

SCHEDULE 13D/A*

UNDER THE SECURITIES EXCHANGE ACT OF 1934
IAC/INTERACTIVECORP
(NAME OF ISSUER)

COMMON STOCK, PAR VALUE \$.001 PER SHARE
(TITLE OF CLASS OF SECURITIES)

44919P300
(CUSIP NUMBER)

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LIBERTY MEDIA CORPORATION
12300 LIBERTY BOULEVARD
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51 WEST 52ND STREET
NEW YORK, NEW YORK 10019
(212) 403-1000

(Name, Address and Telephone Number of Persons Authorized to receive Notices
and Communications)

AUGUST 9, 2005
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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* NOTE: This statement constitutes Amendment No. 17 of the Report on Schedule 13D of the reporting group consisting of Liberty Media Corporation, Barry Diller and the BDTV Entities. This statement also constitutes Amendment No. 12 of a Report on Schedule 13D of Liberty Media Corporation, Amendment No. 27 of a Report on Schedule 13D of Barry Diller, Amendment No. 22 of a Report on Schedule 13D of BDTV INC., Amendment No. 21 of a Report on Schedule 13D of BDTV II INC., Amendment No. 18 of a Report on Schedule 13D of BDTV III INC. and Amendment No. 17 of a Report on Schedule 13D of BDTV IV INC.

2 of 20

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
LIBERTY MEDIA CORPORATION

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
NOT APPLICABLE

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE ORGANIZATION
DELAWARE

7 SOLE VOTING POWER
NONE; SEE ITEM 5
NUMBER OF
SHARES 8 SHARED VOTING POWER
90,074,192 SHARES
BENEFICIALLY

OWNED BY 9 SOLE DISPOSITIVE POWER
NONE; SEE ITEM 5

EACH

REPORTING 10 SHARED DISPOSITIVE POWER
90,074,192 SHARES

PERSON WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON
90,074,192 SHARES

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES |X|
EXCLUDES SHARES BENEFICIALLY OWNED BY THE
EXECUTIVE OFFICERS AND DIRECTORS OF LIBERTY AND
SHARES BENEFICIALLY OWNED BY DIANE VON
FURSTENBERG, MR. DILLER'S SPOUSE.

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
25.4%.
ASSUMES (1) CONVERSION OF ALL SHARES OF CLASS B
COMMON STOCK BENEFICIALLY OWNED BY THE REPORTING
PERSONS INTO SHARES OF COMMON STOCK, AND (2) THE
EXERCISE OF OPTIONS TO PURCHASE 19,027,097 SHARES
OF COMMON STOCK WHICH ARE CURRENTLY EXERCISABLE BY
MR. DILLER. BECAUSE EACH SHARE OF CLASS B COMMON
STOCK GENERALLY IS ENTITLED TO TEN VOTES PER SHARE
AND EACH SHARE OF COMMON STOCK IS ENTITLED TO ONE
VOTE PER SHARE, THE REPORTING PERSONS MAY BE
DEEMED TO BENEFICIALLY OWN EQUITY SECURITIES OF
THE COMPANY REPRESENTING APPROXIMATELY 54.7% OF
THE VOTING POWER OF THE COMPANY. SEE ITEM 5.

14 TYPE OF REPORTING PERSON
CO

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS BARRY DILLER
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS NOT APPLICABLE
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE ORGANIZATION UNITED STATES
7	SOLE VOTING POWER NONE; SEE ITEM 5
8	SHARED VOTING POWER 90,074,192 SHARES
9	SOLE DISPOSITIVE POWER NONE; SEE ITEM 5
10	SHARED DISPOSITIVE POWER 90,074,192 SHARES
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 90,074,192 SHARES
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input checked="" type="checkbox"/> EXCLUDES SHARES BENEFICIALLY OWNED BY THE EXECUTIVE OFFICERS AND DIRECTORS OF LIBERTY AND SHARES BENEFICIALLY OWNED BY DIANE VON FURSTENBERG, MR. DILLER'S SPOUSE.
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14	TYPE OF REPORTING PERSON IN

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
BDTV INC.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
NOT APPLICABLE

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PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE ORGANIZATION
DELAWARE

7 SOLE VOTING POWER
NONE; SEE ITEM 5

NUMBER OF

SHARES 8 SHARED VOTING POWER
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BENEFICIALLY

OWNED BY 9 SOLE DISPOSITIVE POWER
NONE; SEE ITEM 5

EACH

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90,074,192 SHARES

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PERSON
90,074,192 SHARES

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THE VOTING POWER OF THE COMPANY. SEE ITEM 5.

14 TYPE OF REPORTING PERSON
CO

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS BDTV II INC.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS NOT APPLICABLE
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE ORGANIZATION DELAWARE
7	SOLE VOTING POWER NONE; SEE ITEM 5
8	SHARED VOTING POWER 90,074,192 SHARES
9	SOLE DISPOSITIVE POWER NONE; SEE ITEM 5
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14	TYPE OF REPORTING PERSON CO

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2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS NOT APPLICABLE
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE ORGANIZATION DELAWARE
7	SOLE VOTING POWER NONE; SEE ITEM 5
8	SHARED VOTING POWER 90,074,192 SHARES
9	SOLE DISPOSITIVE POWER NONE; SEE ITEM 5
10	SHARED DISPOSITIVE POWER 90,074,192 SHARES
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 90,074,192 SHARES
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14	TYPE OF REPORTING PERSON CO

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D/A

STATEMENT OF

LIBERTY MEDIA CORPORATION,
BARRY DILLER,
BDTV INC.,
BDTV II INC.,
BDTV III INC.
AND
BDTV IV INC.

Pursuant to Section 13(d) of the Securities Exchange Act of 1934 in respect of

IAC/INTERACTIVECORP

This Report on Schedule 13D relates to the common stock, par value \$.001 per share (the "Common Stock"), of IAC/InterActiveCorp, a Delaware corporation ("IAC" or the "Company"). The Reports on Schedule 13D, as amended and supplemented, originally filed with the Commission by (i) the reporting group (the "Reporting Group") consisting of Liberty Media Corporation, a Delaware corporation ("Liberty"), Mr. Barry Diller, BDTV INC., a Delaware corporation ("BDTV"), BDTV II INC., a Delaware corporation ("BDTV II"), BDTV III INC., a Delaware corporation ("BDTV III"), and BDTV IV INC., a Delaware corporation ("BDTV IV") (each, a "Reporting Person"), on February 24, 1998 (the "Reporting Group Schedule 13D"), (ii) Liberty on July 19, 1999 (the "Liberty Schedule 13D"), (iii) Mr. Diller on August 29, 1995 (the "Diller Schedule 13D"), (iv) BDTV on August 16, 1996 (the "BDTV Schedule 13D"), (v) BDTV II on December 24, 1996 (the "BDTV II Schedule 13D"), (vi) BDTV III on July 28, 1997 (the "BDTV III Schedule 13D"), (vii) BDTV IV on February 24, 1998 (the "BDTV IV Schedule 13D") are each hereby amended and supplemented to include the information set forth herein. This amended statement on Schedule 13D/A (this "Amendment") constitutes Amendment No. 17 to the Reporting Group Schedule 13D, Amendment No. 12 to the Liberty Schedule 13D, Amendment No. 27 to the Barry Diller Schedule 13D, Amendment No. 22 to the BDTV Schedule 13D, Amendment No. 21 to the BDTV II Schedule 13D, Amendment No. 18 to the BDTV III Schedule 13D and Amendment No. 17 to the BDTV IV Schedule 13D. The Reporting Group Schedule 13D, the Liberty Schedule 13D, the Diller Schedule 13D, the BDTV Schedule 13D, the BDTV II Schedule 13D, the BDTV III Schedule 13D and the BDTV IV Schedule 13D (each, as amended) are collectively referred to as the "Schedule 13D." Capitalized terms not defined herein have the meanings given to such terms in the prior Reports on Schedule 13D referred to in this paragraph.

Information contained herein with respect to each Reporting Person and its executive officers, directors and controlling persons is given solely by such Reporting Person, and no other Reporting Person has responsibility for the accuracy or completeness of information supplied by such other Reporting Person.

ITEM 2. IDENTITY AND BACKGROUND

The information contained in Item 2 of the Schedule 13D is hereby amended and supplemented by adding the following information:

Liberty is a holding company which, through its ownership of interests in subsidiaries and other companies, is primarily engaged in the electronic retailing, media, communications and entertainment industries in the United States, Europe and Asia.

Schedule 3 attached hereto is incorporated herein by reference and amends and restates Schedule 3 of the Schedule 13D in its entirety.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

The information contained in Items 5 and 6 of this Amendment is hereby incorporated by reference herein.

ITEM 4. PURPOSE OF THE TRANSACTION

The information contained in Item 4 of the Schedule 13D is hereby amended and supplemented by adding the following information:

Depending on market conditions and other factors, and subject to any restrictions described in Items 5 and 6 or contained in the agreements attached as Exhibits to this Amendment or as previously filed as exhibits to the Schedule 13D, the Reporting Persons or their respective subsidiaries may purchase additional shares of Common Stock in the open market or in private transactions. Alternatively, depending on market conditions and other factors, and subject to any restrictions described in Items 5 or 6 or contained in the agreements attached as Exhibits to this Amendment or previously filed as exhibits to the Schedule 13D, the Reporting Persons or their respective subsidiaries may sell all or some of their shares of Common Stock (including, in the case of Liberty, (i) its interest in the BDTV Entities and (ii) in connection with certain hedging transactions it may engage in as described in Item 6, in each case, subject to certain specified limitations).

Subject to the foregoing and except as described in Items 5 and 6 or contained in the agreements attached as Exhibits to this Amendment or previously filed as exhibits to the Schedule 13D, (i) Liberty does not have and, to the best of Liberty's knowledge, none of its directors or officers have, any plans or proposals that relate to or would result in any of the actions set forth in clauses (a) through (j) of Item 4, and (ii) neither Barry Diller, nor any of the BDTV Entities, nor any of the directors or officers of any of the BDTV Entities, have any plans or proposals that relate to or would result in any of the actions set forth in clauses (a) through (j) of Item 4, except that, in the case of Mr. Diller, Mr. Diller may dispose of shares of Common Stock to satisfy the exercise price and tax withholding obligations in connection with the exercise of employee stock options.

The information contained in Items 5 and 6 of this Amendment is hereby incorporated by reference herein.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

The information contained in Item 5 of the Schedule 13D is hereby amended and supplemented by adding the following information:

On June 7, 2005, IAC announced that it had sold its common and preferred interests in Vivendi Universal Entertainment LLLP ("VUE") to NBC Universal, Inc. ("NBCU") in exchange for approximately \$3.4 billion in aggregate consideration, including 43,181,308 shares of Common Stock formerly held by NBCU and 13,430,000 shares of Class B Common Stock formerly held by NBCU (the "Share Exchange"). Prior to the completion of the Share Exchange, Mr. Diller held an irrevocable proxy granted by NBCU, pursuant to which Mr. Diller had the right to vote the shares of Common Stock and Class B Common Stock held by NBCU.

On August 9, 2005, IAC announced that it completed (i) a one-for-two reverse stock split and (ii) a spin-off to its stockholders of Expedia, Inc., a Delaware corporation ("Expedia"), following which Expedia became an independent public company (the "Spin-off Transactions," and together with the Share Exchange, the "Transactions"). In connection with the Spin-off Transactions, IAC reclassified its shares of Common Stock and Class B Common Stock by changing the per share par value of each class from \$.01 to \$.001.

On August 4, 2005, Mr. Diller exercised options to acquire 3,791,694 shares of Common Stock at an exercise price of \$5.66 per share. In connection with the foregoing stock option exercise, IAC withheld 819,212 shares of Common Stock to cover the payment of the aggregate exercise price and IAC withheld 1,479,859 shares of IAC Common Stock for payment of aggregate taxes due, such withheld shares of Common Stock having a fair market value of \$26.18 per share.

After giving effect to the Transactions and the exercise of options by Mr. Diller described above, the members of the Reporting Group beneficially own 64,474,194 shares of Common Stock (assuming the exercise of options to purchase 19,027,097 shares of Common Stock which are currently exercisable by Mr. Diller) and 25,599,998 shares of Class B Common Stock, which shares constitute 19.6% of the outstanding shares of Common Stock and 100% of the outstanding shares of Class B Common Stock. Assuming the conversion of all of the Reporting Group's shares of Class B Common Stock into Common Stock, the Reporting Group would beneficially own 25.4% of the outstanding Common Stock (calculated in accordance with Rule 13d-3). Because each share of Class B Common Stock generally is entitled to ten votes per share, each share of Common Stock is entitled to one vote per share and each share of outstanding preferred stock is entitled to two votes per share, the Reporting Persons may be deemed to beneficially own equity securities of the Company representing approximately 54.7% of the voting power of the Company. The foregoing beneficial ownership amounts exclude shares of Common Stock beneficially owned by the executive officers and directors of Liberty and shares of Common Stock beneficially owned by Diane Von Furstenberg, Mr. Diller's spouse, as to which Mr. Diller disclaims beneficial ownership. The foregoing beneficial ownership amounts are based on there being outstanding as of the close of business on August 9, 2005 310,376,215 shares of Common Stock, 25,599,998 shares of Class B Common Stock and 846 shares of preferred stock, which share numbers were provided to the Reporting Group by the Company. Mr. Diller continues to hold an irrevocable proxy granted by Liberty, pursuant to which Mr. Diller has the right to vote the Company's securities held by Liberty and its affiliates, subject to certain limitations.

