securities Laws, (iii) the rules of any securities exchange or trading market on which the LMG Series C Stock is listed or traded and (iv) all other applicable regulations, in each case, in connection with the registration and the disposition of Registrable Securities;

(c) Following its actual knowledge thereof, notifying the Company of the occurrence of any event that makes any statement made in a Registration Statement, Prospectus, issuer free writing prospectus or other Free Writing Prospectus regarding a Shareholder untrue in any material respect or that requires the making of any changes in a Registration Statement, Prospectus, issuer free writing prospectus or other Free Writing Prospectus so that, in such regard, it will not contain any untrue statement of a material fact or omit any material fact required to be stated therein or necessary to make the statements not misleading;

(d) Providing the Company with such information as may be required to enable the Company to prepare a supplement or post-effective amendment to any such Registration Statement or a supplement to such Prospectus or Free Writing Prospectus;

(e) Using commercially reasonable efforts to cooperate with the Company in preparing the applicable Registration Statement and any related Prospectus; and

(f) Furnishing the Company with all information required to be included in such Registration Statement by applicable securities Laws in connection with the disposition of such Registrable Securities as the Company reasonably requests.

Section 2.11 *Rule 144 Reporting.*

(a) With a view to making available to each Shareholder the benefits of certain rules and regulations of the SEC which may permit the sale of the Shares to the public without registration, the Company agrees, until the Expiration Date, to use its commercially reasonable efforts to: (i) make and keep public information available, as those terms are understood and defined in Rule 144; (ii) file with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act; and (iii) so long as a Shareholder Beneficially Owns any Shares or securities convertible into or exercisable for Shares, furnish to such Shareholder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of Rule 144, and of the Exchange Act; a copy of the most recent annual or quarterly report of the Company; and such other reports and documents as such Shareholder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any Shares without registration.

(b) For the avoidance of doubt, each Shareholder may sell any Shares in compliance with Rule 144, regardless of whether a Registration Statement has been filed with the SEC or is effective. The Company agrees, until the Expiration Date, to (i) make and keep public information available as those terms are understood and defined in Rule 144, (ii) use its commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act and (iii) so long as the Shareholders own any Shares, furnish to the Shareholders upon request, a written statement by the

Company as to its compliance with the reporting requirements of Rule 144, and of the Securities Act and the Exchange Act.

Section 2.12 *Termination of Registration Rights.* Notwithstanding anything to the contrary contained herein, the registration rights granted under this *Article II* terminate and are of no further force and effect (other than *Section 2.3*, *Section 2.8* and *Section 2.11*), on the date on which there cease to be any Registrable Securities.

Section 2.13 *Subsequent Registration Rights.* The Company shall not (a) grant any registration rights to third parties which are equal to or more favorable than or inconsistent with the rights granted hereunder, or (b) enter into any agreement, take any action, or permit any change to occur, with respect to its securities, that violates or subordinates the rights expressly granted to the Shareholders in this *Article II*.

Section 2.14 *Transfer of Registration Rights.* Each Shareholder shall have the right to transfer, by written agreement, any or all of its rights granted under this Agreement to any direct or indirect transferee of such Shareholder's Registrable Securities; provided, (a) each Shareholder shall be entitled to one transfer that involves the transfer of Registrable Securities in a single block trade or placement in an aggregate amount of at least \$500,000,000 to a single transferee, (b) the Company shall have provided its written consent prior to such transfer to the extent such transferee is not a Shareholder Affiliate of such transferring Shareholder, a member of a different Shareholder Group, one or more Teams or a transferee referred to in the preceding clause (a) or (c) regardless of amount, such transferee is (i) a Shareholder Affiliate of such Transferring Shareholder, (ii) a member of a different Shareholder Group or (iii) one or more Teams. Following any transfer or assignment made pursuant to this *Section 2.14* in connection with the Transfer by a Shareholder of a portion of its Registrable Securities, such Shareholder shall retain all rights under this Agreement with respect to the remaining portion of its Registrable Securities.

ARTICLE III. BOARD OF DIRECTORS

Section 3.1 *Shareholder Director.*

(a) Effective as of the date of this Agreement, the Company shall take such action as is necessary to (i) increase the number of Directors constituting the Company Board from nine to ten and (ii) appoint [·]³ (the "*Shareholder Director*") to the Company Board as a Director to serve in the class that is most recently elected prior to date of this Agreement. The Shareholder Director must at all times (x) meet the Company's standard qualifications for Directors and (y) the independence standard of any stock exchange on which the LMG Series C Stock is listed or traded (including, for the avoidance of doubt, taking into account the position discussed in the first paragraph of IM-5605. Definition of Independence—Rule 5605(a)(2) of the Listing Rules of Nasdaq with respect to stock ownership by itself not precluding a finding of independence). The Parties agree that, as of the date hereof (and after giving effect to all of the transactions contemplated by the Purchase Agreements), the Shareholder Director satisfies the conditions in the preceding sentence.

