

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934\*  
HSN, INC.  
(formerly named Silver King Communications, Inc.)  
(Name of Issuer)

Common Stock, par value \$.01 per share  
(Title of Class of Securities)

40429R 10 9  
(CUSIP Number)

Stephen M. Brett, Esq.  
Senior Vice President  
and General Counsel  
Tele-Communications, Inc.  
5619 DTC Parkway  
Englewood, CO 80111  
(303) 267-5500

Pamela S. Seymon, Esq.  
Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
(212) 403-1000

(Name, Address and Telephone Number of Person Authorized  
to Receive Notices and Communications)

July 17, 1997

(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(b)(3) or (4), check the following box [ ].

Check the following box if a fee is being paid with this statement [ ]. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of less than five percent of such class. See Rule 13d-7.)

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

\*The remainder of this cover page should be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

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).

\*NOTE: THIS STATEMENT CONSTITUTES AMENDMENT NO. 3 OF A REPORT ON SCHEDULE 13D OF BDTV II INC., AMENDMENT NO. 5 OF A REPORT ON SCHEDULE 13D OF BDTV INC., AMENDMENT NO. 9 OF A REPORT ON SCHEDULE 13D OF EACH OF BARRY DILLER AND THE REPORTING GROUP (AS DEFINED IN ITEM 2) AND AMENDMENT NO. 11 OF A REPORT ON SCHEDULE 13D OF TELE-COMMUNICATIONS, INC.

- (1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons

Tele-Communications, Inc.  
84-1260157

- (2) Check the Appropriate Box if a Member of a Group  
(a)  [X]  
(b)  [ ]

- (3) SEC Use Only

- (4) Source of Funds  
00

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  [ ]

- (6) Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	0 shares
	(8)	Shared Voting Power	23,854,105 shares
	(9)	Sole Dispositive Power	0 shares
	(10)	Shared Dispositive Power	23,854,105 shares

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

23,854,105 shares

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares  [X]  
Includes Contingent Rights Shares and Liberty Exchange Shares issuable to TCI upon satisfaction of certain conditions. See Item 6. Excludes shares beneficially owned by the executive officers and directors of TCI.  
Excludes options to purchase an aggregate of 5,905,424 shares of Common Stock granted to Mr. Diller, none of which are currently vested or exercisable and none of which become exercisable within 60 days.

- (13) Percent of Class Represented by Amount in Row (11)  
33.25%

Assumes conversion of all shares of Class B Common Stock beneficially owned by the Reporting Persons into shares of Common Stock. Because each share of Class B Stock generally is entitled to ten votes per share while the 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 72.8% of the voting power of the Company.

- (14) Type of Reporting Person (See Instructions)  
C0

- (1) Names of Reporting Persons S.S. or I.R.S. Identification  
Nos. of Above Persons

Barry Diller

- (2) Check the Appropriate Box if a Member of a Group  
(a)  [X]  
(b)  [ ]

- (3) SEC Use Only

- (4) Source of Funds  
00

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  [ ]

- (6) Citizenship or Place of Organization

United States

Number of Shares	(7)	Sole Voting Power	0 shares
Beneficially Owned by Each Reporting Person	(8)	Shared Voting Power	23,854,105 shares
With	(9)	Sole Dispositive Power	0 shares
	(10)	Shared Dispositive Power	23,854,105 shares

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

23,854,105 shares

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares  [X]

Includes Contingent Rights Shares and Liberty Exchange Shares issuable to TCI upon satisfaction of certain conditions. See Item 6. Excludes shares beneficially owned by the executive officers and directors of TCI. Excludes options to purchase an aggregate of 5,905,424 shares of Common Stock granted to Mr. Diller, none of which are currently vested or exercisable and none of which become exercisable within 60 days.

- (13) Percent of Class Represented by Amount in Row (11)  
33.25%

Assumes conversion of all shares of Class B Common Stock beneficially owned by the Reporting Persons into shares of Common Stock. Because each share of Class B Stock generally is entitled to ten votes per share while the 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 72.8% of the voting power of the Company.

- (14) Type of Reporting Person (See Instructions)

IN

- (1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons

BDTV INC.  
84-1260157

- (2) Check the Appropriate Box if a Member of a Group  
(a)  [X]  
(b)  [ ]

- (3) SEC Use Only

- (4) Source of Funds

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  [ ]

- (6) Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	0 shares
	(8)	Shared Voting Power	23,854,105 shares
	(9)	Sole Dispositive Power	0 shares
	(10)	Shared Dispositive Power	23,854,105 shares

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

23,854,105 shares

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares  [X]  
Includes Contingent Rights Shares and Liberty Exchange Shares issuable to TCI upon satisfaction of certain conditions. See Item 6. Excludes shares beneficially owned by the executive officers and directors of TCI.  
Excludes options to purchase an aggregate of 5,905,424 shares of Common Stock granted to Mr. Diller, none of which are currently vested or exercisable and none of which become exercisable within 60 days.

- (13) Percent of Class Represented by Amount in Row (11)  
33.25%

Assumes conversion of all shares of Class B Common Stock beneficially owned by the Reporting Persons into shares of Common Stock. Because each share of Class B Stock generally is entitled to ten votes per share while the 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 72.8% of the voting power of the Company.