The information contained in Item 6 of this Amendment is hereby incorporated by reference herein.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS, OR RELATIONSHIPS WITH RESPECT TO THE SECURITIES OF THE ISSUER

The information contained in Item 6 of the Schedule 13D is hereby amended and supplemented by adding the following information:

On August 9, 2005, in connection with the Spin-off Transactions, IAC entered into an Amended and Restated Governance Agreement with Liberty and Mr. Diller (the "Governance Agreement").

On August 9, 2005, Liberty and Mr. Diller entered into an Amended and Restated Stockholders Agreement (the "Stockholders Agreement," together with the "Governance Agreement," the "Agreements").

The following is a summary of the terms of the Agreements. The following descriptions do not purport to cover all the provisions of the Agreements, are qualified in their entirety by reference to the Agreements, which are filed as Exhibits 54 and 55 hereto, and are incorporated into this Amendment by reference.

The information contained in Item 5 of this Amendment is hereby incorporated by reference herein.

THE GOVERNANCE AGREEMENT

REPRESENTATION OF LIBERTY ON THE IAC BOARD OF DIRECTORS

Under the terms of the Governance Agreement:

- o Liberty has the right to nominate up to two directors of IAC so long as Liberty beneficially owns at least 33,651,963 equity securities of IAC (so long as Liberty's ownership percentage is at least equal to 15% of the total equity securities of IAC);
- o Liberty has the right to nominate one director of IAC so long as Liberty beneficially owns at least 22,434,642 equity securities of IAC (so long as Liberty owns at least 5% of the total equity securities of IAC); and

- o IAC will use its reasonable best efforts to cause one of Liberty's designees to be a member of a committee of the board of directors of IAC and, to the extent the person designated by Liberty would qualify as a member of the compensation committee of the board of directors of IAC under applicable tax and securities laws and regulations, IAC will seek to have that person appointed to the compensation committee of IAC.

Pursuant to the terms of the Governance Agreement, IAC will cause each director that Liberty nominates to be included in the slate of nominees recommended by the Board of Directors of IAC to the stockholders of IAC for election as directors at each annual meeting of the stockholders of IAC and will use all reasonable efforts to cause the election of each such director including soliciting proxies in favor of the election of such persons. Liberty has the right to designate a replacement director to the board of IAC in order to fill any vacancy of a director previously designated by Liberty.

CONTINGENT MATTERS

The Governance Agreement lists certain actions that require the prior consent of Liberty and Mr. Diller before IAC can take any such action.

For so long as:

- o in the case of Liberty, Liberty owns at least 29,912,856 equity securities and at least 5% of the total equity securities of IAC (the "Liberty Condition"); and
- o in the case of Mr. Diller, he owns at least 5,000,000 common shares (including options to purchase common shares, whether or not then exercisable), continues to serve as chief executive officer at IAC and has not become disabled (the "Diller Condition," and together with the Liberty Condition, the "Consent Conditions"),

IAC has agreed that, without the prior approval of Liberty and/or Mr. Diller, as applicable, it will not engage in any transaction that would result in Liberty or Mr. Diller having to divest any part of their interests in IAC or any other material assets, or that would render any such ownership illegal or would subject Mr. Diller or Liberty to any fines, penalties or material additional restrictions or limitations.

In addition, for so long as the Consent Conditions apply, if IAC's "total debt ratio" (as defined in the Governance Agreement) equals or exceeds 4:1 over a twelve-month period, IAC may not take any of the following actions without the prior approval of Liberty and/or Mr. Diller:

- o acquire or dispose of any assets, issue any debt or equity securities, repurchase any debt or equity securities, or incur indebtedness, if the aggregate value of such transaction or transactions (alone or in combination) during any six month period equals 10% or more of IAC's market capitalization;
- o voluntarily commence any liquidation, dissolution or winding up of IAC or any material subsidiary of IAC;
- o make any material amendments to the certificate of incorporation or bylaws of IAC;
- o engage in any line of business other than media, communications and entertainment products, services and programming, and electronic retailing, or other businesses engaged in by IAC as of the date of determination;
- o adopt any stockholder rights plan that would adversely affect Liberty or Mr. Diller, as applicable; or
- o grant additional consent rights to a stockholder of IAC.

PREEMPTIVE RIGHTS

In the event that IAC issues or proposes to issue any shares of Common Stock or Class B Common Stock (with certain limited exceptions) including shares issued upon exercise, conversion or exchange of options, warrants and convertible securities, Liberty will have preemptive rights that entitle it to purchase a number of common shares so that Liberty will maintain the identical ownership interest in IAC (subject to certain adjustments) that Liberty had immediately prior to such issuance or proposed issuance (but not in excess of a specified percentage). Any purchase by Liberty will be allocated between Common Stock and Class B Common Stock in the same proportion as the issuance or issuances giving rise to the preemptive right, except to the extent that Liberty opts to acquire shares of Common Stock in lieu of shares of Class B Common Stock.

REGISTRATION RIGHTS

Liberty and Mr. Diller are entitled to customary, transferable registration rights with respect to Common Stock owned by them. Liberty is entitled to four demand registration rights and Mr. Diller is entitled to three demand registration rights. IAC will pay the costs associated with such registrations (other than underwriting discounts, fees and commissions). IAC will not be required to register shares of its Common Stock if a stockholder could sell the shares in the quantities proposed to be sold at such time in one transaction under Rule 144 of the Securities Act or under another comparable exemption from registration.

TERMINATION

Generally, the Governance Agreement will terminate:

- o with respect to Liberty, at such time that Liberty beneficially owns equity securities representing less than 5% of the total equity securities of IAC; and
- o with respect to Mr. Diller, at the later of (1) the date Mr. Diller ceases to be the chief executive officer of IAC or becomes disabled and (2) the date Mr. Diller no longer holds a proxy to vote the shares of Liberty (as described below).

THE STOCKHOLDERS AGREEMENT

GENERAL

Mr. Diller holds an irrevocable proxy with respect to all securities of IAC beneficially owned by Liberty on all matters submitted to a stockholder vote or by which the stockholders may act by written consent, except for Contingent Matters with respect to which Liberty has not consented, so long as Mr. Diller continues to own at least 5,000,000 common shares (including options). The proxy will generally remain in effect until the earlier of (1) Mr. Diller no longer serving as chief executive officer of IAC and (2) Mr. Diller becoming disabled. Under certain limited circumstances, including a breach by Mr. Diller of certain provisions of the applicable agreement, the proxy may terminate sooner. In addition, the Stockholders Agreement provides for the suspension of the proxy if Mr. Diller cannot vote due to mental or physical disability.

Liberty and Mr. Diller will vote against any Contingent Matter with respect to IAC if Mr. Diller and Liberty do not approve the Contingent Matter (and continue to have veto rights with respect to the Contingent Matter under the Governance Agreement). Mr. Diller will also vote all securities of IAC over which he has voting control in favor of the Liberty designees to the board of directors of IAC.

RESTRICTIONS ON TRANSFERS

Until the later of (1) the date Mr. Diller no longer serves as chief executive officer of IAC and (2) the date Mr. Diller no longer holds the proxy to vote Liberty's shares of IAC described above (or upon Mr. Diller becoming disabled, if that occurs first), and subject to the other provisions of the Stockholders Agreement, neither Liberty nor Mr. Diller can transfer shares of Common Stock or Class B Common Stock, other than:

- o transfers by Mr. Diller to pay taxes relating to the granting, vesting and/or exercise of stock options to purchase Common Stock of IAC;
- o transfers to each party's respective affiliates;
- o pledges relating to financings, subject to certain conditions; and
- o transfers of options or Common Stock in connection with "cashless exercises" of Mr. Diller's options to purchase shares of Common Stock.

The restrictions on transfer are subject to a number of exceptions (which exceptions are generally subject to the rights of first refusal described below):

- o either of Liberty or Mr. Diller may transfer common shares to an unaffiliated third party, subject to tag-along rights described below;
- o either of Liberty or Mr. Diller may transfer common shares so long as, in the case of Mr. Diller, he continues to beneficially own at least 2,200,000 common shares (including stock options) and, in the case of Liberty, Liberty continues to beneficially own 2,000,000 common shares, and in the case of a transfer of an interest in, or of any of the common shares held by, specified entities referred to as the "BDTV Limited Entities," after such transfer, Liberty and Mr. Diller collectively control at least 50.1% of the total voting power of IAC; and
- o either of Liberty or Mr. Diller may transfer common shares so long as the transfer complies with the requirements of Rule 144 or Rule 145 under the Securities Act, and, in the case of a transfer of an interest in, or of any of the common shares held by, the BDTV Limited Entities, after such transfer, Liberty and Mr. Diller collectively control at least 50.1% of the total voting power of IAC.

TAG-ALONG RIGHTS

Each of Mr. Diller and Liberty will be entitled to a right to "tag-along" (i.e., participate on a pro rata basis) on sales by the other of common shares to any third party. Liberty will not have a tag-along right in the event of:

- o sales by Mr. Diller of up to 2,000,000 common shares within any rolling twelve-month period;
- o transfers by Mr. Diller to pay taxes relating to the granting, vesting and/or exercise of stock options to purchase shares of Common Stock or transfers in connection with "cashless exercises" of Mr. Diller's options to purchase shares of Common Stock;
- o specified "brokers' transactions," as defined under the Securities Act, which we refer to as "market sales;" or
- o generally, when Mr. Diller no longer serves as chief executive officer of IAC.

Mr. Diller will not have a tag-along right with respect to hedging transactions and stock lending transactions related thereto effected by Liberty, in each case meeting certain requirements, or market sales by Liberty.

TRANSFERS OF SHARES OF CLASS B COMMON STOCK

Each of Mr. Diller and Liberty has a right of first refusal in the case of a proposed transfer by the other of shares of Class B Common Stock of IAC to a third party. If either Liberty or Mr. Diller proposes to transfer shares of Class B Common Stock, the other will be entitled to swap any shares of Common Stock it or he owns for

such shares of Class B Common Stock (subject to the rights of first refusal described above). To the extent there remain shares of Class B Common Stock that the selling stockholder would otherwise transfer to a third party, such shares must first be converted into shares of Common Stock. This restriction does not apply to, among other specified transfers, transfers among the parties and their affiliates.

TERMINATION

Mr. Diller's and Liberty's rights and obligations under the Stockholders Agreement generally terminate at such time as, in the case of Mr. Diller, he no longer beneficially owns at least 2,200,000 common shares (including stock options) and, in the case of Liberty, Liberty no longer beneficially owns at least 2,000,000 common shares. Liberty's tag-along rights and obligations terminate at such time as Liberty ceases to beneficially own at least 5% of the total equity securities of IAC. In calculating Liberty's beneficial ownership of common shares of IAC, Liberty will be deemed to own all common shares held by the BDTV Entities.

In addition, Mr. Diller's rights under the Stockholders Agreement will terminate upon the later of (1) the date Mr. Diller ceases to serve as chief executive officer of IAC or becomes disabled and (2) the date Mr. Diller no longer holds a proxy to vote the shares of IAC owned by Liberty.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

The information contained in Item 7 of the Schedule 13D is hereby amended and supplemented by adding the following information:

54. Amended and Restated Governance Agreement, by and among IAC/InterActiveCorp, a Delaware corporation, Liberty Media Corporation, a Delaware corporation and Mr. Barry Diller, dated as of August 9, 2005.
55. Amended and Restated Stockholders Agreement, by and between Liberty Media Corporation, a Delaware corporation, and Mr. Barry Diller, dated as of August 9, 2005.
56. Joint Filing Agreement, by and among Liberty Media Corporation, a Delaware corporation, Mr. Barry Diller, BDTV INC., a Delaware corporation, BDTV II INC., a Delaware corporation, BDTV III INC., a Delaware corporation, and BDTV IV INC., a Delaware corporation, dated as of August 19, 2005.

SIGNATURES

After reasonable inquiry and to the best of his or her knowledge and belief, each of the undersigned certifies that the information in this statement is true, complete and correct.

Dated: August 19, 2005

LIBERTY MEDIA CORPORATION

By: /s/ Charles Y. Tanabe

Name: Charles Y. Tanabe
Title: Senior Vice President

BARRY DILLER

By: /s/ Barry Diller

BDTV INC., BDTV II INC.,
BDTV III INC., BDTV IV INC.