(b) Each Shareholder Director (or Replacement, as the case may be), prior to being elected to the Company Board, shall execute a resignation letter, in a form reasonably acceptable to the Company, subject to applicable Law, effective as of the Expiration Date.

³ Individual to be named at signing of this Agreement.

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as set forth in the immediately preceding sentence and, for the avoidance of doubt, the Company shall not fill the vacancy on the Company Board during any period in which the appointment of the Shareholder Director is pending without the prior written consent of the Shareholder Representative. The Shareholder Representative shall have the right to continue submit ~~C~~ of th

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Groups) or (2) the Company's Management and Allocation Policies (the "*Inter-Group Policies*") as set forth in the Company's Proxy Statement dated February 18, 2016; or

(B) are, during any quarterly period in excess of the LMG Expense Cap; provided, that, for the avoidance of doubt, the allocations that are measured against the LMG Expense Cap shall exclude (i) any allocations of tax obligations or tax benefits to the extent such allocations are consistent with the Inter-Group Policies, (ii) stock-based compensation and (iii) the Company's costs and expenses incurred in connection with the negotiation of and completion of the transactions contemplated by the Second Purchase Agreement and the other Transaction Documents referred to therein;

(ii) transactions which extract value from, or involve the provision of any direct or indirect benefit by, the Media Group (including Delta Topco or any Formula One entities and any other assets or businesses attributed to the Media Group),

(A) that are not on terms at least as favorable to the Media Group as the Media Group could obtain in a comparable transaction with an unaffiliated third party (as determined in the good faith judgment of the Company Board); and

(B) d



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Section 5.2 *R*



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Agreement shall thereafter be null and void, except that, in the event that such termination occurs in accordance with:

- (a) *Section 6.1(b)*, then s)



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Section 7.2 *Fees and Expenses.* Except as otherwise expressly provided herein or in the Puryêrein



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"*LMG Committee Review Transaction*" has the meaning set forth in *Section 3.5(b)* of this Agreement.

"*LMG Common Stock*" means the LMG Series A Stock, the LMG Series B Stock and/or the LMG Series C Stock, as applicable, and any other series of common stock of the Media Group now existing or created following the date hereof.

"*LMG Equity Offering*" means the issuance and sale of shares of any series of LMG Common Stock to third parties (whether in a private sale or public offering) subsequent to the Closing Date for cash consideration (which, for the avoidance of doubt, shall exclude any cash issued in lieu of fractional shares in connection with a dividend or distribution of shares of LMG Common Stock to any stockholders of the Company); *provided*, that, an LMG Equity Offering shall not include any issuance of any such shares made in connection with (i) any merger, business combination or other acquisition, (ii) any rights offering, exchange offer or the exercise, conversion or exchange of any Convertible Security (including, for the avoidance of doubt, any equity incentive awards) outstanding as of the date of this Agreement or granted hereafter (to the extent any such grant is permitted by this Agreement) or (iii) the issuance of any hybrid debt or equity interests (*e.g.*, notes convertible into any series of LMG Common Stock).

"*LMG Expense Cap*" means \$7,000,000.

"*LMG Series A Stock*" means Series A Liberty Media common stock, par value \$0.01 per share, of the Company, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series A Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event).

"*LMG Series B Stock*" means Series B Liberty Media common stock, par value \$0.01 per share, of the Company, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series B Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event).

"*LMG Series C Stock*" means Series C Liberty Media common stock, par value \$0.01 per share, of the Company, as constituted on the date of this Agreement, and any securities issued in respect thereof, or in substitution therefor, or otherwise into which such LMG Series C Stock may thereafter be changed (whether as a result of a recapitalization, reorganization, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event).

"*Management Equity Plan*" has the meaning set forth in the Second Purchase Agreement.

"*Management Escrow Agent*" has the meaning set forth in the Second Purchase Agreement.

"*Management Exercise Process*" has the meaning set forth in the Second Purchase Agreement.

"*Management Option Loan Notes*" has the meaning set forth in the Second Purchase Agreement.

"*Management Option Shares*" has the meaning set forth in the Second Purchase Agreement.

"*Market Sale*" has the meaning set forth in *Section 1.2(c)* of this Agreement.

"*Market Sale Notice*" has the meaning set forth in *Section 1.2(c)(i)* of this Agreement.

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"*Reg Rights Indemnified Person*" has the meaning set forth in *Section 2.8(b)(i)* of this Agreement.

"*Reg Rights Indemnifying Person*" has the meaning set forth in *Section 2.8(b)(i)* of this Agreement.