- (14) Type of Reporting Person (See Instructions)  
CO

- (1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons

BDTV II INC.

- (2) Check the Appropriate Box if a Member of a Group

(a)

(b)

- (3) SEC Use Only

- (4) Source of Funds

00

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

- (6) Citizenship or Place of Organization

United States

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	0 shares
	(8)	Shared Voting Power	23,854,105 shares
	(9)	Sole Dispositive Power	0 shares
	(10)	Shared Dispositive Power	23,854,105 shares

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

23,854,105 shares

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares

Includes Contingent Rights Shares and Liberty Exchange Shares issuable to TCI upon satisfaction of certain conditions. See Item 6. Excludes shares beneficially owned by the executive officers and directors of TCI.

Excludes options to purchase an aggregate of 5,905,424 shares of Common Stock granted to Mr. Diller, none of which are currently vested or exercisable and none of which become exercisable within 60 days.

- (13) Percent of Class Represented by Amount in Row (11)

33.25%

Assumes conversion of all shares of Class B Common Stock beneficially owned by the Reporting Persons into shares of Common Stock. Because each share of Class B Stock generally is entitled to ten votes per share while the 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 72.8% of the voting power of the Company.

- (14) Type of Reporting Person (See Instructions)

CO

- (1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons

BDTV III INC.

- (2) Check the Appropriate Box if a Member of a Group  
 (a)  [X]  
 (b)  [ ]

- (3) SEC Use Only

- (4) Source of Funds  
 00

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  [ ]

- (6) Citizenship or Place of Organization  
 United States

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power	0 shares
	(8)	Shared Voting Power	23,854,105 shares
	(9)	Sole Dispositive Power	0 shares
	(10)	Shared Dispositive Power	23,854,105 shares

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

23,854,105 shares

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares  [X]  
 Includes Contingent Rights Shares and Liberty Exchange Shares issuable to TCI upon satisfaction of certain conditions. See Item 6. Excludes shares beneficially owned by the executive officers and directors of TCI.  
 Excludes options to purchase an aggregate of 5,905,424 shares of Common Stock granted to Mr. Diller, none of which are currently vested or exercisable and none of which become exercisable within 60 days.

- (13) Percent of Class Represented by Amount in Row (11)  
 33.25%

Assumes conversion of all shares of Class B Common Stock beneficially owned by the Reporting Persons into shares of Common Stock. Because each share of Class B Stock generally is entitled to ten votes per share while the 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 72.8% of the voting power of the Company.

- (14) Type of Reporting Person (See Instructions)  
 CO

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D/A

Statement of

TELE-COMMUNICATIONS, INC.,

BARRY DILLER

BDTV INC.

BDTV II INC.

and

BDTV III INC.

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

HSN, INC.  
(formerly named Silver King Communications, Inc.)

This Report on Schedule 13D relates to the common stock, par value \$.01 per share (the "Common Stock"), of HSN, Inc., a Delaware corporation (the "Company," which was formerly named Silver King Communications, Inc.). The Report on Schedule 13D originally filed by Tele-Communications, Inc., a Delaware corporation ("TCI"), on August 15, 1994, as amended and supplemented by the amendments thereto previously filed with the Commission (collectively, the "TCI Schedule 13D"), is hereby amended and supplemented to include the information contained herein, and this Report constitutes Amendment No. 11 to the TCI Schedule 13D. In addition, the Report on Schedule 13D originally filed by each of Mr. Barry Diller (the "Barry Diller Schedule 13D") and the Reporting Group (the "Reporting Group Schedule 13D") on August 29, 1995, as amended and supplemented by the amendments thereto previously filed with the Commission, is hereby amended and supplemented to include the information contained herein, and this Report constitutes Amendment No. 9 to each of the Barry Diller Schedule 13D and the Reporting Group Schedule 13D. This Report on Schedule 13D also constitutes Amendment No. 4 to the Report on Schedule 13D of BDTV INC., a Delaware corporation ("BDTV"), originally filed with the Commission on August 16, 1996 (the "BDTV Schedule 13D"). This Report on Schedule 13D also constitutes Amendment No. 3 to the Report on Schedule 13D of BDTV II INC., a Delaware corporation ("BDTV II"), originally filed with the Commission on December 24, 1996 (the "BDTV II Schedule 13D"). This Report on Schedule 13D also constitutes the Original Report (the "BDTV III Schedule 13D") of BDTV III INC., a Delaware corporation ("BDTV III"). Barry Diller, TCI, BDTV, BDTV II and BDTV III (each, a "Reporting Person") constitute a "group" for purposes of Rule 13d-5 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with respect to their respective beneficial ownership of the Common Stock and are collectively referred to as the "Reporting Group." The TCI Schedule 13D, the Barry Diller Schedule 13D, the Reporting Group Schedule 13D, the BDTV Schedule 13D, the BDTV II Schedule 13D and the BDTV III Schedule 13D are collectively referred to as the "Schedule 13D." Capitalized terms not defined herein

have the meanings provided in the prior Reports on Schedule 13D referred to in this paragraph.