By: /s/ Barry Diller

Name: Barry Diller
Title: President

INDEX TO EXHIBITS

1. Written Agreement between TCI and Mr. Diller regarding Joint Filing of Schedule 13D.*
2. Definitive Term Sheet regarding Stockholders Agreement, dated as of August 24, 1995, by and between Liberty Media Corporation and Mr. Diller.*
3. Definitive Term Sheet regarding Equity Compensation Agreement, dated as of August 24, 1995, by and between the Company and Mr. Diller.*
4. Press Release issued by the Company and Mr. Diller, dated August 25, 1995.*
5. Letter Agreement, dated November 13, 1995, by and between Liberty Media Corporation and Mr. Diller.*
6. Letter Agreement, dated November 16, 1995, by and between Liberty Media Corporation and Mr. Diller.*
7. First Amendment to Stockholders Agreement, dated as of November 27, 1995, by and between Liberty Media Corporation and Mr. Diller.*
8. Agreement and Plan of Merger, dated as of November 27, 1995, by and among Silver Management Company, Liberty Program Investments, Inc., and Liberty HSN, Inc.*
9. Exchange Agreement, dated as of November 27, 1995, by and between Silver Management Company and Silver King Communications, Inc.*
10. Agreement and Plan of Merger, dated as of November 27, 1995, by and among Silver King Communications, Inc., Thames Acquisition Corp. and Savoy Pictures Entertainment, Inc.*
11. Voting Agreement, dated as of November 27, 1995, by and among Certain Stockholders of the Company and Savoy Pictures Entertainment, Inc.*
12. Letter Agreement, dated March 22, 1996, by and between Liberty Media Corporation and Barry Diller.*
13. In re Applications of Roy M. Speer and Silver Management Company, Federal Communications Commission Memorandum and Order, adopted March 6, 1996 and released March 11, 1996.*
14. In re Applications of Roy M. Speer and Silver Management Company, Request for Clarification of Silver Management Company, dated April 10, 1996.*
15. In re Applications of Roy M. Speer and Silver Management Company, Federal Communications Commission Memorandum Opinion and Order and Notice of Apparent Liability, adopted June 6, 1996 and released June 14, 1996.*
16. Amended and Restated Joint Filing Agreement of TCI, Mr. Diller and BDTV.*
17. Amended and Restated Certificate of Incorporation of BDTV INC.*
18. Press Release issued by the Company and Home Shopping Network, Inc., dated August 26, 1996.*
19. Agreement and Plan of Exchange and Merger, dated as of August 25, 1996, by and among the Company, Home Shopping Network, Inc., House Acquisition Corp., and Liberty HSN, Inc.*
20. Termination Agreement, dated as of August 25, 1996, among the Company, BDTV Inc., Liberty Program Investments, Inc., and Liberty HSN, Inc.*

21. Voting Agreement, dated as of August 25, 1996, by and among Certain Stockholders of Home Shopping Network, Inc. and the Company.*
22. Voting Agreement, dated as of August 25, 1996, by and among Barry Diller, Liberty Media Corporation, Arrow Holdings, LLC, BDTV Inc., and Home Shopping Network, Inc.*
23. Letter Agreement, dated as of August 25, 1996, by and between Liberty Media Corporation and Barry Diller.*
24. Second Amended and Restated Joint Filing Agreement by and between TCI, Mr. Diller, BDTV Inc. and BDTV II Inc.*
25. Stock Exchange Agreement, dated as of December 20, 1996, by and between the Company and Liberty HSN, Inc.*
26. Letter Agreement, dated as of February 3, 1997, by and between BDTV INC. and David Geffen.*
27. Stock Exchange Agreement, dated as of May 20, 1997, by and between HSN, Inc. and Mr. Allen.*
28. Stockholders Agreement, dated as of May 20, 1997, by and among, Mr. Diller, Mr. Allen and Liberty Media Corporation.*
29. Letter Agreement, dated as of May 20, 1997, by and between Mr. Diller and Liberty Media Corporation.*
30. Third Amended and Restated Joint Filing Agreement by and between TCI, Mr. Diller, BDTV Inc., BDTV II Inc. and BDTV III Inc.*
31. Certificate of Incorporation of BDTV III Inc.*
32. Investment Agreement among Universal Studios, Inc., HSN, Inc., Home Shopping Network, Inc. and Liberty Media Corporation, dated as of October 19, 1997 as amended and restated as of December 18, 1997.*
33. Governance Agreement among HSN, Inc., Universal Studios, Inc., Liberty Media Corporation and Barry Diller, dated as of October 19, 1997.*
34. Stockholders Agreement among Universal Studios, Inc., Liberty Media Corporation, Barry Diller, HSN, Inc. and The Seagram Company Ltd. dated as of October 19, 1997.*
35. Spinoff Agreement among Liberty Media Corporation, Universal Studios, Inc. and HSN, Inc. dated as of October 19, 1997.*
36. Exchange Agreement among HSN, Inc., Universal Studios, Inc. and Liberty Media Corporation, dated as of October 19, 1997.*
37. Amended and Restated LLC Operating Agreement of USANi LLC, by and among USA Networks, Inc., Home Shopping Network, Inc., Universal Studios, Inc., Liberty Media Corporation and Barry Diller, dated as of February 12, 1998.*
38. Letter Agreement between Liberty HSN, Inc. and HSN, Inc., dated as of October 19, 1997.*
39. Fourth Amended and Restated Joint Filing Agreement between Tele-Communications, Inc., Universal Studios, Inc., The Seagram Company Ltd. and Barry Diller, dated as of February 23, 1998.*
40. Certificate of Incorporation of BDTV IV INC.*

41. Fifth Amended and Restated Joint Filing Agreement by and among Tele-Communications, Inc., Liberty Media Corporation, Barry Diller, Universal Studios, Inc., The Seagram Company Ltd., BDTV INC., BDTV II INC., BDTV III INC. and BDTV IV INC, dated as of July 19, 1999.*
42. Sixth Amended and Restated Joint Filing Agreement by and among Liberty Media Corporation, Barry Diller, Universal Studios, Inc., The Seagram Company Ltd., Vivendi Universal, BDTV INC., BDTV II INC., BDTV III INC. and BDTV IV INC. dated as of June 22, 2001. *
43. Letter Agreement, dated July 15, 2001, by and among USA Networks, Inc., Barry Diller, Universal Studios, Inc. and Liberty Media Corporation.*
44. Amended and Restated Transaction Agreement, dated as of December 16, 2001, by and among Vivendi Universal, S.A., Universal Studios, Inc., USA Networks, Inc., USANI LLC, Liberty Media Corporation and Barry Diller.*
45. Agreement and Plan of Merger and Exchange, dated as of December 16, 2001, by and among Vivendi Universal, S.A., Universal Studios, Inc., Light France Acquisition 1, S.A.S., the Merger Subsidiaries listed on the signature page thereto, Liberty Media Corporation, Liberty Programming Company LLC, Liberty Programming France, Inc., LMC USA VI, Inc., LMC USA VII, Inc., LMC USA VIII, Inc., LMC USA X, Inc., Liberty HSN LLC Holdings, Inc., and the Liberty Holding entities listed on the signature page thereto.*
46. Amended and Restated Governance Agreement, dated as of December 16, 2001, by and among USA Networks, Inc., Universal Studios, Inc., Liberty Media Corporation, Barry Diller, and Vivendi Universal, S.A.*
47. Amended and Restated Stockholders Agreement, dated as of December 16, 2001, by and among Universal Studios, Inc., Liberty Media Corporation and Barry Diller.*
48. Amended and Restated Limited Liability Limited Partnership Agreement of Vivendi Universal Entertainment LLLP, dated as of May 7, 2002, by and among USI Entertainment Inc., USANI Holdings XX, Inc., Universal Pictures International Holdings BV, Universal Pictures International Holdings 2 BV, NYCSpirit Corp. II, USA Networks, Inc., USANI Sub LLC, New-U Studios Holdings, Inc. and Mr. Diller (including Amendment No. 1 thereto dated as of November 25, 2002).*
49. Equity Warrant Agreement, dated as of May 7, 2003, between USA Networks, Inc. and The Bank of New York, as equity warrant agent.*
50. Exchange Agreement by and among the Company, Liberty Media Corporation, Liberty HSN II, Inc. and Liberty HSN, Inc., dated as of June 27, 2002.*
51. Purchase Agreement, dated as of February 12, 2003, between Deutsche Bank AG and Vivendi Universal, S.A.*
52. Lock-Up Agreement, dated as of February 12, 2003, between Vivendi Universal, S.A. and Deutsche Bank Securities, Inc.*
53. Letter Agreement, dated March 31, 2003, from Vivendi Universal, S.A. and Universal Studios, Inc. to Barry Diller.*
54. Amended and Restated Governance Agreement, by and among IAC/InterActiveCorp, a Delaware corporation, Liberty Media Corporation, a Delaware corporation and Mr. Barry Diller, dated as of August 9, 2005.

55. Amended and Restated Stockholders Agreement, by and between Liberty Media Corporation, a Delaware corporation and Mr. Barry Diller, dated as of August 9, 2005.
56. Joint Filing Agreement, by and among Liberty Media Corporation, a Delaware corporation, Mr. Barry Diller, BDTV INC., a Delaware corporation, BDTV II INC., a Delaware corporation, BDTV III INC., a Delaware corporation, and BDTV IV INC., a Delaware corporation, dated as of August 19, 2005.

* Previously filed.

Schedule 3 of the Schedule 13D is hereby amended to read in its entirety as follows:

SCHEDULE 3

DIRECTORS AND EXECUTIVE OFFICERS OF LIBERTY MEDIA CORPORATION

The name and present principal occupation of each director and executive officer of Liberty Media Corporation are set forth below. Unless otherwise noted, the business address for each person listed below is c/o Liberty Media Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112. To the knowledge of Liberty Media Corporation, all executive officers and directors listed on this Schedule 3 are United States citizens, except for David J.A. Flowers, who is a Canadian citizen.

Name and Business Address (IF APPLICABLE)	PRINCIPAL OCCUPATION AND PRINCIPAL BUSINESS (IF APPLICABLE)
John C. Malone	Chief Executive Officer and Chairman of the Board and Director of Liberty
Robert R. Bennett	President and Director of Liberty
Donne F. Fisher 9781 Meridian Blvd., #200 Englewood, Colorado 80112	Director of Liberty; President of Fisher Capital Partners, Ltd.
Paul A. Gould 711 5th Avenue, 8th Floor New York, New York 10022	Director of Liberty; Managing Director of Allen & Company Incorporated
David E. Rapley	Director of Liberty
M. LaVoy Robison 1727 Tremont Place Denver, Colorado 80202	Director of Liberty; Executive Director and a Board Member of the Anschutz Foundation
Larry E. Romrell	Director of Liberty
David J.A. Flowers	Senior Vice President and Treasurer of Liberty
Albert E. Rosenthaler	Senior Vice President of Liberty
Christopher W. Shean	Senior Vice President and Controller of Liberty
Charles Y. Tanabe	Senior Vice President, General Counsel and Secretary of Liberty

AMENDED AND RESTATED
 GOVERNANCE AGREEMENT
 AMONG
 IAC/INTERACTIVECORP,
 LIBERTY MEDIA CORPORATION,
 AND
 BARRY DILLER
 DATED AS OF AUGUST 9, 2005

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AMENDED AND RESTATED GOVERNANCE AGREEMENT

Amended and Restated Governance Agreement, dated as of August 9, 2005, among IAC/InterActiveCorp, a Delaware corporation ("IAC," or the "COMPANY"), Liberty Media Corporation, for itself and on behalf of the members of its Stockholder Group ("LIBERTY") and Mr. Barry Diller ("MR. DILLER") for himself and on behalf of the members of his Stockholder Group.

WHEREAS, the parties hereto have agreed that the Company, Liberty and Mr. Diller shall enter into this Agreement in order to amend and restate in its entirety the respective rights and obligations of the parties set forth in the Amended and Restated Governance Agreement, dated as of December 16, 2001 (the "2001 GOVERNANCE AGREEMENT").

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

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

ARTICLE I

TRANSFEREES

No Third Party Transferee shall have any rights or obligations under this Agreement, except as specifically provided for in this Agreement and except that if such Third Party Transferee shall acquire Beneficial Ownership of more than 5% of the outstanding Total Equity Securities upon consummation of any Transfer or series of related Transfers from a Stockholder, to the extent such Stockholder has the right to Transfer a Demand Registration and assigns such right in connection with a Transfer, such Third Party Transferee shall have the right to initiate one or more Demand Registrations pursuant to Section 6.07 or any registration rights agreement that replaces or supersedes Section 6.07 (and shall be entitled to such other rights that a Stockholder would have applicable to such Demand Registration), subject to the obligations of such Stockholder applicable to such demand (and the number of Demand Registrations to which such Stockholder is entitled under Section 6.07 hereof shall be correspondingly decreased).

ARTICLE II

BOARD OF DIRECTORS AND RELATED MATTERS

Section 2.01. BOARD OF DIRECTORS.

