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8. *Certain Definitions.*

Unless the context otherwise requires, the terms defined in this paragraph 8 shall have, for all purposes of this Section E, the meanings herein specified:

"Adjusted Liberty Media Group Outstanding Interest Fraction," as of any date, shall mean a fraction the numerator of which is the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock outstanding on such date and the denominator of which is the sum of (a) such aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock outstanding on such date, (b) the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest as of such date and (c) the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock issuable, determined as of such date, upon conversion, exercise or exchange of Pre-Existing Convertible Securities outstanding on such date.

"Appraisal Date" with respect to any determination of the Liberty Media Group Private Market Value, shall mean the last day of the calendar month preceding the month in which the Selection Date occurs.

"Appraiser" means each of the First Appraiser, the Second Appraiser and the Mutually Designated Appraiser.

"Conversion Date" shall mean any date fixed by the Board of Directors for a conversion of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock, as set forth in a notice to holders of the applicable series of Common Stock pursuant to paragraph 5(d) of this Section E.

"Convertible Securities" shall mean any securities of the Corporation (other than any series of Common Stock) or any Subsidiary thereof that are convertible into, exchangeable for or evidence the right to purchase any shares of any series of Common Stock, whether upon conversion, exercise, exchange, pursuant to antidilution provisions of such securities or otherwise.

"Corporation Earnings (Loss) Attributable to the Liberty Media Group" for any period, shall mean the net earnings or loss of the Liberty Media Group for such period determined on a basis consistent with the determination of the net earnings or loss of the Liberty Media Group for such period as presented in the combined financial statements of the Liberty Media Group for such period, including income and expenses of the Corporation attributed to the operations of the Liberty Media Group on a substantially consistent basis, including without limitation, corporate administrative costs, net interest and income taxes.

"Corporation Earnings (Loss) Attributable to the TCI Group" for any period, shall mean the net earnings or loss of the TCI Group for such period determined on a basis consistent with the determination of the net earnings or loss of the TCI Group for such period as presented in the combined financial statements of the TCI Group for such period, including income and expenses of the Corporation attributed to the operations of the TCI Group on a substantially consistent basis, including without limitation, corporate administrative costs, net interest and income taxes.

"Disposition" shall mean the sale, transfer, assignment or other disposition (whether by merger, consolidation, sale or contribution of assets or stock or otherwise) of properties or assets.

"Exchange Offers" means those certain offers made by the Corporation to exchange shares of TCI Ventures Group Common Stock for shares of TCI Group Common Stock, on the terms and subject to the conditions set forth in the Offering Circular, dated August 7, 1997, and the related letter of transmittal, which were consummated on September 10, 1997.

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“First Appraiser” means, with respect to any determination of the Liberty Media Group Private Market Value, an investment banking firm of recognized national standing selected by the Corporation to make such determination.

“Higher Appraised Amount,” with respect to any determination of the Liberty Media Group Private Market Value, shall mean the higher of the respective final views of the First Appraiser and the Second Appraiser as to such private market value.

“Independent Committee” means a committee of the Board of Directors of the Corporation formed in order to select the Second Appraiser, all of whose members are “independent directors” as determined under Nasdaq National Market rules.

“Liberty Media Group” means, as of any date that any shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock have been issued and continue to be outstanding:

(a) the interest of the Corporation or of any of its subsidiaries in any of the following Persons or any of their respective subsidiaries (including any successor thereto by merger, consolidation or sale of all or substantially all of its assets, whether or not in connection with a Related Business Transaction) and their respective properties and assets: Liberty Media Corporation and TCI Ventures Group, LLC;

(b) all assets and liabilities of the Corporation or any of its subsidiaries to the extent attributed to any of the properties or assets referred to in clause (a) of this sentence, whether or not such assets or liabilities are assets and liabilities of any of the Persons named in clause (a) or any of their respective subsidiaries (or any successor as described in clause (a) of this sentence);

(c) the proceeds of exercise of the Pre-Existing Options and the expense of exercise of any related stock appreciation rights;

(d) all assets and properties contributed or otherwise transferred to the Liberty Media Group from the TCI Group; and