The summary descriptions contained in this Report of certain agreements and documents are qualified in their entirety by reference to the complete texts of such agreements and documents, filed as Exhibits hereto and incorporated herein by reference. 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 TCI Schedule 13D, the Barry Diller Schedule 13D, the BDTV Schedule 13D, the BDTV II Schedule 13D and the Reporting Group Schedule 13D is hereby amended and supplemented by adding the following information (and such information also constitutes the BDTV III Schedule 13D):

The business address of BDTV III INC. is 1940 Coldwater Canyon Drive, Beverly Hills, CA 90210. BDTV III is a company formed by TCI and Mr. Diller to hold Company securities.

The name, business address and present principal occupation or employment and the name, address and principal business of any corporation or other organization in which such employment is conducted of each of the executive officers and directors of BDTV III are set forth in Schedule 1 attached hereto and incorporated herein by reference.

During the last five years, neither BDTV III, nor, to the best of BDTV III's knowledge, any of the persons named on Schedule 1, has (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. To the best knowledge of BDTV III, each of its executive officers and directors is a citizen of the United States, except as specifically set forth in Schedule 1 hereto.

The name, business address and principal occupation or employment and the name, address and principal business of any corporation or other organization in which such employment is conducted of each of the executive officers and directors of TCI are set forth in Schedule 2 attached hereto and incorporated herein by reference. Such Schedule 2 shall supersede all prior schedules in this Schedule 13D setting forth such information for TCI.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

The information contained in Item 6 of this Schedule 13D is hereby incorporated by reference herein.

ITEM 4. PURPOSE OF THE TRANSACTION.

The information set forth in Item 6 of this Schedule 13D is hereby incorporated by reference herein.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

The information set forth in Item 6 of this Schedule 13D, is hereby incorporated by reference herein.

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

The information set forth in Item 6 of the TCI Schedule 13D, the Barry Diller Schedule 13D, the BDTV Schedule 13D, the BDTV II Schedule 13D and the Reporting Group Schedule 13D is hereby amended and supplemented by adding the following information (and such information also constitutes the BDTV III Schedule 13D):

As previously reported, on July 17, 1997, the Company consummated the transactions contemplated by the Stock Exchange Agreement and acquired 12,283,014 shares of Ticketmaster Common Stock from Paul G. Allen in exchange for the issuance to Mr. Allen of 7,238,507 shares of Common Stock (the "Allen Shares"). No members of the Tag-Along Group exercised the Tag-Along Rights provided them under the Ticketmaster Stockholder Agreement prior to the closing and, as a result, no shares were issued to the members of the Tag-Along Group. However, the Company has agreed that in connection with the Stock Exchange Agreement, it will extend the period during which Frederic D. Rosen may exercise his Tag-Along Rights in respect of the 306,208 shares of Ticketmaster Common Stock covered by the Shareholders Agreement, dated as of December 15, 1993, by and among Mr. Allen, Mr. Rosen and certain other parties (the "Shareholders Agreement"). Mr. Rosen may exercise, and the Company will honor, Mr. Rosen's Tag-Along Rights under the Shareholders Agreement, provided that Mr. Rosen notifies the Company of his decision to exercise his Tag-Along Rights no later than January 6, 1998. Pursuant to the terms of the Stock Exchange Agreement, in connection with the closing of the transactions contemplated by the Stock Purchase Agreement, Mr. Allen, Mr. Rosen and William Savoy were appointed to the Company's Board of Directors.

In accordance with the terms of the Diller-Liberty-Allen Stockholders Agreement, each of Mr. Diller and TCI is obligated to vote all shares of voting stock of the Company over which he or it may then exercise voting power, at any annual or special meeting of stockholders of the Company called for the purpose of the election of directors or to execute written consents of stockholders without a meeting with respect to the election of directors, in favor of Mr. Allen or a designee of Mr. Allen acceptable to the Company, so long as Mr. Allen is entitled to representation on the Company's Board of Directors under the Stock Exchange Agreement. The Diller-Liberty-Allen Stockholder Agreement will terminate (as will Mr. Allen's right under the Stock Exchange Agreement to representation on the Company's Board of Directors) upon the disposition by Mr. Allen and his permitted transferees collectively, in one or more transactions, to third parties of one-third or more of the shares of Common Stock acquired by Mr. Allen under the Stock Exchange Agreement; provided, however, that the

-----  
Diller-Liberty-Allen Stockholder Agreement will terminate earlier (as will Mr. Allen's right under the Stock Exchange Agreement to representation on the Company's Board of Directors) if Mr. Allen and his permitted transferees do not beneficially own at least 5% of the Company's outstanding equity securities (assuming for this purpose that all Company equity securities issuable under the Liberty Agreements (as defined in the Stock Exchange Agreement) are outstanding).