(a) Liberty shall have the right to nominate up to two Liberty Directors so long as Liberty Beneficially Owns at least 33,651,963 Equity Securities (so long as the Ownership Percentage of Liberty is at least equal to 15% of the Total Equity Securities. Liberty shall have the right to nominate one Liberty Director so long as Liberty Beneficially Owns at least 22,434,642 Equity Securities (so long as Liberty's Ownership Percentage is at least equal to 5% of the Total Equity Securities).

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

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

(d) In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal (with or without cause) of any Liberty Director, Liberty shall have the right to designate a replacement Liberty Director to fill such vacancy, and the Company agrees to use its best efforts to cause such vacancy to be filled with the replacement Liberty Director so designated. Upon the written request of Liberty, each Stockholder shall vote (and cause each of the members of its Stockholder Group to vote, if applicable), or act by written consent with respect to, all Equity Securities Beneficially Owned by it and otherwise take or cause to be taken all actions necessary to remove the director designated by Liberty and to elect any replacement director designated by Liberty as provided in the first sentence of this Section 2.01(d). The parties hereto hereby acknowledge that as of the date of this Agreement there exist two vacancies with respect to which Liberty has the right to designate Liberty Directors in accordance with the terms of this Agreement and that, upon Liberty's designation of Liberty Directors to fill such vacancies, the Company will use its best efforts to cause such vacancies to be filled within a reasonable period of time by such Liberty Directors so designated.

Section 2.02. MANAGEMENT OF THE BUSINESS. Except as indicated in Section 2.03 below or as required by Delaware law or the Certificate of Incorporation of the Company and the By-Laws and the agreements contemplated thereby, Mr. Diller, so long as he is CEO and has not become Disabled, will continue to have full authority to operate the day-to-day business affairs of the Company to the same extent as prior to the date hereof. The Company shall use its reasonable best efforts to cause one Liberty Director designated by Liberty for such purpose to be appointed as a member of a committee of the Board of Directors and, to the extent such person qualifies under applicable law (including stock exchange or NASDAQ requirements, as applicable, and tax laws) and Section 16(b) under the Exchange Act or other similar requirements, all committees and subcommittees of the Board of Directors that make determinations relating to the compensation of executives of the Company.

Section 2.03. CONTINGENT MATTERS. So long as Liberty or Mr. Diller Beneficially Owns, in the case of Liberty, at least 29,912,856 Equity Securities (including all Equity Securities held by the BDTV Entities) (so long as such Ownership Percentage equals at least 5% of the Total Equity Securities), or, in the case of Mr. Diller, at least five million Company Common Shares with respect to which he has a pecuniary interest and the CEO Termination Date (as defined in the Amended and Restated Stockholders Agreement and not as defined in this Agreement) has not occurred and Mr. Diller has not become Disabled, neither the Company nor any Subsidiary

shall take any of the following actions (any such action, a "CONTINGENT MATTER") without the prior approval of Mr. Diller and/or Liberty, whichever (or both) satisfy the foregoing Beneficial Ownership requirements:

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

(b) if the Total Debt Ratio continuously equals or exceeds 4:1 over a twelve-month period, then, for so long as the Total Debt Ratio continues to equal or exceed 4:1:

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

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

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

(iv) engagement by the Company in any line of business other than media, communications and entertainment products, services and programming,

and electronic retailing and commerce, or other businesses engaged in by the Company as of the date of determination of the Total Debt Ratio;

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

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

Section 2.04. NOTICE OF EVENTS. In the event that (a) the Company intends to engage in a transaction of a type that is described in Section 2.03, and (b) the Company does not intend to seek consent from Liberty and/or Mr. Diller, whichever (or both) are required to consent to a Contingent Matter (a "CONSENTING PARTY") due to the Company's good faith belief that the specific provisions of Section 2.03 do not require such consent but that reasonable people acting in good faith could differ as to whether consent is required pursuant to such Section, the Company shall notify the Consenting Parties as to the material terms of the transaction (including the Company's estimate of the timing thereof) by written notice (including a statement of the Total Debt Ratio) delivered as far in advance of engaging in such transaction as is reasonably practicable unless such transaction was previously publicly disclosed.

ARTICLE III

PREEMPTIVE RIGHTS

Section 3.01. LIBERTY PREEMPTIVE RIGHTS. (a) In the event that after the date hereof, the Company issues or proposes to issue (other than to the Company and its Affiliates or Liberty and its Affiliates, and other than pursuant to an Excluded Issuance) any Company Common Shares (including Company Common Shares issued upon exercise, conversion or exchange of options, warrants and convertible securities (other than shares of Company Common Stock issued upon conversion of shares of Company Class B Stock) and such issuance, together with any prior issuances aggregating less than 1% with respect to which Liberty's preemptive right has not become exercisable (including issuances prior to the date hereof which would be included for purposes of calculating the 1% threshold that have not previously been taken into account in connection with the preemptive right last preceding the date of this Agreement pursuant to the 2001 Governance Agreement), shall be in excess of 1% of the total number of Company Common Shares outstanding after giving effect to such issuance (an "ADDITIONAL ISSUANCE"), the Company shall give written notice to Liberty not later than five business days after the issuance, specifying the number of Company Common Shares issued or to be issued and the Issue Price (if known) per share. Liberty shall have the right (but not the obligation) to purchase or cause one or more of the Liberty Holdcos to purchase for cash a number (but not less than such number) of Company Common Shares (allocated between Company Common Stock and Company Class B Stock in the same proportion as the issuance or issuances giving rise to the preemptive right hereunder, except to the extent that Liberty opts to receive Company Common Stock in lieu of

Company Class B Common Stock), so that Liberty and the Liberty Holdcos shall collectively maintain the identical percentage equity Beneficial Ownership interest in the Company that Liberty and the Liberty Holdcos collectively owned immediately prior to the notice from the Company to Liberty described in the first sentence of this paragraph (but not in excess of 20.01% of the outstanding Total Equity Securities) after giving effect to such Additional Issuance and to shares of Company Common Stock that are to be issued to Liberty and the Liberty Holdcos pursuant to this Section 3.01 by sending an irrevocable written notice to the Company not later than fifteen business days after receipt of such notice (or, if later, two business days following the determination of the Issue Price) from the Company that it elects to purchase or to cause one or more of the Liberty Holdcos to purchase all of such Company Common Shares (the "ADDITIONAL SHARES"). The closing of the purchase of Additional Shares shall be the later of ten business days after the delivery of the notice of election by Liberty and five business days after receipt of any necessary regulatory approvals.

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

Section 3.02. INVESTMENT AGREEMENT. Section 1.7 and Section 1.8 of the Investment Agreement shall be of no further force or effect and Liberty shall cease to have any preemptive rights with respect to Equity Securities, except as otherwise provided with respect to Liberty in Section 3.01 of this Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants to Mr. Diller and Liberty that (a) the Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to enter into this Agreement and to carry out its obligations hereunder, (b) the execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or any of the transactions contemplated hereby, (c) this Agreement has been duly executed and delivered by the Company and constitutes a valid and binding obligation of the Company, and, assuming this Agreement constitutes a valid and binding obligation of each Stockholder, is enforceable against the Company in accordance with its terms, (d) neither the execution, delivery or performance of this Agreement by the Company constitutes a breach or violation of or conflicts with the Company's Certificate of Incorporation or By-laws or any material agreement to which the Company is a party and (e) none of such material agreements would impair in any material respect the ability of the Company to perform its obligations hereunder.

Section 4.02. REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDERS. Each Stockholder, severally as to itself (and, in the case of Mr. Diller, as applicable), represents and warrants to the

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

ARTICLE V

DEFINITIONS

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

Section 5.01. "2001 GOVERNANCE AGREEMENT" shall have the meaning set forth in the Recitals to this Agreement.

Section 5.02. "AFFILIATE" shall have the meaning set forth in Rule 12b-2 under the Exchange Act (as in effect on the date of this Agreement). For purposes of this definition, (i) natural persons shall not be deemed to be Affiliates of each other, (ii) none of Mr. Diller, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of the Company or its Affiliates, (iii) none of the Company, Liberty or any of their respective Affiliates shall be deemed to be an Affiliate of Mr. Diller or his Affiliates, (iv) none of the Company, Mr. Diller or any of their respective Affiliates shall be deemed to be an Affiliate of Liberty or its Affiliates, and (v) the Company shall not be deemed to be an Affiliate of Expedia, Inc. based upon the common control of the Company and Expedia, Inc. by the Stockholders.

Section 5.03. "AMENDED AND RESTATED STOCKHOLDERS AGREEMENT" shall mean the stockholders agreement dated as of the date hereof between Liberty and Mr. Diller.

Section 5.04. "BDTV ENTITIES" shall have the meaning specified in the Amended and Restated Stockholders Agreement.

Section 5.05. "BENEFICIAL OWNERSHIP" or "BENEFICIALLY OWN" shall have the meaning given such term in Rule 13d-3 under the Exchange Act and a Person's Beneficial Ownership of Company Common Shares shall be calculated in accordance with the provisions of such Rule; PROVIDED, HOWEVER, that for purposes of Beneficial Ownership, (a) a Person shall be deemed to be the Beneficial Owner of any Equity Securities which may be acquired by such Person

(disregarding any legal impediments to such Beneficial Ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Mr. Diller shall be deemed to be exercisable), rights or other securities issued by the Company or any Subsidiary thereof, (b) no Person shall be deemed to Beneficially Own any Equity Securities solely as a result of such Person's execution of this Agreement (including by virtue of holding a proxy with respect to any Equity Securities), or the Amended and Restated Stockholders Agreement, or with respect to which such Person does not have a pecuniary interest, and (c) Liberty shall be deemed to be the Beneficial Owner of all of the Company Common Shares held by each BDTV Entity.

Section 5.06. "CEO" shall mean the Chief Executive Officer of the Company or any successor entity.

Section 5.07. "CEO TERMINATION DATE" shall mean the date that Mr. Diller no longer serves as CEO.

Section 5.08. "COMMISSION" shall mean the Securities and Exchange Commission.

Section 5.09. "COMPANY" shall have the meaning set forth in the Recitals to this Agreement.

Section 5.10. "COMPANY COMMON SHARES" shall mean shares of Company Common Stock and Company Class B Stock.

Section 5.11. "COMPANY CLASS B STOCK" shall mean class B common stock, \$0.001 par value per share, of the Company.

Section 5.12. "COMPANY COMMON STOCK" shall mean common stock, \$0.001 par value per share, of the Company.

Section 5.13. "CONSENTING PARTY" shall have the meaning set forth in Section 2.03 of this Agreement.

Section 5.14. "DEMAND REGISTRATION" shall have the meaning set forth in Section 6.07(b) of this Agreement.

Section 5.15. "DISABLED" shall mean the disability of Mr. Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a physician selected by Liberty and reasonably acceptable to Mr. Diller, his spouse or a personal representative designated by Mr. Diller; PROVIDED that Mr. Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. Total disability shall mean mental or physical incapacity that prevents Mr. Diller from managing the business affairs of the Company.

Section 5.16. "EBITDA" shall mean, for any period, for the Company and its Subsidiaries, on a combined consolidated basis: net income plus (to the extent reflected in the

determination of net income) (i) provision for income taxes, (ii) minority interest, (iii) interest income and expense, (iv) depreciation and amortization, (v) amortization of cable distribution fees, and (vi) amortization of non-cash distribution and marketing expense and non-cash compensation expense.

Section 5.17. "EQUITY SECURITIES" shall mean the equity securities of the Company calculated on a Company Common Stock equivalent basis, including the Company Common Shares and those shares issuable upon exercise, conversion or redemption of other securities of the Company not otherwise included in this definition.

Section 5.18. "EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 5.19. "EXCLUDED ISSUANCE" shall mean any issuance of Company Common Shares (i) in a Sale Transaction, or (ii) which is "restricted stock" or the ownership of which is otherwise subject to forfeiture ("RESTRICTED STOCK"), provided that for purposes of this definition and Section 3.01 of this Agreement any stock covered by the provisions of clause (ii) shall be deemed to have been issued for purposes of Section 3.01 of this Agreement on the date (the "LAPSE DATE") the restrictions on such stock lapse or on which the stock is no longer subject to forfeiture.

Section 5.20. "FAIR MARKET VALUE" for a security publicly traded in the over-the-counter market (on either NASDAQ-NMS or NASDAQ) or on a recognized exchange shall be the average closing price of such security for the three trading days ending on the applicable day (or, if such day is not a trading day, the trading day immediately preceding the applicable day), and for all other securities or property "Fair Market Value" shall be determined, by a nationally recognized investment banking firm which has not been engaged by the Company or Liberty or their respective Affiliates (including, with respect to the Company, for so long as Mr. Diller is Chairman of the Board of Expedia, Inc., Expedia, Inc.) for the prior three years, selected by (i) the Company and (ii) Liberty; provided that, if the Company and Liberty cannot agree on such an investment banking firm within 10 business days, such investment banking firm shall be selected by a panel designated in accordance with the rules of the American Arbitration Association. The fees, costs and expenses of the American Arbitration Association and the investment banking firm so selected shall be borne equally by the Company and Liberty.