(e) the interest of the Corporation or any of its subsidiaries in the businesses, assets and liabilities acquired by the Corporation or any of its subsidiaries for the Liberty Media Group, as determined by the Board of Directors;

provided that (i) from and after any dividend or other distribution with respect to any shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock (other than a dividend or other distribution payable in shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock, with respect to which adjustment shall be made as provided in clause (a) of the definition of “Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest,” or in other securities of the Corporation attributed to the Liberty Media Group for which provision shall be made as set forth in the penultimate sentence of this definition), the Liberty Media Group shall no longer include an amount of assets or properties equal to the aggregate amount of such kind of assets or properties so paid in respect of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock multiplied by a fraction the numerator of which is equal to the Liberty Media Group Inter-Group Interest Fraction in effect immediately prior to the record date for such dividend or other distribution and the denominator of which is equal to the Liberty Media Group Outstanding Interest Fraction in effect immediately prior to the record date for such dividend or other distribution and (ii) from and after any transfer of assets or properties from the Liberty Media Group to the TCI Group, the Liberty Media Group shall no longer include the assets or properties so transferred. If the Corporation shall pay a dividend or make any other distribution with respect to shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock payable in securities of the Corporation attributed to the Liberty Media Group other than Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock, the TCI Group

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shall be deemed to hold an amount of such other securities equal to the amount so distributed multiplied by the fraction specified in clause (i) of this definition (determined as of a time immediately prior to the record date for such dividend or other distribution), and to the extent interest or dividends are paid or other distributions are made on such other securities so distributed to the holders of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock, the Liberty Media Group shall no longer include a corresponding ratable amount of the kind of assets paid as such interest or dividends or other distributions in respect of such securities so deemed to be held by the TCI Group. The Corporation may also, to the extent any such other securities constitute Convertible Securities which are at the time convertible, exercisable or exchangeable, cause such Convertible Securities deemed to be held by the TCI Group to be deemed to be converted, exercised or exchanged (and to the extent the terms of such Convertible Securities require payment or delivery of consideration in order to effect such conversion, exercise or exchange, the Liberty Media Group shall in such case include an amount of the kind of properties or assets required to be paid or delivered as such consideration for the amount of the Convertible Securities deemed converted, exercised or exchanged as if such Convertible Securities were outstanding), in which case such Convertible Securities shall no longer be deemed to be held by the TCI Group or attributed to the Liberty Media Group.

"Liberty Media Group Available Dividend Amount," as of any date, shall mean the product of the Liberty Media Group Outstanding Interest Fraction and either: (a) the excess of (i) an amount equal to the total assets of the Liberty Media Group less the total liabilities (not including preferred stock) of the Liberty Media Group as of such date over (ii) the aggregate par value of, or any greater amount determined to be capital in respect of, all outstanding shares of Series A Liberty Media Group Common Stock, Series B Liberty Media Group Common Stock and each class or series of Preferred Stock attributed to the Liberty Media Group or (b) in case there is no such excess, an amount equal to the Corporation Earnings (Loss) Attributable to the Liberty Media Group (if positive) for the fiscal year in which such date occurs and/or the preceding fiscal year.

"Liberty Media Group Distribution" shall mean the share distribution of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock made to the holders of record of Series A TCI Group Common Stock and Series B TCI Group Common Stock as of the close of business on August 4, 1995.

"Liberty Media Group Inter-Group Interest Fraction," as of any date, shall mean a fraction the numerator of which is the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest as of such date and the denominator of which is the sum of (a) such Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest as of such date and (b) the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock outstanding as of such date.

"Liberty Media Group Net Proceeds" shall mean, as of any date, with respect to any Disposition of any of the properties and assets of the Liberty Media Group, an amount, if any, equal to the gross proceeds of such Disposition after any payment of, or reasonable provision for, (a) any taxes payable by the Corporation in respect of such Disposition or in respect of any resulting dividend or redemption pursuant to clause (i) or (ii), respectively, of paragraph 5(b) of this Section E (or which would have been payable but for the utilization of tax benefits attributable to the TCI Group), (b) any transaction costs, including, without limitation, any legal, investment banking and accounting fees and expenses and (c) any liabilities and other obligations (contingent or otherwise) of, or attributed to, the Liberty Media Group, including, without limitation, any indemnity or guarantee obligations incurred in connection with the Disposition or any liabilities for future purchase price adjustments and any preferential amounts plus any accumulated and unpaid dividends and other obligations (without duplication of amounts allocated for the satisfaction of the Corporation's obligations with respect to Pre-Existing Convertible Securities which are included in the determination of the Adjusted Liberty Media Group Outstanding Interest Fraction) in respect of Preferred Stock attributed to the Liberty Media Group. For purposes of this definition, any properties and assets of the Liberty Media Group remaining after such

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Disposition shall constitute "reasonable provision" for such amount of taxes, costs and liabilities (contingent or otherwise) as can be supported by such properties and assets. To the extent the proceeds of any Disposition include any securities or other property other than cash, the Board of Directors shall determine the value of such securities or property, including for the purpose of determining the equivalent value thereof if the Board of Directors determines to pay a dividend or redemption price in cash or securities or other property as provided in clause (z) of paragraph 5(b) of this Section E.