"*Registrable Securities*" means the Shares issued or that may be issued to each Shareholder (i) pursuant to the Second Purchase Agreement or (ii) in exchange for any Note (in each case as adjusted for stock splits, combinations, recapitalizations, exchange or readjustment of such shares after the date hereof); *provided* that any such shares will cease to be Registrable Securities when (x) they are sold pursuant to a Registration Statement (including a Primary Registration Statement or a Secondary Registration Statement)

"Secretary" means the current Secretary of the Company.

"Second Purchase Agreement" has the meaning set forth in the recitals to this Agreement.

"Secondary Registration Statement" has the meaning set forth in Section 2.2(b) of this Agreement.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as in effect from time to time.

"Sellers" has the meaning set forth in the Second Purchase Agreement.

"Selling Expenses" means all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities.

"settlement" and "settle" have the meanings set forth in Section 2.8(c)(iv) of this Agreement.

"Shareholder" has the meaning set forth in the preamble to this Agreement.

"Shareholder Affiliate" means with respect to any Shareholder each Affiliate of such Shareholder, until such time as such Person is not an Affiliate of the Shareholder.

"Shareholder Director" has the meaning set forth in Section 3.1(a) of this Agreement a.

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"*Subsidiary*" when used with respect to any Person, means (i)(A) a corporation a majority in voting power of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person and/or by one or more Subsidiaries of such Person, whether or not such power is subject to a voting agreement or similar encumbrance, (B) a partnership or limited liability company in which such Person or a Subsidiary of such Person is at the date of determination, (1) in the case of a partnership, a general partner of such partnership with the power affirmatively to direct the policies and management of such partnership or (2) in the case of a limited liability company, the managing member or, in the absence of a managing member, a member with the power affirmatively to direct the policies and management of such limited liability company, or (C) any other Person

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agreements and undertakings, both written and oral, between the Parties with respect to the subject matter hereof.

Section 7.9 *Assignment.* Except as expressly provided in this Agreement, neither this Agreement nor any of the rights, interests or obligations under this Agreement will be assigned, in whole or in part, by (a) any Shareholder without the prior written consent of the Company or (b) the Company without the prior written consent of the Shareholder Representative. Any purported assignment without such prior written consent will be void.

Section 7.10 *Further assurances.* Each Party shall cooperate and take such action as may be reasonably requested by any other Party in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby; *provided, however*, that no Party shall be obligated to take any actions or omit to take any actions that would be inconsistent with applicable Law.

Section 7.11 *Parties in Interest.* This Agreement will be binding upon and inure solely to the benefit of each Party and their respective successors and assigns, and nothing in this Agreement, express or implied, is intended to or will confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement; *provided, that*, any Reg Rights Indemnified Person will be deemed a third party beneficiary of the Reg Rights Indemnifying Person's obligations under Section 2.8 hereof and will be entitled to enforce its rights thereunder directly against such Reg Rights Indemnifying Person. The representations and warranties in this Agreement are the product of negotiations between the Parties and are for the sole benefit of the Parties. The representations and warranties in this Agreement may represent an allocation between the Parties of risks associated with particular matters regardless of the knowledge of either Party. Accordingly, Persons other than the Parties may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 7.12 *Mutual Drafting.* Each Party has participated in the drafting of this Agreement, which each Party acknowledges is the result of extensive negotiations between the Parties and this Agreement shall be construed against any Party as the party that drafted it. The law of the State of Delaware shall govern the interpretation of this Agreement.

Section 3. *Choice of Law; Venue; Arbitration; Waiver of Trial by Jury.* This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, without regard to Laws that may be applicable under the conflict of laws principles. The Parties hereby agree to arbitrate any dispute arising out of or in connection with this Agreement in accordance with the rules of the American Arbitration Association. The Parties hereby waive their right to a trial by jury in any legal proceeding arising out of or in connection with this Agreement.



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed, as of the date first written above, by their respective officers thereunto duly authorized.

COMPANY:

LIBERTY MEDIA CORPORATION

By: _____

Name:
Title:

SHAREHOLDERS:

[]

By: _____

Name:
Title:

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HANDLING OF INFORMATION

Holdings, Inc., Liberty Expedia Holdings, Inc., Discovery Communications Inc., Starz, CommerceHub, Inc. or Liberty Global plc shall be deemed to be an Affiliate of Liberty Media, and (vi) with regard to any Noteholder that is a fund or partnership (or nominee for a fund or partnership), any entity, fund or partnership (or nominee for a fund or partnership) that is, directly or indirectly, under the same ultimate control (including control through advisory arrangements) as such Noteholder shall be deemed to be an Affiliate of such Noteholder, excluding any portfolio companies of such entities, funds or partnerships) (for the avoidance of doubt, where such Noteholder is a fund or limited partnership advised by affiliates of CVC Capital Partners Limited, the term "Affiliate" shall be deemed to include any other funds or limited partnerships advised by affiliates of CVC Capital Partners Limited but excludes (i) CVC Credit Partners Group Holding Foundation and each of its direct and indirect subsidiary undertakings and (ii) any investors in any such funds or limited partnerships advised by affiliates of CVC Capital Partners Limited);