Section 5.21. "IAC" shall have the meaning set forth in the Recitals to this Agreement.

Section 5.22. "ISSUE PRICE" shall mean the price per share equal to (i) in connection with an underwritten offering of Company Common Shares, the initial price at which the stock is offered to the public or other investors, (ii) in connection with other sales of Company Common Shares for cash, the cash price paid for such stock, (iii) in connection with the deemed issuances of Restricted Stock, the Fair Market Value of the stock on the Lapse Date (as defined in the definition of "Excluded Issuance" above), (iv) in connection with the issuance of Company Common Shares as consideration in an acquisition by the Company, the average of the Fair Market Value of the stock for the five trading days ending on the third trading day immediately preceding (a) the date upon which definitive agreements with respect to such acquisition were entered into if the number of Company Common Shares issuable in such transaction is fixed on

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

Section 5.23. "LIBERTY DIRECTOR" shall mean (a) any executive officer or director of Liberty designated by Liberty to serve on the Company's Board of Directors, provided that the Company's Board of Directors is not unable, in the exercise of its fiduciary responsibilities, to recommend that the Company's stockholders elect such individual to serve on the Company's Board of Directors, or (b) any other Person designated by Liberty who is reasonably acceptable to the Company.

Section 5.24. "LIBERTY HOLDCO" shall mean any holding company wholly owned by Liberty and reasonably acceptable to the Company, formed solely for the purpose of acquiring and holding an equity interest in the Company.

Section 5.25. "OWNERSHIP PERCENTAGE" means, with respect to any Stockholder, at any time, the ratio, expressed as a percentage, of (i) the Equity Securities Beneficially Owned by such Stockholder (disregarding any legal impediments to such Beneficial Ownership) and its Affiliates to (ii) the sum of (x) the Total Equity Securities and (y) with respect to such Stockholder, any Company Common Shares included in clause (i) that are issuable upon conversion, exchange or exercise of Equity Securities that are not included in clause (x).

Section 5.26. "PERMITTED TRANSFEREE" shall mean Liberty or Mr. Diller and the members of their respective Stockholder Groups.

Section 5.27. "PERSON" shall mean any individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, government or department or agency of a government.

Section 5.28. "SALE TRANSACTION" shall mean the consummation of a merger, consolidation or amalgamation between the Company and another entity (other than an Affiliate of the Company) in which the Company is acquired by such other entity or a Person who controls such entity, or a sale of all or substantially all of the assets of the Company to another entity, other than a Subsidiary of the Company.

Section 5.29. "SECURITIES ACT" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

Section 5.30. "STOCKHOLDERS" shall mean Liberty and Mr. Diller.

Section 5.31. "STOCKHOLDER GROUP" shall mean (a) in respect of Liberty, the Liberty Stockholder Group (as defined in the Amended and Restated Stockholders Agreement) and (b) in respect of Mr. Diller, the Diller Stockholder Group (as defined in the Amended and Restated Stockholders Agreement).

Section 5.32. "SUBSIDIARY" shall mean, as to any Person, any corporation or other Person at least a majority of the shares of stock or other ownership interests of which having general voting power under ordinary circumstances to elect a majority of the Board of Directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency) is, at the time as of which the determination is being made, owned by such Person, or one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries.

Section 5.33. "THIRD PARTY TRANSFEREE" shall have the meaning ascribed to such term in the Amended and Restated Stockholders Agreement.

Section 5.34. "TOTAL DEBT" shall mean all obligations of the Company and its Subsidiaries for money borrowed, at such time (including all long-term senior and subordinated indebtedness, all short-term indebtedness, the stated amount of all letters of credit issued for the account of the Company or any of its Subsidiaries and (without duplication) all unreimbursed draws thereunder (but excluding trade letters of credit)), net of cash (other than working capital) or cash equivalent securities, as shown on the consolidated quarterly or annual financial statements, including the notes thereto, of the Company and its Subsidiaries included in the Company's filings under the Exchange Act for such period, determined in accordance with GAAP, provided, however, that Total Debt shall not include hedging, pledging, securitization or similar transactions involving securities owned by the Company or its Subsidiaries to monetize the underlying securities, to the extent such securities are the sole means of satisfying such obligations and otherwise the fair value thereof.

Section 5.35. "TOTAL DEBT RATIO" shall mean, at any time, the ratio of (i) Total Debt of the Company and its Subsidiaries on a combined consolidated basis as of such time to (ii) EBITDA for the four fiscal quarter period ending as of the last day of the most recently ended fiscal quarter as of such time.

Section 5.36. "TOTAL EQUITY SECURITIES" at any time shall mean, subject to the next sentence, the total number of the Company's outstanding equity securities calculated on a Company Common Stock equivalent basis. Any Equity Securities Beneficially Owned by a Person that are not outstanding Voting Securities but that, upon exercise, conversion or exchange, would become Voting Securities, shall be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of Equity Securities owned by such Person but shall not be deemed to be outstanding for the purpose of computing Total Equity Securities and the percentage of the Equity Securities owned by any other Person.

Section 5.37. "TRANSFER" shall mean, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Company Common Shares Beneficially Owned by such Stockholder or any interest in any Company Common Shares Beneficially Owned by such Stockholder, PROVIDED, HOWEVER, that, a merger or consolidation in which a Stockholder is a constituent corporation shall not be deemed to be the Transfer of any Company Common Shares Beneficially Owned by such Stockholder

(PROVIDED, that a significant purpose of any such transaction is not to avoid the provisions of this Agreement). For purposes of this Agreement, the conversion of Company Class B Stock into Company Common Stock shall not be deemed to be a Transfer.

Section 5.38. "VOTING SECURITIES" shall mean at any particular time the shares of any class of capital stock of the Company which are then entitled to vote generally in the election of directors.

ARTICLE VI

MISCELLANEOUS

Section 6.01. NOTICES. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy) and shall be given, if to Liberty Media Corporation, to:

Liberty Media Corporation
12300 Liberty Boulevard
Englewood, Colorado 80112
Attention: General Counsel
Facsimile: (720) 875-5382

with a copy to:

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

if to Mr. Diller, to:

Barry Diller
Chairman and Chief Executive Officer
IAC/InterActiveCorp
Carnegie Hall Tower
152 West 57th Street
New York, New York 10019
Facsimile: (212) 632-9642

with a copy to:

IAC/InterActiveCorp
Carnegie Hall Tower
152 West 57th Street
New York, New York 10019
Attention: General Counsel
Facsimile: (212) 632-9642

with a copy to:

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

if to the Company, to:

IAC/InterActiveCorp
Carnegie Hall Tower
152 West 57th Street
New York, New York 10019
Attention: General Counsel
Facsimile: (212) 632-9642

with a copy to:

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

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

Section 6.02. AMENDMENTS; NO WAIVERS. (a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the party whose rights or obligations hereunder are affected by such amendment, or in the case of a waiver, by the party or parties against whom the waiver is to be effective. Any amendment or waiver by the Company shall be authorized by a majority of the Board of Directors (excluding for this purpose any director who is a Liberty Director as provided for in this Agreement).

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

Section 6.03. SUCCESSORS AND ASSIGNS. Except as provided in Article I, neither this Agreement nor any of the rights or obligations under this Agreement shall be assigned, in whole or in part (except by operation of law pursuant to a merger of Liberty with another Person a significant purpose of which is not to avoid the provisions of this Agreement), by any party without the prior written consent of the other parties hereto. Subject to the foregoing, the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 6.04. GOVERNING LAW; CONSENT TO JURISDICTION. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the principles of conflicts of laws. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the non-exclusive jurisdiction of the courts of the State of Delaware, for any action, proceeding or investigation in any court or before any governmental authority ("LITIGATION") arising out of or relating to this Agreement and the transactions contemplated hereby and further agrees that service of any process, summons, notice or document by U.S. mail to its respective address set forth in this Agreement shall be effective service of process for any Litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any Litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Litigation brought in any such court has been brought in an inconvenient forum. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any Litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 6.05. COUNTERPARTS . This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 6.06. SPECIFIC PERFORMANCE. The Company, Mr. Diller and Liberty each acknowledges and agrees that the parties' respective remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of that fact, agrees that, in the event of a breach or threatened breach by the Company or Liberty of the provisions of this Agreement, in addition to any remedies at law, Mr. Diller, Liberty and the Company, respectively, without posting any bond shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available.

Section 6.07. REGISTRATION RIGHTS. (a) Liberty and Mr. Diller shall be entitled to customary registration rights relating to Company Common Stock owned by them as of the date

hereof or acquired from the Company (including upon conversion of Company Class B Stock) in the future (including the ability to transfer registration rights as set forth in this Agreement in connection with the sale or other disposition of Company Common Stock).

(b) If requested by a Stockholder, the Company shall be required promptly to cause the Company Common Stock owned by such Stockholder or its Affiliates to be registered under the Securities Act in order to permit such Stockholder or such Affiliate to sell such shares in one or more (but not more than (i) in the case of Liberty, four and (ii) in the case of Mr. Diller, three) registered public offerings (each, a "DEMAND REGISTRATION"). Each Stockholder shall also be entitled to customary piggyback registration rights. If the amount of shares sought to be registered by a Stockholder and its Affiliates pursuant to any Demand Registration is reduced by more than 25% pursuant to any underwriters' cutback, then such Stockholder may elect to request the Company to withdraw such registration, in which case, such registration shall not count as one of such Stockholder's Demand Registrations. If a Stockholder requests that any Demand Registration be an underwritten offering, then such Stockholder shall select the underwriter(s) to administer the offering, provided that such underwriter(s) shall be reasonably satisfactory to the Company. If a Demand Registration is an underwritten offering and the managing underwriter advises the Stockholder initiating the Demand Registration in writing that in its opinion the total number or dollar amount of securities proposed to be sold in such offering is such as to materially and adversely affect the success of such offering, then the Company will include in such registration, first, the securities of the initiating Stockholder, and, thereafter, any securities to be sold for the account of others who are participating in such registration (as determined on a fair and equitable basis by the Company). In connection with any Demand Registration or inclusion of a Stockholder's or its Affiliate's shares in a piggyback registration, the Company, such Stockholder and/or its Affiliates shall enter into an agreement containing terms (including representations, covenants and indemnities by the Company and such Stockholder), and shall be subject to limitations, conditions, and blackout periods, customary for a secondary offering by a selling stockholder. The costs of the registration (other than underwriting discounts, fees and commissions) shall be paid by the Company. The Company shall not be required to register such shares if a Stockholder would be permitted to sell the Company Common Stock in the quantities proposed to be sold at such time in one transaction under Rule 144 of the Securities Act or under another comparable exemption therefrom.

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

Section 6.08. TERMINATION. Except as otherwise provided in this Agreement, this Agreement shall terminate (a) as to Liberty, at such time that Liberty Beneficially Owns Equity Securities representing less than 5% of the Total Equity Securities and (b) as to Mr. Diller, at such time that the CEO Termination Date has occurred or at such time as he becomes Disabled. In respect of "Contingent Matters," such provisions shall terminate as to Mr. Diller and Liberty as set forth therein.

Section 6.09. SEVERABILITY. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the

remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, provided that the parties hereto shall negotiate in good faith to attempt to place the parties in the same position as they would have been in had such provision not been held to be invalid, void or unenforceable.

Section 6.10. COOPERATION. Each of Liberty and Mr. Diller covenants and agrees with the other to use its reasonable best efforts to cause the Company to fulfill the Company's obligations under this Agreement.

Section 6.11. ADJUSTMENT OF SHARE NUMBERS AND PRICES. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of capital stock referred to in this Agreement, then, in any such event, the numbers and types of shares of such capital stock referred to in this Agreement and, if applicable, the prices of such shares, shall be adjusted to the number and types of shares of such capital stock that a holder of such number of shares of such capital stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event and the prices for such shares shall be similarly adjusted.

Section 6.12. EFFECTIVE TIME. This Agreement shall become effective immediately following the effective time of the Company's spin off of Expedia, Inc.

Section 6.13. ENTIRE AGREEMENT. Except as otherwise expressly set forth herein, this Agreement, the Amended and Restated Stockholders Agreement, and as provided in Section 5.1 of the Amended and Restated Stockholders Agreement, the 1997 Stockholders Agreement embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way (including, without limitation, effective upon the date hereof, all stockholders agreements relating to the Company (other than the Amended and Restated Stockholders Agreement) between Liberty and Mr. Diller). Effective upon the effective time of this Agreement, the 2001 Governance Agreement shall terminate and shall be superseded by this Agreement.

Section 6.14. INTERPRETATION. References in this Agreement to Articles and Sections shall be deemed to be references to Articles and Sections of this Agreement unless the context shall otherwise require. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of such agreement or instrument.

Section 6.15. HEADINGS. The titles of Articles and Sections of this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.