"*Liberty Media Group Outstanding Interest Fraction*," as of any date, shall mean a fraction the numerator of which is the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock outstanding on such date and the denominator of which is the sum of (a) such aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock outstanding on such date and (b) the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest as of such date.

"*Liberty Media Group Private Market Value*" shall mean an amount equal to the private market value of the Liberty Media Group as of the Appraisal Date. Each of the First Appraiser, the Second Appraiser and the Mutually Designated Appraiser, if any, shall be instructed to determine the private market value of the Liberty Media Group as of the Appraisal Date based upon the amount a willing purchaser would pay to a willing seller, in an arm's length transaction, if it were acquiring the Liberty Media Group, as if the Liberty Media Group were a publicly traded non-controlled corporation and the purchaser was acquiring all of the capital stock of such corporation, and without consideration of any potential regulatory constraints limiting the potential purchasers of the Liberty Media Group other than that which would have existed if the Liberty Media Group were a publicly traded non-controlled entity.

"*Liberty Media Group Qualifying Subsidiary*" shall mean a Subsidiary of the Corporation, that holds, directly or indirectly, assets or liabilities attributed to the Liberty Media Group, in which (i) the Corporation's ownership and voting interest is sufficient to satisfy the requirements of the Internal Revenue Service for a distribution of the Corporation's interest in such Subsidiary to the holders of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock that is tax free to such holders or (ii) the Corporation owns, directly or indirectly, all of the issued and outstanding capital stock.

"*Lower Appraised Amount*," with respect to any determination of the Liberty Media Group Private Market Value, shall mean the lower of the respective final views of the First Appraiser and the Second Appraiser as to such private market value.

"*Market Capitalization*" of any class or series of capital stock of the Corporation on any Trading Day shall mean the product of (i) the Market Value of one share of such class or series on such Trading Day and (ii) the number of shares of such class or series outstanding on such Trading Day.

"*Market Value*" of any class or series of capital stock of the Corporation on any day shall mean the average of the high and low reported sales prices regular way of a share of such class or series on such day (if such day is a Trading Day, and if such day is not a Trading Day, on the Trading Day immediately preceding such day) or in case no such reported sale takes place on such Trading Day the average of the reported closing bid and asked prices regular way of a share of such class or series on such Trading Day, in either case on the Nasdaq National Market, or if the shares of such class or series are not quoted on such Nasdaq National Market on such Trading Day, the average of the closing bid and asked prices of a share of such class or series in the over-the-counter market on such Trading Day as furnished by any New York Stock Exchange member firm selected from time to time by the Corporation, or if such closing bid and asked prices are not made available by any such New York Stock Exchange member firm on such Trading Day, the market value of a share of such class or series as determined by the Board of Directors; *provided* that for purposes of determining the ratios set forth in paragraphs 2(c), 5(b) and 6 of this Section E, (a) the "Market Value" of any share of any series of

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Common Stock on any day prior to the "ex" date or any similar date for any dividend or distribution paid or to be paid with respect to such series of Common Stock shall be reduced by the fair market value of the per share amount of such dividend or distribution as determined by the Board of Directors and (b) the "Market Value" of any share of any series of Common Stock on any day prior to (i) the effective date of any subdivision (by stock split or otherwise) or combination (by reverse stock split or otherwise) of outstanding shares of such series of Common Stock or (ii) the "ex" date or any similar date for any dividend or distribution with respect to any such series of Common Stock in shares of such series of Common Stock shall be appropriately adjusted to reflect such subdivision, combination, dividend or distribution.

"*Mutually Appraised Amount*," with respect to any determination of the Liberty Media Group Private Market Value, shall mean the determination by the Mutually Designated Appraiser of such private market value.

"*Mutually Designated Appraiser*" shall mean, if required with respect to any determination of the Liberty Media Group Private Market Value, the investment banking firm of recognized national standing jointly designated by the First Appraiser and the Second Appraiser to make such determination.