As previously reported in the Schedule 13D, a number of the shares of Class B Common Stock issuable to Liberty HSN pursuant to the Home Shopping Merger were not issued, but instead are represented by the Contingent Rights which contractually obligate the Company to issue to Liberty HSN the Contingent Rights Shares upon the occurrence of certain events, including a change in applicable FCC regulations or other event that would permit Liberty HSN to have an indirect equity interest in the

Company greater than the indirect equity interest represented by the number of shares of Common Stock which it then owns (directly and indirectly). Also, as previously disclosed, in connection with the Home Shopping Merger the Company and Liberty HSN entered into the Exchange Agreement. Pursuant to the Exchange Agreement, at such time or from time to time following the issuance to it of all Contingent Shares as Liberty HSN or its permitted transferee may be allowed under applicable FCC authority to have an indirect equity interest in the Company greater than the indirect equity interest represented by the number of shares of Common Stock which it then owns (directly and indirectly), Liberty HSN or its permitted transferee will exchange its shares of Home Shopping common stock and its Home Shopping class B common stock for the Liberty Exchange Shares.

As a consequence of the issuance of shares to Mr. Allen pursuant to the Stock Exchange Agreement, under applicable FCC regulations and interpretations (including the March Order), Liberty HSN was permitted to hold an indirect equity interest in a greater number of shares of the Company than it held immediately prior to the issuance of the Allen Shares. In accordance with the terms of the Contingent Rights held by Liberty HSN, 2,002,591 Contingent Rights Shares were issued to Liberty HSN immediately following the issuance of the Allen Shares. The Contingent Rights Shares issued to Liberty HSN were contributed to BDTV III, a newly formed entity in which Mr. Diller owns all of the voting equity interests and TCI owns a non-voting equity interest (which non-voting interest constitutes substantially all the equity of such entities) and which (other than with respect to certain fundamental corporate actions) is controlled by Mr. Diller, in accordance with the terms of the Stockholders Agreement.

In addition, as previously reported, the Stock Exchange Agreement provides that, depending upon the market price of the Common Stock, in July 1998 up to 3,257,328 additional shares of Common Stock may be required to be issued to Mr. Allen. Accordingly, in the event additional shares of Common Stock become issuable to Mr. Allen pursuant to the Stock Exchange Agreement in July 1998, additional Contingent Rights Shares, or if the Contingent Rights have theretofore been terminated through the prior issuance of all Contingent Rights Shares, Liberty Exchange Shares will become issuable to Liberty HSN. Assuming the maximum of 3,257,328 of such additional shares were issued to Mr. Allen and that no additional Contingent Rights Shares are issued to Liberty HSN prior to July 1998, the remaining 589,161 Contingent Rights Shares and 296,113 Liberty Exchange Shares would be issued to Liberty HSN.

SIGNATURE

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

Dated: July 28, 1997

TELE-COMMUNICATIONS, INC.

By: /s/ Stephen M. Brett

-----  
Name: Stephen M. Brett  
Title: Senior Vice President  
and General Counsel

/s/ Barry Diller

-----  
Barry Diller

BDTV INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

BDTV II INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

BDTV III INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

EXHIBIT INDEX

Seq. Pg.  
No.

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./\*/

---

\* Previously filed.

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, BDTI 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./\*/

---

\* Previously filed.

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.

SCHEDULE 1

Directors, Executive Officers and Controlling Persons  
of BDTV III INC. ("BDTV III")

Name -----	Principal Occupation and Business Address -----	Principal Business or Organization in which such Business is Conducted -----
Barry Diller	Chairman of the Board, Chief Executive Officer and Director of HSN, Inc., 2425 Olympic Boulevard, Santa Monica, CA 90404; Chairman of the Board, President and Director of BDTV, BDTV II and BDTV III	Ownership and Operation of Television Stations; cable television programming

SCHEDULE 2

Directors, Executive Officers and Controlling Persons  
of Tele-Communications, Inc. ("TCI")

Name	Principal Occupation and Business Address	Principal Business or Organization in which such Business is Conducted
-----	-----	-----
John C. Malone	Chairman of the Board and Chief Executive Officer & Director of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Leo J. Hindery, Jr.	President and Chief Operating Officer & Director of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Donne F. Fisher	Consultant & Director of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
John W. Gallivan	Director of TCI; Chairman of the Board of Kearns- Tribune Corporation, 400 Tribune Building, Salt Lake City, UT 84111	Newspaper publishing
Tony Coelho	Director of TCI; Chairman of the Board & Chief Executive Officer of ETC w/TCI, Inc.; Chairman & Chief Executive Officer of Coelho Associates, L.L.P., 1325 Avenue of the Americas, 26th Floor, New York, NY 10019	Investment Services
Kim Magness	Director of TCI & TCI Communications, Inc., Manages various personal investments, 4000 E. Belleview, Englewood, CO 80111	Management of personal investments
Paul A. Gould	Director of TCI; Managing Director and Executive Vice President of Allen & Company, Incorporated, 711 Fifth Avenue, New York, NY 10022	Securities firm

Name	Principal Occupation and Business Address	Principal Business or Organization in which such Business is Conducted
-----	-----	-----
Robert A. Naify	Director of TCI; President and Chief Executive Officer of Todd-AO Corporation, 172 Golden Gate Avenue, San Francisco, CA 94102	Motion Picture Industry
Jerome H. Kern	Director of TCI; Business Consultant; Senior Counsel to Baker & Botts, L.L.P., 5619 DTC Parkway, Englewood, CO 80111	Business Consulting: Law
J. C. Sparkman	Director of TCI and Consultant, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Gary K. Bracken	Senior Vice President & Controller of TCI Communications, Inc., 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Stephen M. Brett	Executive Vice President, Secretary & General Counsel of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Brendan R. Clouston	Executive Vice President of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Larry E. Romrell	Executive Vice President of TCI, 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Bernard W. Schotters, II	Senior Vice President - Finance & Treasurer of TCI Communications, Inc., 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services
Fred A. Vierra	Executive Vice President of TCI; Chief Executive Officer and Director of Tele-Communications International, Inc., 5619 DTC Parkway, Englewood, CO 80111	Cable television & telecommunications; & programming services