"Affiliate" means any person who is an Affiliate of the Company;

"Backstop Loan Facility" means the loan facility provided to the Company by LMG pursuant to the facility agreement dated on or about the date hereof between the Company and [LMG Lender];

"Beneficial Ownership" and related terms such as **"Beneficially Owned"** or **"Beneficial Owner"** shall be determined in accordance with Rule 13d-3 under the Exchange Act; and a person's Beneficial Ownership of the Notes shall be calculated in accordance with the provisions of such rule (including for the avoidance of doubt taking into account any group which the person is a member, or any trust of which the person is a trustee, or any partnership of which the person is a partner, or any other entity or arrangement in which the person has a substantial interest);



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- (c) the acquisition by any person or group (within the meaning of Section 13(d) of the Exchange Act), directly or indirectly, of the right to appoint or remove directors of the Company or any other Group Company holding a majority of the voting rights at meetings of the board on all, or substantially all, matters;

For the avoidance of doubt, a Liberty Media Change of Control shall not in and of itself constitute a Company Change of Control;

"**Concorde Agreement**" means the Concorde Implementation Agreement or any replacement agreement;

"**Concorde Implementation Agreement**" means the agreement dated 22 July 2013 modifying the terms of the 100 Year Agreements and the terms upon which the 2009 Concorde Agreement will be applied and renewed in respect of the period 1 January 2013 to 31 December 2020 and successive subsequent periods until 31 December 2030 between the Company, SLEC Holdings Limited, FOWC, FOAM, CVC Fund IV, FIA (France) and FIA (Switzerland);

"**Conditions**" means the conditions set out in Schedule 2;

"**CVC Fund IV**" means CVC European Equity Partners IV (A) LP, CVC European Equity Partners IV (B) LP, CVC European Equity Partners IV (C) LP, CVC European Equity Partners IV (D) LP and CVC European Equity Partners IV (E) LP;

"**Deed of Release and Waiver**" means the deed of release and waiver, dated 24 April 2001, between FIA (France), FIA (Switzerland), Formula One Management Limited and Formula One Administration Limited (as such agreement may be amended from time to time in accordance with its terms);

"**Director Designee**" has the meaning given in Condition 12.1;

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**Exchange Cash Election**" has the meaning given in Condition 6.2;

"**Exchange Date**" means a date falling within 15 Business Days following delivery of an Exchange Notice, Mandatory Exchange Notice or Transfer Notice (but in the case of a Transfer Notice only to the extent such Transfer Notice results in the Transfer Exchange Option being applicable); provided, that, in the event the Noteholder delivers an Offering Exchange Notice, the "**Exchange Date**" will be a date falling within 3 Business Days following delivery of an Exchange Notice;

"**Exchange Notice**" means a notice in writing by a Noteholder to the Company to exchange all or part of the outstanding Notes held by that Noteholder in the form or substantially in the form set forth in Schedule 1;

"**Exchange Price**" means the price of the Notes as determined by the Market Reference Price, subject to adjustment for certain events occurring after the Original Issue Date in accordance with the terms of the Notes.



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the FIA (Switzerland), the FIA (France) and FOAM (as such agreement may be amended from time to time in accordance with its terms);

"**FOAM**" means Formula One Asset Management Limited;

"**FOAM Articles**" means the articles of association of FOAM;

"**FOWC**" means Formula One World Championship Limited;

"**Governmental Authority**" means any supranational, national, federal, state, county, municipal, local or foreign government, or other political subdivision thereof, or any court or other arbitral body and any entity exercising executive, legislative, judicial, regulatory, taxing, administrative, prosecutorial or arbitral functions of or pertaining to government, provided that such term shall not include any stock exchange;

"**Group**" means the Company and its subsidiary undertakings and FOWC and "**Group Company**" means any of them;

"**Holder Representative**" means the Noteholder Owning (together with the other members of its Noteholder Group) the greatest principal amount of Notes among all Noteholders, as of both the date of notice from the Company of a proposed action under Condition 11.11 and the date a Holder Representative Veto Notice is delivered under Condition 11.11;

"**Holder Representative Veto Notice**" has the meaning given in Condition 11.11;

"**Holder Representative Veto Right**" has the meaning given in Condition 11.11;

"**I Director**" has the meaning given in the Articles;

"**IC Committee**" has the meaning given in Condition 15.1;

"**Independent Directors**" means the two directors on the Board that are independent of:

- (a) Liberty Media;
- (b) the Group (other than by virtue of their directorships);
- (c) the Noteholders as at the Original Issue Date and any subsequent Noteholders;
- (d) any current, past or future automotive race promoter from time to time; and
- (e) any current, past or future automotive race sponsors from time to time.