"*Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest*" shall be zero, as of the date of this Certificate, and shall thereafter from time to time, as applicable, be

(a) adjusted as appropriate to reflect subdivisions (by stock split or otherwise) and combinations (by reverse stock split or otherwise) of the Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock and dividends or distributions of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock to holders of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock and other reclassifications of the Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock,

(b) decreased (but not to less than zero) by (i) the aggregate number of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock issued or sold by the Corporation after the date of this Certificate, the proceeds of which are attributed to the TCI Group, (ii) the aggregate number of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock issued or delivered upon conversion, exercise or exchange of Convertible Securities (other than Pre-Existing Convertible Securities), the proceeds of which are attributed to the TCI Group, (iii) the aggregate number of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock issued or delivered by the Corporation as a dividend or distribution to holders of Series A TCI Group Common Stock and Series B TCI Group Common Stock, (iv) the aggregate number of shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock issued or delivered upon the conversion, exercise or exchange of any Convertible Securities (other than Pre-Existing Convertible Securities) issued or delivered by the Corporation after the date of this Certificate as a dividend or distribution or by reclassification or exchange to holders of Series A TCI Group Common Stock and Series B TCI Group Common Stock and (v) the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock (rounded, if necessary, to the nearest whole number), equal to the aggregate fair value (as determined by the Board of Directors) of assets or properties attributed to the Liberty Media Group that are transferred from the Liberty Media Group to the TCI Group in consideration of a reduction in the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest, divided by the Market Value of one share of Series A Liberty Media Group Common Stock as of the date of such transfer, and

(c) increased by (i) the aggregate number of any shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock which are retired or otherwise cease to be

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outstanding following their purchase with funds attributed to the TCI Group, (ii) a number (rounded, if necessary, to the nearest whole number), equal to the fair value (as determined by the Board of Directors) of assets or properties theretofore attributed to the TCI Group that are contributed to the Liberty Media Group in consideration of an increase in the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest, divided by the Market Value of one share of Series A Liberty Media Group Common Stock as of the date of such contribution and (iii) the aggregate number of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock into or for which Convertible Securities are deemed to be converted, exercised or exchanged pursuant to the last sentence of the definition of "TCI Group" in this paragraph 8.

Whenever a change in the Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest occurs, the Corporation shall prepare and file a statement of such change with the Secretary of the Corporation.

"Pre-Existing Convertible Securities" shall mean (i) the convertible notes due December 12, 2021 issued by TCI UA, Inc., a Subsidiary of the Corporation, (ii) the Corporation's Convertible Preferred Stock, Series C —Liberty Media Group, par value \$.01 per share, (iii) the Corporation's Redeemable Convertible Liberty Media Group Preferred Stock, Series H, par value \$.01 per share, and (iv) the Pre-Existing Options.

"Pre-Existing Options" shall mean (i) those options granted or assumed by the Corporation or a predecessor or Subsidiary thereof that immediately following the Liberty Media Group Distribution evidenced the right to purchase shares of Liberty Media Group Common Stock subject to the terms and conditions thereof and (ii) those options to purchase shares of TCI Ventures Group Common Stock that were issued effective upon the consummation of the Exchange Offers in connection with the adjustment of those certain options to purchase shares of Series A TCI Group Common Stock that were outstanding immediately prior to the consummation of the Exchange Offers under an Existing Stock Plan. The term "Existing Stock Plan" for this purpose means each of the following: Tele-Communications, Inc. 1994 Stock Incentive Plan, the Tele-Communications, Inc. 1995 Employee Stock Incentive Plan and the Tele-Communications, Inc. 1996 Incentive Plan.

"Redemption Date" shall mean any date fixed for a redemption or purchase of shares of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock as set forth in a notice to holders of such series pursuant to this Certificate.

"Related Business Transaction" shall mean any Disposition of all or substantially all of the properties and assets of the Liberty Media Group in which the Corporation receives as proceeds of such Disposition primarily equity securities (including, without limitation, capital stock, convertible securities, partnership or limited partnership interests and other types of equity securities, without regard to the voting power or contractual or other management or governance rights related to such equity securities) of the purchaser or acquiror of such assets and properties of the Liberty Media Group, any entity which succeeds (by merger, formation of a joint venture enterprise or otherwise) to such assets and properties of the Liberty Media Group or a third party issuer, which purchaser, acquiror or other issuer is engaged or proposes to engage primarily in one or more businesses similar or complementary to the businesses conducted by the Liberty Media Group prior to such Disposition, as determined in good faith by the Board of Directors.

"Second Appraiser" means, with respect to any determination of the Liberty Media Group Private Market Value, an investment banking firm of recognized national standing selected by the Independent Committee to make such determination.