Name -----	Principal Occupation and Business Address -----	Principal Business or Organization in which such Business is Conducted -----
Robert R. Bennett	President and Chief Executive Officer of Liberty Media Corporation, 5619 DTC Parkway, Englewood, CO 60111	Cable television & telecommunications; & programming services

THIRD AMENDED AND RESTATED JOINT FILING AGREEMENT

THIRD AMENDED AND RESTATED JOINT FILING AGREEMENT, dated as of July 17, 1997, by and between Tele-Communications, Inc., a Delaware corporation, Barry Diller, BDTV INC., a Delaware corporation, BDTV II INC., a Delaware corporation, and BDTV III INC., a Delaware corporation.

WHEREAS, each of the parties hereto beneficially owns shares of common stock or options to purchase shares of common stock, or shares of Class B Common Stock (collectively, the "Company Securities") of HSN, Inc., a Delaware corporation;

WHEREAS, the parties hereto 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; and

WHEREAS, Tele-Communications, Inc., Barry Diller, BDTV INC. and BDTV II INC. have previously entered into an agreement, dated as of December 23, 1996, pursuant to which the parties thereto agreed to prepare a single statement containing the information required by Schedule 13D with respect to their respective interests in the Company.

NOW, THEREFORE, the parties hereto agree as follows:

1. The parties hereto 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 party hereto 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. Stephen M. Brett, Esq. and Pamela S. Seymon, Esq. 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 Agreement as of the date first above written.

TELE-COMMUNICATIONS, INC.

By: /s/ Stephen M. Brett

-----  
Name: Stephen M. Brett  
Title: Senior Vice President and General  
Counsel

/s/ Barry Diller

-----  
Barry Diller

BDTV INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

BDTV II INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

BDTV III INC.

By: /s/ Barry Diller

-----  
Name: Barry Diller  
Title: President

CERTIFICATE OF INCORPORATION

OF

BDTV III INC.

-----

I, the undersigned, for the purposes of incorporating and organizing a corporation under the General Corporation Law of the State of Delaware, do execute this Certificate of Incorporation and do hereby certify as follows:

ARTICLE I

NAME

The name of the Corporation is BDTV III INC.

ARTICLE II

REGISTERED OFFICE

The location of the registered office of the Corporation in the State of Delaware is the office of The Prentice-Hall Corporation System, Inc., 1013 Centre Road, in the City of Wilmington, County of New Castle, State of Delaware 19805, and the name of the registered agent at such address is The Prentice-Hall Corporation System, Inc.

ARTICLE III

PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE IV

SECTION A

AUTHORIZED STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is one million one thousand two hundred ninety-seven (1,001,297) shares, of which five hundred thousand six hundred forty-nine (500,649) shares shall be Class A Common Stock, par value \$.01 share (the "Class A Common Stock"), and five hundred thousand six hundred forty-eight (500,648) shares shall be Class B Common Stock, par value \$.01 per share (the "Class B Common Stock," and together with the Class A Common Stock, the "Common Stock").

SECTION B

CLASS A COMMON STOCK AND CLASS B COMMON STOCK

Each share of Class A Common Stock and Class B Common Stock of the Corporation shall, except as otherwise provided in this Certificate of Incorporation, be identical in all respects and shall have equal rights and privileges.

1. Voting Rights.

-----

(a) The holders of the Class A Common Stock shall be entitled to vote on all matters presented to a vote of the stockholders of the Corporation, including elections of directors, at any annual or special meeting of stockholders of the Corporation or in connection with the taking of any action by the stockholders of the Corporation by written consent, with each such holder entitled to one vote for each share of such stock held.

(b) Except as otherwise required by law or as provided in paragraph 1(c) of this Section B below the holders of the Class B Common Stock shall have no voting rights whatsoever.

(c) Notwithstanding anything else in this Certificate of Incorporation to the contrary, so long as any shares of the Class B Common Stock remain outstanding, the Corporation shall not take any action with respect to any of the following matters without first obtaining the affirmative vote (or written consent) of (i) from and after the initial issuance of shares of the Class B Common Stock until such time as Liberty Media Corporation, a Delaware corporation (including its successors by merger, consolidation, sale of assets or otherwise, "Liberty"), ceases to hold any shares of the Class B Common Stock, Liberty, and (ii) thereafter, until such time as the

members of Liberty's Stockholder Group (as defined in that certain agreement, dated as of August 24, 1995, as amended as of August 25, 1996, between Liberty and Barry Diller (as so amended and including any successor agreement thereto as contemplated by the terms thereof and any amendments thereto, the "Stockholders Agreement")) cease to own any shares of the Class B Common Stock, the member of Liberty's Stockholder Group so designated in writing by Liberty by notice to the Corporation (Liberty or such designee, the "Designated Holder"):