"**Interest Date**" has the meaning given in Condition 1.1;

"**Interest Period**" has the meaning given in Condition 1.1;

"**Law**" means any applicable law, statute, constitution, principal of common law, ordinance, code, rule, regulation, ruling or other legal requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority;

"**Liberty Media**" means Liberty Media Corporation, a Delaware corporation, whose principal offices are at 12300 Liberty Boulevard, Englewood, Colorado 80112, USA;

"**Liberty Media Change of Control**" means:

- (a) any "person" or "group" (within the meaning of Section 13(d) of the Exchange Act), other than any Permitted Holder or any group controlled by Permitted Holders, becomes the Beneficial Owner of shares of one or more series of LMC Common Stock representing in the aggregate more than 50% of the voting power of Liberty Media represented by the outstanding shares of all series of LMC Common Stock; or

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- (b) any merger, consolidation or other business combination involving Liberty Media has occurred (each an **event**"), other than any event in which the holders of LMC Common Stock Beneficially Owning more than 50% of the voting power represented by the outstanding shares of LMC Common Stock immediately prior to such event, continue to Beneficially Own more than 50% of the voting power represented by all outstanding shares of all series of common equity of the continuing or surviving person immediately after such event;

"Liberty Media Purchaser" means Liberty GR Cayman Acquisition Company, an exempted company organized in the Cayman Islands and an indirect wholly owned subsidiary of Liberty Media;

"Liberty Media Letter Agreement" means that certain letter agreement dated on or about the date of this Instrument between Liberty Media and the Company setting out Liberty Media's agreement with the Company with respect to the issuance of shares of LMG Series C Stock as required under and in accordance with this Instr t Li Li

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Stock may thereafter be changed (whether as a result of a recapitalisation, reorganisation, redemption, merger, consolidation, business combination, share exchange, stock dividend or other transaction or event);

"**Mandatory Exchange Notice**" has the meaning given in Condition 7.2(a);

"**Mandatory Redemption Notice**" has the meaning given in Condition 7.2(b);

"**Maturity Date**" means [] 20[]²;

"**Nasdaq**" means The Nasdaq Stock Market, and references thereto shall be deemed to include any other public stock market that is the primary trading market on which Liberty Media's equity securities may be listed (including, as applicable, for purposes of reference to the rules and regulations thereof);

"**Noteholder Affiliate**" means with respect to any Noteholder each Affiliate of such Noteholder, until such time as such person is not an Affiliate of the Noteholder;

"**Noteholder Change of Control**" means the occurrence of any of the following events with respect to a particular Noteholder:

- (a) the acquisition by any person or group (within the meaning of Section 13(d) of the Exchange Act), directly or indirectly, of the ownership or control (directly or indirectly) of more than 50% of the voting shares of Liberty Media.

"**SLEC Group Asset Transfer Agreement**" means the SLEC group asset transfer agreement relating to the transfer of commercial assets in the FIA Formula One World Championship and for the acquisition of shares in Formula One Administration Limited and Formula One Licensing B.V., dated 24 April 2001, between SLEC Holdings Limited and FOAM (as such agreement may be amended from time to time in accordance with its terms);

"**Team Agreement**" means each of the agreements in force, as at the date of this Agreement, between FOWC, SLEC Holdings Limited and a 2012 Signatory Team (as defined therein) that governs that 2012 Signatory Team's participation in the FIA Formula One World Championship for the period from 1 January 2013 to 31 December 2020;

"**Team Shares**" means the three (3) redeemable ordinary shares of US\$0.01 in the Company, designated as the Team Shares, [not in issue as at the Original Issue Date]⁴;

"**Total PIK Principal Sum**" means, at any time, the total principal amount represented by all the issued and outstanding PIK Notes at that time;

"**Trading Day**" means any day (a) other than a Saturday, a Sunday, a day on which Nasdaq is not open for business, or a day on which Nasdaq is scheduled, as of the date hereof, to close prior to its normal weekday scheduled closing time and (b) during which trading of the LMG Series C Stock on Nasdaq has not been suspended for more than ninety (90) minutes;

"**Transfer**" means:

- (a) directly or indirectly, to transfer, sell, convey, assign, hypothecate, create a security interest in or Lien on, place in trust (voting or otherwise), transfer by operation of Law, hedge or pledge or in any other way subject to any encumbrance or dispose of, whether or not voluntarily, any Note or underlying LMG Series C Stock;
- (b) if a Noteholder dies or is bankrupt, such death or bankruptcy shall be deemed to be a Transfer of all the Notes held by the relevant Noteholder; and
- (c) if there is a Noteholder Change of Control with respect to a particular Noteholder, such Noteholder Change of Control shall be deemed to be a Transfer of all the Notes held by the relevant Noteholder,

and "**Transferred**" has a corresponding meaning;

"**Transfer Exchange Option**" has the meaning given in Condition 5.3;

"**Transfer Notice**" has the meaning given in Condition 4.1;

"**Transfer Purchase Option**" has the meaning given in Condition 5.1;

"**Umbrella Agreement**" means the umbrella agreement relating to the commercial development and regulation of the FIA Formula One World Championship, dated 24 April 2001, between the FIA (Switzerland), the FIA (France) and SLEC Holdings Limited (as such agreement may be amended from time to time in accordance with its terms); and

"**Veto Termination Date**" has the meaning given in Condition 11.11.