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“*Selection Date*,” with respect to any determination of the Liberty Media Group Private Market Value, shall mean the date upon which the Second Appraiser for such determination is selected by the Independent Committee.

“*Subsidiary*” shall mean, with respect to any person or entity, any corporation or partnership 50% or more of whose outstanding voting securities or partnership interests, as the case may be, are directly or indirectly owned by such person or entity.

“*TCI Group*” shall mean, as of any date:

(a) the interest of the Corporation or any of its subsidiaries in all of the businesses in which the Corporation or any of its subsidiaries (or any of their predecessors or successors) is or has been engaged, directly or indirectly, and the respective assets and liabilities of the Corporation or any of its subsidiaries, other than any businesses, assets or liabilities of the Liberty Media Group;

(b) a proportionate interest in the businesses, assets and liabilities of the Liberty Media Group equal to the Liberty Media Group Inter-Group Interest Fraction as of such date;

(c) from and after any dividend or other distribution with respect to shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock (other than a dividend or other distribution payable in shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock, with respect to which adjustment shall be made as provided in clause (a) of the definition of “Number of Shares Issuable with Respect to the Liberty Media Group Inter-Group Interest,” or in other securities of the Corporation attributed to the Liberty Media Group, for which provision shall be made as set forth in the penultimate sentence of this definition), an amount of assets or properties theretofore included in the Liberty Media Group equal to the aggregate amount of such kind of assets or properties so paid in respect of such dividend or other distribution with respect to shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock multiplied by a fraction the numerator of which is equal to the Liberty Media Group Inter-Group Interest Fraction in effect immediately prior to the record date for such dividend or other distribution and the denominator of which is equal to the Liberty Media Group Outstanding Interest Fraction in effect immediately prior to the record date for such dividend or other distribution; and

(d) any assets or properties transferred from the Liberty Media Group to the TCI Group;

provided that, from and after any contribution or transfer of any assets or properties from the TCI Group to the Liberty Media Group, the TCI Group shall no longer include such assets or properties so contributed or transferred (other than pursuant to its interest in the businesses, assets and liabilities of the Liberty Media Group pursuant to clause (b) above). If the Corporation shall pay a dividend or make any other distribution with respect to shares of Series A Liberty Media Group Common Stock or Series B Liberty Media Group Common Stock payable in other securities of the Corporation attributed to the Liberty Media Group, the TCI Group shall be deemed to hold an amount of such other securities equal to the amount so distributed multiplied by the fraction specified in clause (c) of this definition (determined as of a time immediately prior to the record date for such dividend or other distribution), and to the extent interest or dividends are paid or other distributions are made on such other securities so distributed to holders of Series A Liberty Media Group Common Stock and Series B Liberty Media Group Common Stock, the TCI Group shall include a corresponding ratable amount of the kind of assets paid as such interest or dividends or other distributions in respect of such securities so deemed to be held by the TCI Group. The Corporation may also, to the extent any such other securities constitute Convertible Securities which are at the time convertible, exercisable or exchangeable, cause such Convertible Securities deemed to be held by the TCI Group to be deemed to be converted, exercised or exchanged (and to the extent the terms of such Convertible Securities require payment or delivery of consideration in order to effect such conversion, exercise or exchange, the TCI Group shall in such case no longer include an amount of the kind of properties or assets required to be paid or delivered as

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such consideration for the amount of the Convertible Securities deemed converted, exercised or exchanged as if such Convertible Securities were outstanding), in which case such Convertible Securities shall no longer be deemed to be held by the TCI Group or attributed to the Liberty Media Group.

“TCI Group Available Dividend Amount,” as of any date, shall mean either: (a) the excess of (i) an amount equal to the total assets of the TCI Group less the total liabilities (not including preferred stock) of the TCI Group as of such date over (ii) the aggregate par value of, or any greater amount determined to be capital in respect of, all outstanding shares of Series A TCI Group Common Stock, Series B TCI Group Common Stock and each class or series of Preferred Stock attributed to the TCI Group or (b) in case there is no such excess, an amount equal to the Corporation Earnings (Loss) Attributable to the TCI Group (if positive) for the fiscal year in which such date occurs and/or the preceding fiscal year.

“Trading Day” shall mean each weekday other than any day on which any relevant class or series of capital stock of the Corporation is not traded on the Nasdaq National Market System or in the over-the-counter market.