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

IAC/INTERACTIVECORP

By: /s/ Gregory R. Blatt

Name: Gregory R. Blatt
Title: Executive Vice President

LIBERTY MEDIA CORPORATION

By: /s/ Charles Y. Tanabe

Name: Charles Y. Tanabe
Title: Senior Vice President

BARRY DILLER

By: /s/ Barry Diller

[SIGNATURE PAGE TO AMENDED AND RESTATED GOVERNANCE AGREEMENT]

=====
AMENDED AND RESTATED
STOCKHOLDERS AGREEMENT

BETWEEN

LIBERTY MEDIA CORPORATION

AND

BARRY DILLER

DATED AS OF AUGUST 9, 2005
=====

IAC/INTERACTIVECORP

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AMENDED AND RESTATED STOCKHOLDERS AGREEMENT, dated as of August 9, 2005, between Liberty Media Corporation, a Delaware corporation ("LIBERTY"), for itself and on behalf of the members of the Liberty Stockholder Group and Mr. Barry Diller ("DILLER"), for himself and on behalf of the members of the Diller Stockholder Group.

WHEREAS, the parties hereto have agreed that Liberty and Diller shall enter into this Agreement in order to amend and restate in its entirety the respective rights and obligations of the parties set forth in the Amended and Restated Stockholders Agreement, dated as of December 16, 2001 (the "2001 STOCKHOLDERS AGREEMENT"); and

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

ARTICLE I

DEFINITIONS

Section 1.1. CERTAIN DEFINED TERMS. As used herein, the following terms shall have the following meanings:

"1997 STOCKHOLDERS AGREEMENT" means the Stockholders Agreement, dated as of October 19, 1997, among Universal Studios, Inc., Liberty, Diller and The Seagram Company Ltd., as in effect as of such date and without giving effect to any termination of such agreement (including in connection with the execution of any agreement intended to supersede such agreement).

"AFFILIATE" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified Person, for so long as such Person remains so associated to the specified Person. For purposes of this definition, natural persons shall not be deemed to be Affiliates of each other, and none of Liberty, Diller or the Company shall be deemed to be Affiliates of any of the others. In addition, for purposes of this definition, Expedia, Inc. and the Company shall not be deemed Affiliates of one another as a result of such entities being under the common control of the Stockholders.

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

"BDTV I" means BDTV, Inc., a Delaware corporation.

"BDTV II" means BDTV II, Inc., a Delaware corporation.

"BDTV III" means BDTV III, Inc., a Delaware corporation.

"BDTV IV" means BDTV IV, Inc., a Delaware corporation.

"BDTV ENTITIES" means, collectively, the BDTV Limited Entities and the BDTV Unrestricted Entities.

"BDTV LIMITED ENTITIES" means, collectively, BDTV I and BDTV II.

"BDTV UNRESTRICTED ENTITIES" means BDTV III, BDTV IV and each other BDTV Entity that may be formed subsequent to the date hereof; PROVIDED that each of Liberty and Diller acknowledges and agrees that any corporation, partnership, limited liability company or other business association hereafter formed by Diller and Liberty to hold Common Shares will be a BDTV Unrestricted Entity and will be a corporation, partnership, limited liability company or other business association having a capital structure and governance rights substantially similar to that of BDTV III.

"BENEFICIAL OWNER" or "BENEFICIALLY OWN" has the meaning given such term in Rule 13d-3 under the Exchange Act and a Person's beneficial ownership of Common Shares or Voting Securities shall be calculated in accordance with the provisions of such Rule; PROVIDED, HOWEVER, that for purposes of determining beneficial ownership, (i) a Person shall be deemed to be the beneficial owner of any Equity which may be acquired by such Person (disregarding any legal impediments to such beneficial ownership), whether within 60 days or thereafter, upon the conversion, exchange or exercise of any warrants, options (which options held by Diller shall be deemed to be exercisable), rights or other securities issued by the Company, (ii) no Person shall be deemed to beneficially own any Equity solely as a result of such Person's execution of this Agreement (including by virtue of holding a proxy with respect to any shares) or the Governance Agreement, and (iii) Liberty shall be deemed to be the beneficial owner of all of the Common Shares owned by each BDTV Entity, other than for purposes of Articles III and V of this Agreement. Notwithstanding the foregoing, for purposes of calculating the Minimum Stockholder Amount, a Person shall be deemed to be the beneficial owner only of Common Shares which are issued and outstanding.

"BOARD" means the Board of Directors of the Company.

"BUSINESS DAY" shall mean any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of New York.

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

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

"CEO" means the Chief Executive Officer of the Company.

"CEO TERMINATION DATE" means the later of (i) such time as Diller no longer serves as CEO and (ii) such time as Diller no longer holds the Liberty Proxy (other than suspension of such proxy pursuant to Section 3.3(e)).

"CLASS B COMMON STOCK" means the Class B common stock, par value \$0.001 per share, of the Company and any securities of the Company issued in respect thereof, or in substitution

therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or other similar reorganization (other than Common Stock issued upon conversion of Class B Common Stock).

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

"COMMON SHARES" means, collectively, the Common Stock and the Class B Common Stock.

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

"COMPANY" means IAC/InterActiveCorp, a Delaware corporation, and any successor by merger, consolidation, or other business combination.

"CONTINGENT MATTERS" shall have the meaning ascribed to such term in the Governance Agreement.

"CONTROL" (including the terms "CONTROLLED BY" and "UNDER COMMON CONTROL WITH"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"DAILY HEDGING LIMIT" means a number of shares of Common Stock not to exceed on any single day 25% of the average daily trading volume of the Common Stock during the three full calendar months preceding the date of determination (disregarding any sales by Liberty).

"DILLER INTEREST PURCHASE PRICE" means the cash amount (or cash value of Equity) contributed by Diller to a BDTV Entity plus interest on such amount, from the date of such contribution to the date of purchase of Diller's Interest in such BDTV Entity by a member of the Liberty Stockholder Group, at the rate of interest per annum in effect from time to time and publicly announced by The Bank of New York as its prime rate of interest, compounded annually. For purposes of BDTV I, BDTV II, BDTV III and BDTV IV, the cash amount (or cash value of Equity) initially contributed by Diller was \$100 in each such BDTV Entity.

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

"DIRECTOR" means any member of the Board.

"DISABLED" means the disability of Diller after the expiration of more than 180 consecutive days after its commencement which is determined to be total and permanent by a

physician selected by Liberty and reasonably acceptable to Diller, his spouse or a personal representative designated by Diller; PROVIDED that Diller shall be deemed to be disabled only following the expiration of 90 days following receipt of a written notice from the Company and such physician specifying that a disability has occurred if within such 90-day period he fails to return to managing the business affairs of the Company. A total disability shall mean mental or physical incapacity that prevents Diller from managing the business affairs of the Company.

"ELIGIBLE STOCKHOLDER AMOUNT" means, in the case of Diller, the equivalent of 2,200,000 Common Shares and, in the case of Liberty (including, in the case of Liberty, all of the Common Shares owned by the BDTV Entities), 2,000,000 shares of Common Stock, in each case determined on a fully diluted basis (taking into account, in the case of Diller, all unexercised Options, whether or not then exercisable).

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

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended.

"FAIR MARKET VALUE" means, as to any securities or other property, the cash price at which a willing seller would sell and a willing buyer would buy such securities or property in an arm's-length negotiated transaction without time constraints.

"FCC" means the Federal Communications Commission or its successor.

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

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

"GROUP" shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

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

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

"INDEPENDENT INVESTMENT BANKING FIRM" means an investment banking firm of nationally recognized standing that is, in the reasonable judgment of the Person engaging such firm, qualified to perform the task for which it has been engaged.

"LIBERTY STOCKHOLDER GROUP" means Liberty and those Subsidiaries of Liberty that, from time to time, hold Equity subject to this Agreement.

"MARKET SALE" means a "brokers' transaction" within the meaning of Section 4(4) of the Securities Act.

"MINIMUM STOCKHOLDER AMOUNT" means Common Shares representing at least 50.1% of the outstanding voting power of the outstanding Common Shares.

"OPTIONS" means options to acquire Capital Stock of the Company granted by the Company to Diller and outstanding from time to time.

"PERMITTED DESIGNEE" means any Person designated by a Stockholder, who shall be reasonably acceptable to the other Stockholder, to exercise such Stockholder's rights pursuant to Section 4.3.

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

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

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

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

"RELATED HEDGING TRANSACTIONS" means a series of Hedging Transactions between members of the Liberty Stockholder Group on the one hand, and the same counterparty or its Affiliates, on the other hand, which Hedging Transactions each have specified maturity dates occurring within a period of thirty days.

"SECURITIES ACT" means the Securities Act of 1933, as amended.

"STOCKHOLDER" means each of Liberty and Diller.

"STOCKHOLDER GROUP" means one or more of the Diller Stockholder Group and the Liberty Stockholder Group. For purposes of this Agreement, (i) prior to the time that Liberty acquires Diller's interest in a BDTV Entity, each BDTV Entity shall be deemed to be a member of the Liberty Stockholder Group except as otherwise expressly set forth herein and (ii) a Stockholder's Permitted Designee shall be deemed to be a member of the designating Stockholder's Stockholder Group (other than for purposes of Section 4.1(a)(w)).

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

"THIRD PARTY TRANSFEREE" means any Person to whom a Stockholder (including a Third Party Transferee subject to this Agreement pursuant to Sections 4.5(b) and 4.5(c)) or a Permitted Transferee Transfers Common Shares, other than a Permitted Transferee of such Stockholder or a member of another Stockholder Group.

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

"VOTING SECURITIES" means at any time shares of any class of Capital Stock of the Company which are then entitled to vote generally in the election of Directors.

Section 1.2. OTHER DEFINED TERMS. The following terms shall have the meanings defined for such terms in the Sections set forth below:

TERM - - - - -	SECTION - - - - -
Appraisal.....	Section 4.3(c)
Diller.....	Preamble
Diller Termination Date.....	Section 6.2(b)
Exchange Notice.....	Section 4.4(a)
Expedia Shares	Section 5.2
Initiating Party.....	Section 4.2(a)
L/D Offer Notice.....	Section 4.3(b)
L/D Offer Price.....	Section 4.3(c)
L/D Other Party.....	Section 4.3(b)
L/D Transferring Party.....	Section 4.3(a)
Liberty.....	Preamble
Liberty Lending Limit.....	Section 4.3(f)
Liberty Proxy.....	Section 3.3(a)
Liberty Proxy Shares.....	Section 3.3(a)

Liberty Termination Date.....	Section 6.2(a)
Litigation.....	Section 6.14
Non-Transferring Stockholder.....	Section 4.4(a)
Settlement Threshold.....	Section 4.3(e)
Stock Lending Transaction.....	Section 4.2(f)
Tag-Along Notice.....	Section 4.2(a)
Tag-Along Sale.....	Section 4.2(a)
Tag-Along Shares.....	Section 4.2(a)
Tag Party.....	Section 4.2(a)
Transferring Stockholders.....	Section 4.4(a)

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

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

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

ARTICLE II

RESERVED

ARTICLE III

CORPORATE GOVERNANCE

Section 3.1. VOTING ON CERTAIN MATTERS. (a) In the event that Section 2.03 of the Governance Agreement is applicable, in connection with any vote or action by written consent of the stockholders of the Company relating to any matter that constitutes a Contingent Matter, Liberty and Diller agree (and each agrees to cause each member of its Stockholder Group, if applicable), with respect to any Common Shares with respect to which it or he has the power to vote (whether by proxy, the ownership of voting securities of a BDTV Entity or otherwise) (including all Common Shares held by any BDTV Entity), (x) to vote against (and not act by written consent to approve) such Contingent Matter (including causing each BDTV Entity to vote all Common Shares held by it against approval of such Contingent Matter and not executing any written consents with respect to such Common Shares held by any BDTV Entity) unless Liberty and Diller (or, if either such Stockholder's consent is no longer required pursuant to the Governance Agreement, the Stockholder whose consent is then required) have

consented to such Contingent Matter in accordance with the provisions of the Governance Agreement and (y) to take or cause to be taken all other reasonable actions required, to the extent permitted by law, to prevent the taking of any action by the Company with respect to a Contingent Matter without the consent of Liberty and/or Diller (as applicable).

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

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

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

Section 3.2. RESTRICTIONS ON OTHER AGREEMENTS. No Stockholder or any of its or his Permitted Transferees shall enter into or agree to be bound by any stockholder agreements or arrangements of any kind with any Person with respect to any Equity (including, without limitation, the deposit of any Common Shares in a voting trust or forming, joining or in any way participating in or assisting in the formation of a Group with respect to any Common Shares, other than any such Group consisting exclusively of Liberty and Diller and any of their respective Affiliates, Permitted Designees and Permitted Transferees and, to the extent contemplated by Section 4.5, any Third Party Transferee) and no Stockholder (other than Liberty or any of its Permitted Transferees) or any of its or his Permitted Transferees shall enter into or agree to be bound by any agreements or arrangements of any kind with any Person to incur indebtedness for purposes of purchasing Equity (other than to exercise Options or to purchase Common Shares pursuant to Section 4.3 of this Agreement), except (i) for such agreements or arrangements as are now in effect, (ii) in connection with a proposed sale of BDTV Entity securities or Common Shares otherwise permitted hereunder, (iii) for such agreements or arrangements with a Permitted Designee as are reasonably acceptable to the other Stockholder and not inconsistent with or for the purpose of evading the terms of this Agreement, (iv) agreements between a Stockholder and its Permitted Transferee that are reasonably acceptable to the other Stockholder and not inconsistent with this Agreement or (iv) for Hedging Transactions as contemplated by Section 4.2(e).