1.2 In this Instrument, unless the context otherwise requires:

- (a) references to a person shall, save where otherwise expressly defined, be construed so as to include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality);

⁴ To be confirmed immediately prior to Second Closing.

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- 1.6 A reference to this Instrument or to any other agreement or document referred to in this Instrument is a reference to this Instrument or such other agreement or document as varied or novated in accordance with their terms from time to time.
- 1.7 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.8 A reference in this Instrument to:
- (a) any Notes being outstanding means such Notes as are in issue, not redeemed, not exchanged and not cancelled at the relevant time;
 - (b) the assets of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
 - (c) indebtedness shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
 - (d) repayment includes redemption and vice versa and the words "repay", "redeem", "repayable", "redeemed" and "repaid" shall be construed accordingly; and
 - (e) tax shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).
- 1.9 Unless the context otherwise requires, a reference to the Notes includes a reference to all and/or any of the Notes.

2. AMOUNT AND DESCRIPTION

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the date of this instrument or issued after the date hereof; provided, however, that the Notes shall be senior in right of payment to any of the Company's indebtedness (other than the Backstop Loan Facility) that is held by or owed to Liberty Media or an Affiliate of Liberty Media (other than the Company and its subsidiary undertakings). The Company agrees that (1) it will not incur or guarantee any indebtedness (other than under the Backstop Loan Facility) that is held by or owed to Liberty Media or an Affiliate of Liberty Media (other than the Company and its subsidiary undertakings) unless such indebtedness is subordinated to the Notes on terms which are satisfactory to the Holder Representative acting reasonably (or which have been previously approved by the Holder Representative), (2) it will not incur or guarantee any secured indebtedness that is held by or owed to Liberty Media or an Affiliate of Liberty Media (other than the Company and its subsidiary undertakings) unless the Notes are secured on a basis that ranks senior to such indebtedness pursuant to terms which are satisfactory to the Holder Representative acting reasonably (or which have been previously approved by the Holder Representative) and (3) it will not permit any of its subsidiary undertakings to incur or guarantee any indebtedness that is held by or owed to Liberty Media or an Affiliate of Liberty Media (other than the Company and its subsidiary undertakings) unless such subsidiary undertakings also guarantee or become co-obligors under the Notes on a senior basis pursuant to terms which are satisfactory to the Holder Representative acting reasonably (or which have been previously approved by the Holder Representative) and such indebtedness of such subsidiary undertakings is subordinated to the Notes on terms which are satisfactory to the Holder Representative acting reasonably (or which have been previously approved by the Holder Representative).

4. REPAYMENT

- 4.1 The Company agrees that the Company is indebted to each Noteholder for the outstanding principal amount of the Notes held by that Noteholder plus all accrued and unpaid interest thereon.
- 4.2 The principal amount of the Notes (including any PIK Notes) plus all accrued and unpaid interest thereon shall be repaid in cash in U.S. dollars on the Maturity Date in accordance with Condition 2.1 if not already repaid in accordance with Condition 5.1, 6.2, or 7.2(b).
- 4.3 All Notes repaid pursuant to any of the provisions hereof shall be cancelled and shall not be re-issued.

5. INTEREST

Until the Notes are repaid by the Company or exchanged for shares of LMG Series C Stock, in each case in accordance with the provisions of this Instrument, interest shall accrue and be paid on the principal amount of the Notes outstanding at the rate and in the manner provided in Conditions 1 and 2.

6. CERTIFICATES

- 6.1 The Notes are constituted by this Instrument and the registration of Noteholders as holders of Notes in the Register. Title to them is conclusively evidenced for all purposes by the registration of Noteholders as holders of them in the Register. The Notes may only be transferred in accordance with the terms of the Conditions.
 - 6.2 Each Noteholder (or the joint holders of any Notes) shall be entitled to receive, without charge, one Certificate for the Notes registered in his (or its) names.
 - 6.3 The Certificates shall be issued and executed by the Company as a deed and shall be in the form or substantially the form set out in Sched ad
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**SCHEDULE 2
THE CONDITIONS**

GENERAL CONDITIONS



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- (b) if an Exchange Notice or Mandatory Exchange Notice or Mandatory Redemption Notice has been delivered in respect of such Notes; or
- (c) until the Company has exercised, or failed to exercise, the Transfer Purchase Option in respect of such Notes, if entitled to do so under Condition 5.1.