(i) the issuance of any shares of capital stock of the Corporation or any interests therein other than (x) pursuant to the Stockholders Agreement, and (y) the issuance of shares of Class A Common Stock as a result of the conversion of shares of Class B Common Stock pursuant to Section B(2) below;

(ii) any acquisition or disposition (including pledges), directly or indirectly, by the Corporation of any equity securities (or any interest therein) of HSN, Inc., a Delaware corporation ("HSNI", which term shall include any successor by merger, consolidation, sale of assets or otherwise), or any rights relating to the acquisition or disposition of such equity securities (or any interest therein), except as specifically provided for by the Stockholders Agreement;

(iii) other than as provided in clauses (i) and (ii) above, the acquisition or disposition (including pledges), directly or indirectly, by the Corporation 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 Corporation, the redemption, repurchase, or reacquisition of any debt or equity securities of the Corporation by the Corporation or any of its subsidiaries (other than the conversion of shares of Class B Common Stock as provided in Section B(2)), or the incurrence of any indebtedness by the Corporation;

(iv) any amendments to this Certificate of Incorporation or the Bylaws of the Corporation;

(v) engaging in any business other than holding shares of the capital stock of HSNI, exercising rights of ownership and voting related to such shares of stock and pursuant to the Stockholders Agreement (subject in any event to the provisions hereof and of the Stockholders Agreement), and engaging in corporate governance and administrative activities consistent with the terms of this Certificate of Incorporation, the Corporation's bylaws and the Stockholders Agreement;

(vi) the settlement of any litigation, arbitration or other proceeding which is other than in the ordinary course of business and which involves any material restriction on the conduct of business by the Corporation or the continued ownership (A) of its assets by the Corporation or (B) of the capital stock of the Corporation by its stockholders;

(vii) except as specifically contemplated by the Stockholders Agreement and this Certificate of Incorporation, any transaction between the Corporation and Barry Diller and his affiliates;

(viii) the merger, consolidation, dissolution or liquidation of the Corporation; or

(ix) permitting HSNI to issue any shares of HSNI's Class B Common Stock, par value \$.01 per share, or any options, warrants or other rights to acquire any shares of such Class B Common Stock of HSNI.

2. Conversion Rights.  
-----

(a) Upon the first to occur of any of the following: (i) a Change in Law (as defined below), (ii) the failure for any reason of Barry Diller to be Chairman of the Board and/or Chief Executive Officer and/or President of HSNI and to be a director of this Corporation, or (iii) the satisfaction of all conditions (other than any conditions which are capable of being satisfied only at the closing of such transaction) to the consummation of any Agreement to Transfer (as defined below) (any such event set forth in clauses (i), (ii) or (iii), a "Conversion Event"), each share of Class B Common Stock shall become convertible, at the option of the holder thereof, into one share of Class A Common Stock; provided, however, that with respect to a

-----  
Conversion Event pursuant to clause (iii) above, such shares of Class B Common Stock shall only become convertible immediately prior to the consummation of the transactions contemplated by such Agreement to Transfer. A "Change in Law" shall be deemed to have occurred at such time as Liberty, a member of Liberty's Stockholder Group or a permitted transferee of the foregoing under the Stockholders Agreement (Liberty, such member of the Liberty Stockholder Group or such permitted transferee, a "Qualified Holder") is entitled to exercise full ownership and control over its pro rata interest in the shares of the capital stock of HSNI held at such time by the Corporation, notwithstanding HSNI's ownership of its broadcast licenses (or interests therein). An "Agreement to Transfer" shall mean an agreement pursuant to which Liberty or a member of the Liberty Stockholder Group proposes, subject to its obligations under the Stockholders Agreement, to transfer, directly or indirectly (including by merger, sale of assets or otherwise), such member's interest in the Corporation, or all or part of such member's pro rata interest in shares of the capital stock of HSNI held at such time by the Corporation, to any third party which is, or upon receipt of any required governmental consent, approval or waiver, would be entitled or otherwise permitted to own (in accordance with FCC Regulations (as defined in the Stockholders Agreement)) such securities (including in connection with a public offering of such HSNI capital stock effected pursuant to the registration rights provided for in the Stockholders Agreement) (such third party, a "Qualified Transferee").

(b) As promptly as practicable following notice to the Corporation (i) by any Qualified Holder that, upon the receipt of any required governmental or regulatory consents,