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

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

(c) The Liberty Proxy shall terminate as provided for in Section 3.3(a) or, if earlier, (i) immediately upon a material breach by Diller of the terms of Section 3.1(a), Section 3.1(b), Section 3.1(c) or Section 3.3(b) of this Agreement, (ii) at such time as Diller has been convicted of, or has pleaded guilty to, any felony involving moral turpitude or (iii) at such time as Diller ceases to beneficially own 5,000,000 Common Shares with respect to which he has a pecuniary interest; PROVIDED, in the case of clauses (ii) and (iii) above, that Liberty sends notice of such termination to Diller within 30 days after receiving notice of the event giving rise to such termination, in which case the Liberty Proxy shall terminate immediately upon the receipt of such notice.

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

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

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

execute all written consents in lieu of meetings, as applicable, to effectuate the provisions of this Article III.

ARTICLE IV

TRANSFER OF COMMON SHARES

Section 4.1. RESTRICTIONS ON TRANSFER BY LIBERTY AND DILLER. (a) Until the CEO Termination Date or such time as Diller becomes Disabled, subject to the other provisions of this Agreement, neither Liberty nor Diller shall Transfer or otherwise dispose of (including pledges), directly or indirectly, any Common Shares beneficially owned by its Stockholder Group other than (v) Transfers of Common Shares by Diller in order to pay taxes arising from the granting, vesting and/or exercise of the Options, (w) Transfers of Common Shares by Liberty to members of the Liberty Stockholder Group or by Diller to members of the Diller Stockholder Group, (x) a pledge or grant of a security interest in vested Common Shares (other than the pledge of certain Common Shares pursuant to prior arrangements between Diller and the Company) or pledges by a member of the Liberty Stockholder Group of securities of a BDTV Entity that Liberty is entitled to Transfer under (b)(ii) below in connection with bona fide indebtedness in which the pledgee of the applicable Common Shares (or securities of such BDTV Entity) agrees that, upon any default or exercise of its rights under such pledge or security arrangement, it will offer to sell the pledged Common Shares (or securities of such BDTV Entity) to the non-pledging Stockholder (or its or his designee) for an amount equal to the lesser of the applicable amount of such indebtedness and the fair market value of such pledged Common Shares (or securities of such BDTV Entity), (y) Transfers of Options or Common Shares to the Company by Diller or his Affiliates in connection with a "cashless" exercise of the Options (including Options granted to Diller heretofore or in the future), and (z) Transfers of Common Shares made pursuant to Sections 4.2, 4.3 and 4.4. The restrictions on Transfer by Liberty provided in this Section 4.1 shall be for the sole benefit of Diller and the restrictions on Transfer by Diller provided in this Section 4.1 shall be for the sole benefit of Liberty.

(b) Notwithstanding the restrictions contained in subsection (a) above (and in addition to the foregoing exceptions, but subject to the right of first refusal described in Section 4.3 on behalf of Diller (or his designee) with respect to Transfers by members of the Liberty Stockholder Group and to a right of first refusal on behalf of Liberty (or its designee) with respect to Transfers by members of the Diller Stockholder Group (which rights shall be assignable)): (i) either Liberty or Diller may Transfer all or any portion of the Common Shares beneficially owned by its Stockholder Group (and, in the case of Liberty only, its entire interest in the BDTV Entities) to an unaffiliated third party, PROVIDED, HOWEVER, that a Transfer by either Liberty or Diller of Common Shares to a third party shall be subject to the tag-along right pursuant to Section 4.2, after, in the case of any Transfer of Class B Common Stock, compliance with the right of first refusal described in Section 4.3 and the swap provisions described in Section 4.4, and (ii) either Liberty or Diller may Transfer any portion of the Common Shares (including, in the case of Liberty, all or a portion of a BDTV Entity interest) held by its Stockholder Group to an unaffiliated third party; PROVIDED that, (a) following such Transfer such Stockholder Group retains its Eligible Stockholder Amount of Common Shares and (b) in the case of the Transfer of an interest in or Common Shares held by a BDTV Limited Entity as of the date hereof, following such Transfer, the Liberty Stockholder Group and the Diller

Stockholder Group collectively beneficially own the Minimum Stockholder Amount. Notwithstanding the previous sentence and the restrictions contained in paragraph (a) above and subject to the requirement, with respect to a Transfer by Liberty of an interest in or Common Shares held by a BDTV Limited Entity as of the date hereof, that the Stockholders and their respective Stockholder Groups collectively beneficially own the Minimum Stockholder Amount, either Liberty or Diller may transfer any of its Common Shares in one or more transactions that comply with the requirements of Rule 144 or 145 (as applicable) under the Securities Act.

Section 4.2. TAG-ALONG FOR DILLER AND LIBERTY FOR TRANSFERS BY THE OTHER. (a) If either Diller or Liberty shall desire to Transfer to any unaffiliated third party any of the Common Shares beneficially owned by him or it or any member of his or its Stockholder Group (other than the Transfers referred to in paragraphs (e) and (f) below), in one transaction or a series of related transactions (the "TAG-ALONG SALE"), Diller or Liberty, as applicable (the "Initiating Party), shall give prior written notice to the other (the "TAG PARTY") of such intended Transfer. Such notice (the "TAG-ALONG NOTICE") shall set forth the terms and conditions of such proposed Transfer, including the number of Common Shares proposed to be Transferred (the "TAG-ALONG SHARES"), the purchase price per Common Share proposed to be paid therefor and the payment terms and type of Transfer to be effectuated.

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

(c) At the closing of any proposed Transfer in respect of which a Tag-Along Notice has been delivered, the Tag Party shall deliver, free and clear of all liens (other than liens caused by the acquiring Person in the Tag-Along Sale), to such third party certificates evidencing the Common Shares to be sold thereto duly endorsed with Transfer powers and shall receive in exchange therefore the consideration to be paid by such third party in respect of such Common Shares as described in the Tag-Along Notice. No transferee shall be required to purchase shares of a BDTV Entity in connection with the Tag-Along Sale and each of Liberty and Diller shall

cooperate so that any transferee will be able to purchase directly any Common Shares held by a BDTV Entity and not the shares of any BDTV Entity.

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

(e) This Section 4.2 shall not be applicable to the Transfer by Diller or any member of his Stockholder Group (i) of an aggregate of not more than 2,000,000 Common Shares within any rolling twelve-month period, (ii) pursuant to Section 4.1(a)(v) or 4.1(a)(y), (iii) in a Market Sale, or (iv) following such time as Diller is no longer CEO other than any Transfer made in connection with Diller ceasing to be CEO. This Section 4.2 shall not be applicable to (i) the Transfer of Common Stock by the Liberty Stockholder Group in a Market Sale, provided that the total volume of sales effected on any single day shall not exceed the Daily Hedging Limit, or (ii) the entry into, maintenance of, performance of obligations under and unwinding of Hedging Transactions effected by the Liberty Stockholder Group, including, without limitation, the Transfer of Common Stock in connection therewith through the delivery of Common Stock to a third party in connection with the settlement or satisfaction of a Hedging Transaction or the foreclosure and sale by a secured party of any Common Stock pledged to secure the obligations of a party under a Hedging Transaction or in respect of any extension of credit to a party based, in whole or part, on the value of such Hedging Transaction; provided, that: (A) no Hedging Transaction shall, prior to the settlement of such Hedging Transaction, impair Diller's right to vote any shares of the Common Stock pursuant to Section 3.3 (it being understood that a settlement of a Hedging Transaction may result in a disposition of the shares subject to such Hedging Transaction and that, upon such disposition, Diller will not have the right to vote such shares); PROVIDED, that such right shall not be deemed to be impaired to the extent that a counterparty to a Hedging Transaction to whom Common Stock has been pledged has obtained the right to vote or take consensual action with respect to the Common Stock so pledged as a result of an event of default or termination event with respect to the Liberty Stockholder Group under the Hedging Transaction; provided, further, that the terms of such pledging arrangement shall permit the Liberty Stockholder Group to exercise voting rights and to take consensual action with respect to the Common Stock so pledged in circumstances where no event of default or termination event has occurred; (B) a significant purpose of Liberty's engaging in the Hedging Transaction shall not be the circumvention of Diller's tag along rights under Section 4.2 of this Agreement (and there shall be a rebuttable presumption that no such purpose exists if the Hedging Transaction is effected with a financial institution and neither Liberty nor its Affiliates have any oral or written understanding or agreement with the financial institution relating to the subsequent Transfer to any Person or group, if any, of the shares of Common Stock subject to the Hedging Transaction); (C) if pursuant to a Hedging Transaction or Related Hedging Transactions, a number of shares of Common Stock representing 5% or more of the outstanding shares of such class (determined as of the date the Hedging Transaction or the date of the initial Hedging Transaction in any series of Related Hedging Transactions is effected) (such 5% amount, the "SETTLEMENT THRESHOLD"), could be Transferred by the Liberty Stockholder Group to such counterparty in

connection with the settlement of such Hedging Transaction or Related Hedging Transactions, then Liberty shall cause such members of the Liberty Stockholder Group to settle or satisfy the obligations with respect to such Hedging Transaction or Related Hedging Transactions in such a manner so that the number of shares delivered to such counterparty in connection with the settlement of such Hedging Transaction or Related Hedging Transactions does not exceed the Settlement Threshold unless the counterparty has indicated to Liberty and Diller (if requested by Diller) that it will utilize such shares of Common Stock to fill a preexisting short position in the shares of Common Stock; (D) for each twelve-month period beginning on the date hereof and each anniversary of the date hereof, Liberty shall ensure that the Liberty Stockholder Group shall not enter into Hedging Transactions with respect to more than one third (1/3) of the shares of Common Stock that the Liberty Stockholder Group owns (including all shares of Common Stock owned by the BDTV Entities) on the first day of such twelve-month period; (E) Liberty will advise Diller (which may be oral) that it is contemplating entering into a Hedging Transaction (including a brief description of the general structure of the Hedging Transaction contemplated and the potential timing of such Hedging Transaction) as far in advance as reasonably practicable prior to effecting such Hedging Transaction, but in no event more than ten Business Days prior to effecting such Hedging Transaction, and, if Diller (i) has determined in good faith that such Hedging Transaction would adversely affect a contemplated significant corporate transaction (including financing) of the Company, and uses his reasonable best efforts to make such a determination as soon as practicable (but in no event later than 10:00 a.m. New York City time on the second Business Day immediately following the date of the giving of such notice by Liberty) and requests that the Liberty Stockholder Group delay any such Hedging Transaction because of the matters referred to in clause (i) above, then Liberty shall cause the Liberty Stockholder Group to delay such Hedging Transaction for a period not to exceed ten Business Days commencing on the Business Day after the date Diller has been advised that Liberty is contemplating a Hedging Transaction, and after such ten Business Day period, if any, Liberty shall be entitled to effect such Hedging Transaction; and (F) Liberty shall ensure that all sales or short sales in connection with establishing the initial hedge with respect to one or more Hedging Transactions shall not, taking all such sales or short sales during a particular day in the aggregate, exceed the Daily Hedging Limit.

(f) During the term of this Agreement, the Liberty Stockholder Group will be entitled to engage in Stock Lending Transactions from time to time (which Stock Lending Transactions will be deemed not to impair the proxy granted pursuant to Section 3.3) with respect to the Common Stock subject to the following limitations: (i) the maximum number of shares of Common Stock Beneficially Owned by the Liberty Stockholder Group which may be lent at any one time to others in Stock Lending Transactions during the period from the date hereof to the first anniversary of this Agreement may not exceed an aggregate of 15,000,000 shares of Common Stock (subject to adjustment pursuant to Section 6.13 hereof) (the "LIBERTY LENDING LIMIT"); and (ii) following such first anniversary the Liberty Lending Limit will be increased to an aggregate of 16,250,000 shares of Common Stock (subject to adjustment as aforesaid). For purposes hereof, a "Stock Lending Transaction" shall mean a transaction effected in connection with any Hedging Transaction whereby the Liberty Stockholder Group lends shares of Common Stock to a third party or permits a third party to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business such shares of Common Stock.

(g) Upon written request made from time to time by Liberty, Diller will use reasonable efforts to cause the Company to deliver to Liberty and Diller a written statement specifying the number of shares of Company Common Stock, Company Class B Common Stock and other Voting Securities issued and outstanding as of the most recent practicable date.