However, to the extent a proposed Transfer of Notes complies with the provisions contained herein, such Transfer shall be registered promptly by the Company in the Register.

- 4.8 No fee will be charged by the Company in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any Notes or otherwise for making any entry in the Register affecting title to any Notes; provided, however, that the Noteholder shall be responsible for paying any transfer or similar taxes to the appropriate governmental entity in connection with any such Transfer.
- 4.9 Upon the entry of the details for the transferee in the Register in respect of the Notes specified in the Transfer Notice:
- (a) the Notes specified in the Transfer Notice shall be transferred from the specified transferor to the specified transferee;
 - (b) the transferor shall cease to have the rights of a Noteholder in respect of the Notes so transferred by it;
 - (c) save to the extent that any Notes acquired pursuant to a Noteholder Transfer are expressly excluded herein, the transferee shall have the rights of a Noteholder in respect of the Notes so transferred to it as if the transferee had always been a Noteholder in respect of those Notes; and
 - (d) the Company must update the Register.

5. Transfer Purchase Option and Transfer Exchange Option

- 5.1 In connection with any purported Transfer (other than a Permitted Transfer or a Noteholder Transfer) the Company will have the option (the **Transfer Purchase Option**) to redeem such Notes at a price, payable in cash in US dollars, equal to:
- (a) the principal amount of the Notes to be Transferred plus all accrued and unpaid interest thereon divided by the Exchange Price;
- multiplied by:
- (b) the LMCK VWAP over the five (5) consecutive Trading Days ending on the Trading Day immediately prior to the date of delivery of the Transfer Notice pursuant to Condition 4.1.
- 5.2 Within four (4) Business Days of the date of delivery of the Transfer Notice, the Company shall notify the applicable Noteholder, with a copy to the Holder Representative, if it wishes to exercise the Transfer Purchase Option.
- 5.3 If the Company exercises the Transfer Purchase Option, such redemption and payment shall occur no later than three (3) Business Days after the Company's notice to the Noteholder that it is exercising the Transfer Purchase Option.
- 5.4 If the Company does not duly notify the Noteholder within four (4) Business Days of the date of delivery of the Transfer Notice that it wishes to exercise the Transfer Purchase Option, then the Notes to be Transferred shall be exchanged with the Company in accordance with the terms of this

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Instrument and the Liberty Media Letter Agreement immediately prior to such Transfer (as reflected in the Transfer Notice), for a number of shares of LMG Series C Stock equal to:

(a) the principal amount of the Notes to be transferred, plus all accrued and unpaid interest thereon;

divided by:

(b) the Exchange Price,

(the "**Transfer Exchange Option**").

6. Exchange at the option of the Noteholder

6.1 At any time any Noteholder has the right to deliver an Exchange Notice to the Company (with a copy to the Holder Representative) to require the exchange of any or all of the Notes held by such Noteholder for a number of fully paid shares of LMG Series C Stock equal to:

(a) the principal amount of the Notes being exchanged, plus accrued and unpaid interest thereon;

divided by:

(b) the Exchange Price.

6.2 Within three (3) Business Days of receipt of an Exchange Notice, the Company will have the right to redeem the Notes that are the subject of the Exchange Notice by paying to or for the benefit of the relevant Noteholder an amount in cash in US dollars equal to:

(a) the number of shares of LMG Series C Stock calculated in accordance with Condition 6.1;

multiplied by:

(b) the LMCK VWAP over the five (5) consecutive Trading Days ending on the Trading Day immediately prior to delivery of the Exchange Notice,

(the "**Exchange Cash Election**") and, if the Company duly exercises the Exchange Cash Election by making such payment, the Noteholder shall have no right to be issued any shares of LMG Series C Stock as a result of the delivery of the relevant Exchange Notice.

6.3 If the Company does not duly exercise the Exchange Cash Election within three (3) Business Days of receipt of an Exchange Notice, the exchange process set out in Condition 8 shall apply.

6.4 Notwithstanding Sections 5, 6.1 - 6.3 and 7 herein, any Noteholder or group of Noteholders may provide notice in writing to the Company of its intention to sell some or all of the LMG Series C Stock issuable upon exchange of the Notes specified in such notice in an underwritten offering (an "**Offering Exchange Notice**") and requesting that the Company waive its right to redeem such Notes pursuant to an Exchange Cash Election, Transfer Purchase Option or Mandatory Redemption Notice, if applicable. The Company shall within three (3) Business Days inform such Noteholder(s) in writing whether it elects to provide such a waiver. If the Company provides a waiver, such Noteholder(s) may within thirty (30) Business Days of the date of the waiver provide an Exchange Notice to the Company in connection with an underwritten offering which includes the LMG Series C Stock issuable upon exchange of the Notes specified in the Offering Exchange Notice, and in the event of any such underwritten offering the Company shall cause such LMG Series C Stock in respect of such Notes to be issued by no later than the Exchange Date in order to facilitate the timely consummation of such offering.