approvals or waivers (provided that such Qualified Holder has determined in good faith that any such waiver is obtainable) and the termination or expiration of any applicable waiting period under the HSR Act, a Conversion Event shall have occurred, or (ii) by Liberty, a member of the Liberty Stockholder Group or a Qualified Transferee of the execution of an Agreement to Transfer, then the Corporation shall, and shall cause each of its subsidiaries and affiliates (including HSNI) to, (A) make any and all required applications or filings with and seek any required consents, approvals or waivers from, any governmental or regulatory agencies (including, but not limited to, with the Federal Communications Commission (the "FCC") and under the Hart-Scott-Rodino Antitrust Improvements of 1976, as amended (the "HSR Act")), (B) obtain any and all such consents, approvals or waivers from such governmental or regulatory agencies, and the expiration or termination of any applicable waiting period under the HSR Act, in each case, which is reasonably necessary in connection with such conversion or transfer (including a transfer pursuant to an Agreement to Transfer) and (C) use reasonable efforts to cooperate with, and express its support for, such Qualified Holder's or Qualified Transferee's efforts to obtain any such consents, approvals and waivers or the expiration or termination of such waiting period. Upon receipt of such consents, approvals or waivers or the expiration or termination of such waiting period, as the case may be, the Corporation shall notify such Qualified Holder or Qualified Transferee of such receipt, expiration or termination. Such Qualified Holder or Qualified Transferee shall use reasonable efforts to cooperate with the Corporation in connection with the satisfaction by the Corporation of its obligations under this paragraph (b).

(c) Any conversion provided for in paragraph (a) of this Section B(2) above may be effected by any holder of Class B Common Stock by (i) delivering written notice to the Corporation of such holder's intent to convert shares of Class B Common Stock, which notice shall specify the number of shares to be converted and the proposed date of such conversion, which shall be not less than two business days after the delivery of such notice and (ii) surrendering on the date specified in such notice (or such later date as all required consents, approvals, waivers and terminations described in paragraph (b) of this Section B(2) have been obtained) such holder's certificate or certificates for the Class B Common Stock to be converted, duly endorsed, at the office of the Corporation or any transfer agent for the Class B Common Stock, together with a written notice to the Corporation at such office that such holder elects to convert all or a specified number of shares of Class B Common Stock represented by such certificate and stating the name or names in which such holder desires the certificate or certificates for Class A Common Stock to be issued. If so required by the Corporation, any certificate for shares surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder of such shares or the duly authorized representative of such holder. Promptly thereafter, the Corporation shall issue and deliver to such holder or such holder's nominee or nominees, a certificate or certificates for the number of shares of Class A Common Stock to which such holder shall be entitled as herein provided. Such conversion shall be deemed to have been made at the close of business on the date of receipt by the Corporation or any such transfer agent of the certificate or certificates, notice and, if required, instruments of transfer referred to above, and the Person or

Persons entitled to receive the Class A Common Stock issuable on such conversion shall be treated for all purposes as the record holder or holders of such Class A Common Stock at the close of business on that date. A number of shares of Class A Common Stock equal to the number of shares of Class B Common Stock outstanding from time to time shall at all times be set aside and reserved for issuance upon conversion of shares of Class B Common Stock. Shares of Class B Common Stock that have been converted hereunder shall be retired and shall not be reissued by the Corporation. Shares of Class A Common Stock shall not be convertible into shares of Class B Common Stock.

3. Dividends and Other Distributions. The Corporation shall be

entitled to declare and pay, out of funds legally available therefor, dividends and make distributions on the Class A Common Stock and Class B Common Stock only as provided in this Section B(3). In connection with the declaration and payment of any dividend or the making of any distribution on the Common Stock (other than Liquidating Distributions (as defined below)), the holders of the Class A Common Stock shall be entitled to receive, prior to the declaration or payment of any dividend or other distribution to the holders of the Class B Common Stock, an amount equal to \$1.00 per share, payable solely in cash (the "Class A Preferential Dividend"), and no more. Following the declaration and payment of such amount to the holders of the Class A Common Stock, the Corporation shall be entitled to pay such dividends and make such distributions to the holders of the Class B Common Stock as the Corporation shall determine. Other than the payment in cash of the Class A Preferential Dividend, the holders of the Class A Common Stock shall have no other or further right to the payment of any other dividend or distribution, other than Liquidating Distributions.

4. Reclassifications, Subdivisions and Combinations. The

Corporation shall not reclassify, subdivide or combine one class of its Common Stock without reclassifying, subdividing or combining the other class of Common Stock, on an equal per share basis.

5. Liquidation and Mergers. In connection with any liquidation,

dissolution or winding up of the Corporation, the holders of any shares of Class A Common Stock originally issued as shares of Class A Common Stock (and not upon conversion of shares of Class B Common Stock) shall be entitled to receive an amount in cash equal to the Class A Liquidation Price (as defined below) for such shares of Class A Common Stock, and no other or further amount, and the holders of shares of (i) Class B Common Stock and (ii) shares of Class A Common Stock issued upon conversion of shares of Class B Common Stock shall thereafter be entitled to share ratably, on a share for share basis, in any distribution of the Corporation's remaining assets upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment or provisions for payment of the debts and other liabilities of the Corporation. The "Class A Liquidation Price" of a share of Class A Common Stock which was originally issued as Class A Common Stock and was not issued upon conversion of a share of Class B Common Stock shall be an amount in cash equal to the price paid (or the fair market value of property contributed) to the

Corporation in respect of the initial issuance and sale thereof by the Corporation, plus interest thereon at the Agreed Rate from the date of original issuance thereof to and including the effective date of any liquidation or dissolution of the Corporation, compounded annually. The "Agreed Rate" shall be the rate of interest per annum equal to the commercial lending rate per annum publicly announced from time to time by The Bank of New York as its prime rate (such rate of interest to change as of the close of business on each date such prime rate changes). The distributions to be made upon the shares of Class A Common Stock and Class B Common Stock upon the liquidation, dissolution or winding up of the Corporation are referred to as the "Liquidating Distribution." Neither the consolidation or merger of the Corporation with or into any other corporation or corporations nor the sale, transfer or lease of all or substantially all of the assets of the Corporation shall itself be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section B(5).