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

Section 4.3. Right of First Refusal Between Liberty and Diller. (a) Any Transfer of shares of Class B Common Stock by a member of the Liberty Stockholder Group or a member of the Diller Stockholder Group (the "L/D TRANSFERRING PARTY") will be subject to the right of first refusal provisions of this Section 4.3, other than a Transfer by a member of the Liberty Stockholder Group or the Diller Stockholder Group permitted by Section 4.1(a) hereof or a Transfer that is a sale described in clause (i) of the first or second sentence of Section 4.2(e).

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

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

selection) shall be selected by the first two Independent Investment Banking Firms, which third Independent Investment Banking Firm shall promptly make a determination of the Fair Market Value. The Fair Market Value shall equal the average of the two of such three Appraisals closest in value (or if there are no such two, then of all three Appraisals).

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

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

shares of Class B Common Stock are sold (before deducting underwriting discounts and commissions) shall be equal to at least 90% of the L/D Offer Price).

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

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

Section 4.4. TRANSFERS OF CLASS B SHARES. (a) Subject to the rights of first refusal pursuant to Section 4.3 and subject to paragraph (c) below, in the event that any Stockholder or any members of its Stockholder Group (the "TRANSFERRING STOCKHOLDER") proposes to Transfer any shares of Class B Common Stock, such Transferring Stockholder shall send a written notice (which obligation may be satisfied by the delivery of the applicable L/D Offer Notice) (the "EXCHANGE NOTICE," which term will include any corresponding L/D Offer Notice) to Diller, if the Transferring Stockholder is Liberty or a member of the Liberty Stockholder Group, or to Liberty, if the Transferring Stockholder is Diller or a member of the Diller Stockholder Group (the recipient of such notice, the "NON-TRANSFERRING STOCKHOLDER"), that such Transferring Stockholder intends to Transfer shares of Class B Common Stock, including the number of such shares proposed to be Transferred. The Non-Transferring Stockholder shall give notice to the Transferring Stockholder within 10 Business Days of its receipt of the Exchange Notice of its

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

(b) If any shares of Class B Common Stock proposed to be Transferred are not exchanged pursuant to the provisions of paragraph (a) above, prior to any such Transfer, the Transferring Stockholder shall convert, or cause to be converted, such shares of Class B Common Stock into shares of Common Stock (or such other securities of the Company into which such shares are then convertible).

(c) The provisions of Section 4.4(a) and 4.4(b) shall not be applicable to any Transfers (i) to a member of such Stockholder's Stockholder Group, (ii) pursuant to a pledge or grant of a security interest in compliance with clause (x) of Section 4.1(a), or (iii) from Liberty, Diller or their respective Stockholder Group to the other Stockholder or its or his Stockholder Group subject to the terms of this Agreement.

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

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

(i) in the case of a Third Party Transferee of Liberty (or any member of the Liberty Stockholder Group) who acquires shares of Common Stock and who (together with its Affiliates) would not be a Public Stockholder, such Third Party Transferee shall

be subject to the obligations of Liberty (but subject to the other terms and conditions of this Agreement) pursuant to Section 3.1(a) (but shall not have the right to consent to any Contingent Matters), Section 3.1(b), Section 3.1(c), Section 3.2, Section 3.4, this Section 4.5 and Article VI; PROVIDED that such Third Party Transferee shall only be subject to such obligations for so long as it would not be a Public Stockholder; and

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

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

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

Section 4.7. COMPLIANCE WITH TRANSFER PROVISIONS. Any Transfer or attempted Transfer of Common Shares in violation of any provision of this Agreement shall be void.

ARTICLE V

BDTV ENTITY ARRANGEMENTS

Section 5.1. MANAGEMENT. The business and affairs of each BDTV Entity will be managed by a Board of Directors elected by the holders of a majority of the voting equity interests in such BDTV Entity. Notwithstanding the foregoing, the taking of any action by a BDTV Entity with respect to (i) to the extent permitted by applicable law, any matter that would have constituted a Fundamental Change under the 1997 Stockholders Agreement (as applied to such BDTV Entity and to the Common Shares, MUTATIS MUTANDIS) or (ii) any acquisition or disposition (including pledges) of any Common Shares held by such BDTV Entity, in either

case, will require the unanimous approval of the holders of all voting and non-voting equity interests in such BDTV Entity.

Section 5.2. CHANGES TO BDTV STRUCTURES. Liberty and Diller agree, subject to applicable law and FCC Regulations, to take such actions as may be reasonably necessary, including but not limited to amending the certificate of incorporation of each BDTV Entity, in order to provide Liberty with the ability to transfer, directly or indirectly, such amounts of Common Shares as Liberty is permitted to sell hereunder, and, if requested by Liberty, Diller agrees, subject to applicable law and at Liberty's sole cost and expense to take actions as are reasonably necessary to permit each BDTV Entity to hold separately shares of capital stock of Expedia, Inc. ("EXPEDIA SHARES") to be held by it immediately following the effective time of the Company's spin off of Expedia, Inc., to sell such Expedia Shares, directly or indirectly, separately from a sale of the Common Shares (but only as permitted by the agreements between Liberty and Diller with respect to the Expedia Shares), to reorganize the assets of any or all of the BDTV Entities to reflect ownership of the Expedia Shares, including, without limitation, to transfer Common Shares and/or Expedia Shares to a Subsidiary of a BDTV Entity (and any such Subsidiary of a BDTV Entity that holds Common Shares or other entity holding Common Shares as a result of such reorganization shall be deemed a BDTV Unrestricted Entity or BDTV Limited Entity, as applicable) or otherwise to enable Liberty to exercise its rights hereunder with respect to Common Shares and under the agreements between Liberty and Diller with respect to the Expedia Shares.

Section 5.3. TRANSFERS OF BDTV INTERESTS. Except as otherwise specifically provided in this Agreement (including Section 4.1(b)), no transfers or other dispositions (including pledges), directly or indirectly, of any interest in (a) any BDTV Limited Entity by Liberty or (b) any BDTV Entity by Diller will be permitted without the consent of the other; PROVIDED (i) Liberty shall be entitled to transfer all or part of its interest in a BDTV Entity to members of the Liberty Stockholder Group, (ii) at such time Liberty becomes the owner of any voting securities of any BDTV Limited Entity, such BDTV Limited Entity shall be deemed to be a BDTV Unrestricted Entity, and (iii) in connection with any sale by Diller entitling Liberty to a right pursuant to Section 4.2, Liberty and Diller shall take such reasonable action as may be required in order for Liberty's interest in a BDTV Limited Entity to be sold in any such transaction. Without the prior written consent of Liberty, Diller shall not Transfer any interest in a BDTV Entity (other than to Liberty or, subject to Liberty's reasonable consent, a member of the Diller Stockholder Group).

For purposes of determining whether Liberty is permitted to transfer the Common Shares held by a BDTV Unrestricted Entity, (i) such BDTV Unrestricted Entity shall be deemed to be a member of the Liberty Stockholder Group and the restrictions on transfers of interests in BDTV Entities shall not apply to Liberty (subject, however, to the other restrictions on transfer of Common Shares set forth herein, including the Right of First Refusal applicable to the Class B Common Stock) and (ii) in connection with any proposed sale by any member of the Liberty Stockholder Group of the Common Shares held by a BDTV Entity (or its equity interest in such BDTV Entity), such member of the Liberty Stockholder Group shall be entitled to purchase Diller's entire interest in such BDTV Entity for an amount in cash equal to the Diller Interest Purchase Price or, at such purchaser's election, require Diller to sell his interest in such BDTV Entity to any such transferee for a pro rata portion of the consideration to be paid by the applicable transferee in such transaction.

At such time as (i) the CEO Termination Date has occurred or Diller becomes Disabled or (ii) the Diller Stockholder Group ceases to own its Eligible Stockholder Amount of Common Shares, Diller shall be required to sell his entire interest in the BDTV Entities to Liberty (or Liberty's designee) at a price equal to the Diller Interest Purchase Price.

ARTICLE VI

MISCELLANEOUS

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

Section 6.2. DURATION OF AGREEMENT. Except as otherwise provided in this Agreement, the rights and obligations of a Stockholder under this Agreement shall terminate as follows:

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

(b) Diller and each member of his Stockholder Group shall cease to be entitled to exercise any rights under this Agreement if the CEO Termination Date has occurred or Diller has become Disabled (the "DILLER TERMINATION DATE").

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

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

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

Section 6.5. SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any

applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 6.6. EFFECTIVE TIME. This Agreement shall become effective immediately following the effective time of the Company's spin off of Expedia, Inc.

Section 6.7. ENTIRE AGREEMENT. Except as otherwise expressly set forth herein, (a) this Agreement, (b) the Governance Agreement, (c) as provided in Section 5.1 hereof, the 1997 Stockholders Agreement, and (d) as provided in Section 5.2 hereof, the agreements relating to Expedia, Inc., embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof or thereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, that may have related to the subject matter hereof in any way. Effective upon the effective time of this Agreement, the 2001 Stockholders Agreement shall terminate and shall be superseded by this Agreement.

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

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

Section 6.10. LIABILITIES UNDER FEDERAL SECURITIES LAWS. The exercise by any party (or its Affiliates or Stockholder Group, if applicable) (and including, in the case of the Liberty Stockholder Group, its exercise of the preemptive rights under Article III of the Governance Agreement) of any rights under this Agreement shall be subject to such reasonable delay as may be required to prevent any party or its respective Stockholder Group from incurring any liability under the federal securities laws and the parties agree to cooperate in good faith in respect thereof.

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

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the

exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

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

If to Liberty:

Liberty Media Corporation
12300 Liberty Boulevard
Englewood, CO 80112
Attention: General Counsel
Telephone: (720) 875-5400
Facsimile: (720) 875-5382

with a copy to:

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

If to Diller:

c/o IAC/InterActiveCorp
152 West 57th Street
New York, NY 10112
Attention: General Counsel
Telephone: (212) 314-7274
Facsimile: (212) 632-9642

with a copy to:

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

Section 6.13. ADJUSTMENT OF SHARES NUMBERS. If, after the effective time of this Agreement, there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Capital Stock referred to in this Agreement, then, in any such event, the numbers and types of shares of such Capital Stock referred to in this Agreement (and if applicable, the share prices thereof) shall be adjusted to the number and types of shares of such Capital Stock that a holder of such number of shares of such Capital Stock would own or be entitled to receive as a result of such event if such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

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

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

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Stockholders Agreement as of the date first written above.

LIBERTY MEDIA CORPORATION

By: /s/ Charles Y. Tanabe

Name: Charles Y. Tanabe
Title: Senior Vice President

BARRY DILLER

By: /s/ Barry Diller

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

JOINT FILING AGREEMENT

JOINT FILING AGREEMENT, dated as of August 19, 2005, by and among Liberty Media Corporation, a Delaware corporation ("Liberty"), Barry Diller, BDTV INC., a Delaware corporation, BDTV II INC., a Delaware corporation, BDTV III INC., a Delaware corporation, and BDTV IV INC., a Delaware corporation.

WHEREAS, each of Liberty, Barry Diller, BDTV INC., BDTV II INC., BDTV III INC. and BDTV IV INC. beneficially owns shares of common stock or options to purchase shares of common stock, or shares of Class B common stock or securities convertible into or exchangeable for common stock or Class B common stock (collectively, the "Company Securities") of IAC/InterActiveCorp, a Delaware corporation (the "Company"); and

WHEREAS, Liberty, Barry Diller, BDTV INC., BDTV II INC., BDTV III INC. and BDTV IV INC. may be deemed to constitute a "group" with respect to the beneficial ownership of the Company Securities for purposes of Rule 13d-1 and Schedule 13D promulgated by the Securities and Exchange Commission.

NOW, THEREFORE, the parties hereto agree as follows:

1. Liberty, Barry Diller, BDTV INC., BDTV II INC., BDTV III INC. and BDTV IV INC. (collectively, the "Reporting Group") shall prepare a single statement containing the information required by Schedule 13D with respect to their respective interests in the Company Securities (the "Reporting Group Schedule 13D"), and the Reporting Group Schedule 13D shall be filed on behalf of each of them.

2. Each member of the Reporting Group shall be responsible for the timely filing of the Reporting Group Schedule 13D and any necessary amendments thereto, and for the completeness and accuracy of the information concerning him or it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning any other party contained therein, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

3. This Agreement shall continue unless terminated by any party hereto.

4. Charles Y. Tanabe and Pamela S. Seymon shall be designated as the persons authorized to receive notices and communications with respect to the Reporting Group Schedule 13D and any amendments thereto.

5. This Agreement may be executed in counterparts, each of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Joint Filing Agreement as of the date first above written.

LIBERTY MEDIA CORPORATION

By: /s/ Charles Y. Tanabe

Name: Charles Y. Tanabe
Title: Senior Vice President

BARRY DILLER

By: /s/ Barry Diller

BDTV INC., BDTV II INC.,
BDTV III INC., and BDTV IV INC.

By: /s/ Barry Diller

Name: Barry Diller
Title: President