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the Exchange Date and shall carry the right to receive all dividends and other distributions declared on such shares of LMG Series C Stock after the Exchange Date.

8.4 If, after the Date of this Instrument, Liberty Media (a) subdivides the shares of LMG Series C Stock into a greater number of shares of LMG Series C Stock (by stock dividend, stock split, reclassification, or otherwise), (b) combines the outstanding shares of LMG Series C Stock into a smaller number of shares of LMG Series C Stock (by reverse stock split, reclassification, or otherwise) or (c) if the IC Committee determines, in good faith, that any stock dividend, extraordinary cash dividend, distribution, reclassification, recapitalization, reorganization, stock redemption, split-up, spin-off, merger, consolidation, binding share exchange, combination, exchange of shares, warrants, options or rights offering to purchase LMG Series C Stock, tender offer, exchange offer or other similar corporate event affects the LMG Series C Stock such that an adjustment is required to preserve the economic benefit intended to be made available to Noteholders with respect to an exchange of Notes, then, in each case, the IC Committee shall make such adjustments (on a customary weighted average anti-dilutive basis, where applicable) to the Exchange Price, in such manner as the IC Committee, in its good faith discretion, deems equitable and appropriate.

8.5 In the event of a tender offer for the shares of LMG Series C Stock, the IC Committee shall determine whether the tender offer is a "qualified tender offer" as defined in the Instrument. If the tender offer is a "qualified tender offer," the IC Committee shall determine whether the tender offer is a "qualified tender offer" as defined in the Instrument. If the tender offer is a "qualified tender offer," the IC Committee shall determine whether the tender offer is a "qualified tender offer" as defined in the Instrument.



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(b) if no date is



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Liberty Media that is wholly attributed to LMG or any sale or transfer of shares or other Securities

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(ii) provide a list of alternative persons (in order of preference) to serve in such role (provided, that such list shall not exceed ten persons) to the extent that the then-designee resigns, dies, becomes disabled or is removed for incompetence or gross misconduct or other reasonable cause justifiable under applicable Law before such fifth anniversary. Each such Noteholder designee, prior to being elected to the Board, shall execute a resignation letter, in a form reasonably acceptable to the Company, subject to applicable Law, effective as of the fifth anniversary of the Original Issuance of the I maserv^e

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such Noteholder(s) shall procure the resignation of its Director Designee without any claim by the Director Designee against the Company for damages or compensation for loss of office.

- 12.3 The Articles provide that the Company shall have the right to remove a Director Designee on the death, retirement or incapacity of that Director Designee, or for "cause" under applicable Law.
- 12.4 The Articles provide that to the extent a Director Designee designated pursuant to Condition 12.1(a) is removed in accordance with Condition 12.3 or otherwise, then the replacement Director Designee shall be from (and in accordance with the order of priority set out in) the list of alternate Director Designees nominated by the applicable Noteholder Group and referred to in Condition 12.1(a)(ii), to the extent such person(s) remain willing and able to act as a Director Designee (and if such person(s) are not so willing and able, the next replacement set forth in such list of alternative Director Designees).
- 12.5 The Articles provide that until CVC Fund IV ceases to Own (together with the other members of its Noteholder Group) Notes (including PIK Notes and excluding any Notes acquired pursuant to a Noteholder Transfer) representing at least 15% in principal amount of the total principal amount of the Notes issued on the Original Issue Date, together with the total principal amount of PIK Notes (or if sooner, the Maturity Date), CVC Fund IV will have joint rights of selection and approval with the ~~subsidiary holding(s) of Liberty Media that own(s) PIK~~ ordinary shares in the Company over the appointment of the Independent Directors.
- 12.6 The Articles provide that until the Maturity Date the following transactions or actions will be reviewed by the Board before the taking of any action with respect thereto:
- (a) the incurrence of additional debt, or changes to financing strategy, provided that the foregoing will not be applicable to the incurrence of intercompany debt ~~between~~ (i) Liberty Media and/or any subsidiary undertakings of Liberty Media (other than the Company and the Group Companies) and (ii) the Company or any other Group Company (as long as any such transactions are in accordance with the 5-year Business Plan);
 - (b) the commencement or settlement of material litigation by the Company or any other Group Company; and
 - (c) ~~any~~ ~~licen~~ ~~n~~ ~~pra~~ d
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**SCHEDULE 3
THE IC COMMITTEE**

1. The IC Commit