ARTICLE V

INCORPORATOR

The incorporator of the Corporation is Elizabeth Crutcher, whose mailing address is 599 Lexington Avenue, 29th floor, New York, New York 10022.

ARTICLE VI

DIRECTORS

The governing body of the Corporation shall be a Board of Directors. The number of directors constituting the entire Board of Directors shall be one. Election of directors need not be by written ballot. All directors of the Corporation shall serve without compensation.

ARTICLE VII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

1. Elimination of Certain Liability of Directors. A director of the

-----  
Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the General Corporation Law of the State of Delaware, or (d) for any transaction from which the director derived an improper personal benefit.

2. Indemnification and Insurance.

(a) Right to Indemnification. Each person who was or is made a

party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the General Corporation Law of the State of Delaware, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, amounts paid or to be paid in settlement, and excise taxes or penalties arising under the Employee Retirement Income Security Act of 1974) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrator; provided, however, that, except

as provided in paragraph 2(b), the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Designated Holder. The right to indemnification conferred in this paragraph 2 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the General

Corporation Law of the State of Delaware requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, which undertaking shall itself be sufficient without the need for further evaluation of the creditworthiness of the undertaking or of such advancement, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this paragraph 2 or otherwise. Notwithstanding the foregoing, no director or officer of the Corporation shall be deemed to be serving at the request of the Corporation as a director, officer, employee or agent of HSNI or any entity controlled by, controlling or under common control (other than the Corporation) with HSNI (including employee benefit plans) (collectively, "the HSNI Entities").

(b) Right of Claimant to Bring Suit. If a claim under paragraph

2(a) is not paid in full by the Corporation within thirty days after a written claim has been received by the

Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim, unless the failure to have been so paid is the result of any action or failure to act on the part of such claimant. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the General Corporation Law of the State of Delaware for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law of the State of Delaware, nor an actual determination by the Corporation (including its Board, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) Non-Exclusivity of Rights. The right to indemnification and  
-----

the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this paragraph 2 shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

(d) Insurance. The Corporation may maintain insurance, at its  
-----

expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law of the State of Delaware.

(e) Set-off of Indemnification Remedies; Subrogation. In the  
-----

case of a claim for indemnification or advancement of expenses against the Corporation under this paragraph 2 arising out of acts, events or circumstances for which the claimant, who was at the relevant time serving as a director, officer, employee or agent of any of the HSNI Entities, may be entitled to indemnification or advancement of expenses pursuant to such HSNI Entity's certificate of incorporation or by-laws, insurance policy or a contractual agreement between the claimant and such entity (a "HSNI Indemnity Provision"), the claimant seeking indemnification hereunder shall first seek indemnification and advancement of expenses pursuant to any such HSNI Indemnity Provision. To the extent that amounts to be indemnified or advanced to a claimant hereunder are paid or advanced by or on behalf of a HSNI Entity, the claimant's right to indemnification and advancement of expenses hereunder shall be reduced. In the event of any payment of indemnification or

advancement of expenses pursuant to this paragraph 2 by the Corporation, the Corporation shall be subrogated to any such rights the applicable claimant may have to indemnification from or on behalf of any of the HSNI Entities in connection with the acts, events or circumstances giving rise to such claim.

#### ARTICLE VIII

##### TERM

The term of existence of this Corporation shall be perpetual.

#### ARTICLE IX

##### STOCK NOT ASSESSABLE

The capital stock of this Corporation shall not be assessable. It shall be issued as fully paid, and the private property of the stockholders shall not be liable for the debts, obligations or liabilities of this Corporation.

#### ARTICLE X

##### MEETINGS OF STOCKHOLDERS

Except as otherwise prescribed by law or by another provision of this Certificate, special meetings of the stockholders of the Corporation, for any purpose or purposes, shall be called by the Secretary of the Corporation (i) upon the written request of the holders of not less than a majority of the total voting power of the outstanding Common Stock, (ii) at any time following the occurrence of a Conversion Event or following notice to the Corporation of the execution of an Agreement to Transfer, upon the written request of the holders of not less than a majority of the outstanding shares of Class B Common Stock, (iii) at the request of at least a majority of the members of the Board of Directors then in office or (iv) at the request of the Chairman of the Board, if there be one. The holders of the Class B Common Stock shall be given notice of and shall be entitled to attend all annual and special meetings of the stockholders of the Corporation.

ARTICLE XI

ACTION BY WRITTEN CONSENT OF STOCKHOLDERS;  
ACTION BY THE BOARD OF DIRECTORS

Except as otherwise prescribed by law or by another provision of this Certificate, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, if a consent in writing, setting forth the action to be taken, shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote on the action were present and voted.

IN WITNESS WHEREOF, the undersigned has signed this Certificate of Incorporation this 16th day of July, 1997.

---

Elizabeth Crutcher  
Incorporator