Section C of Article V of the Restated Certificate of Incorporation of the Corporation is proposed to be amended pursuant to the Liberty/Ventures Combination Proposal to read in its entirety as follows:

**“SECTION C
REMOVAL OF DIRECTORS**

Subject to the rights of the holders of any class or series of Preferred Stock, directors may be removed from office only for cause (as hereinafter defined) upon the affirmative vote of the holders of 66⅔% of the total voting power of the then outstanding shares of Series A TCI Group Common Stock, Series B TCI Group Common Stock, Series A Liberty Media Group Common Stock, Series B Liberty Media Group Common Stock and any class or series of Preferred Stock entitled to vote at an election of directors, voting together as a single class. Except as may be provided by law, “cause” for removal, for purposes of this Section C, shall exist only if: (i) the director whose removal is proposed has been convicted of a felony, or has been granted immunity to testify in an action where another has been convicted of a felony, by a court of competent jurisdiction and such conviction is no longer subject to direct appeal; (ii) such director has become mentally incompetent, whether or not so adjudicated, which mental incompetence directly affects his ability as a director of the Corporation, as determined by at least 66⅔% of the members of the Board of Directors then in office (other than such director); or (iii) such director’s actions or failure to act have been determined by at least 66⅔% of the members of the Board of Directors then in office (other than such director) to be in derogation of the director’s duties.”

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Section A of Article VIII of the Restated Certificate of Incorporation of the Corporation is proposed to be amended pursuant to the Liberty/Ventures Combination Proposal to read in its entirety as follows:

**“ARTICLE VIII
MEETINGS OF STOCKHOLDERS
SECTION A
ANNUAL AND SPECIAL MEETINGS**

Subject to the rights of the holders of any class or series of Preferred Stock, stockholder action may be taken only at an annual or special meeting. Except as otherwise provided in the terms of any class or series of Preferred Stock or unless 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 66 $\frac{2}{3}$ % of the total voting power of the outstanding Voting Securities (as hereinafter defined) or (ii) at the request of at least 75% of the members of the Board of Directors then in office. The term “Voting Securities” shall include the Series A TCI Group Common Stock, the Series B TCI Group Common Stock, the Series A Liberty Media Group Common Stock, the Series B Liberty Media Group Common Stock and any class or series of Preferred Stock entitled to vote with the holders of Common Stock generally upon all matters which may be submitted to a vote of stockholders at any annual meeting or special meeting thereof.”

**PROPOSED AMENDMENTS
TO THE
RESTATED CERTIFICATE OF INCORPORATION
OF
TELE-COMMUNICATIONS, INC.
(Implementing the Increased Authorization Proposal)**

The first paragraph of Article IV of the Restated Certificate of Incorporation is proposed to be amended pursuant to the Increased Authorization Proposal to read in its entirety as follows:

“AUTHORIZED STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is four billion seven hundred two million three hundred seventy-five thousand and ninety six (4,702,375,096) shares, which shall be divided into the following classes:

(a) Four billion six hundred fifty million (4,650,000,000) shares shall be of a class designated Common Stock, par value \$1.00 per share (“Common Stock”), such class to be divided into series as provided in Section E of this Article IV;

(b) Seven hundred thousand (700,000) shares shall be of a class designated Class A Preferred Stock, par value \$1.00 per share (“Class A Preferred Stock”);

(c) One million six hundred seventy-five thousand ninety-six (1,675,096) shares shall be of a class designated Class B 6% Cumulative Redeemable Exchangeable Junior Preferred Stock, par value \$.01 per share (“Class B 6% Cumulative Redeemable Exchangeable Junior Preferred Stock”); and

(d) Fifty million (50,000,000) shares shall be of a class designated Series Preferred Stock, par value \$.01 per share (“Series Preferred Stock”), such class to be issuable in series as provided in Section D of this Article IV.

The Class A Preferred Stock, the Class B 6% Cumulative Redeemable Exchangeable Junior Preferred Stock and the Series Preferred Stock are collectively referred to as “Preferred Stock.”

The first paragraph of Section E of Article IV of the Restated Certificate of Incorporation is proposed to be amended pursuant to the Increased Authorization Proposal as follows:

“One billion seven hundred fifty million (1,750,000,000) shares of Common Stock shall be of a series designated Tele-Communications, Inc Series A TCI Group Common Stock (the “Series A TCI Group Common Stock”), one hundred fifty million (150,000,000) shares of Common Stock shall be of a series designated Tele-Communications, Inc. Series B TCI Group Common Stock (the “Series B TCI Group Common Stock”), two billion five hundred million (2,500,000,000) shares of Common Stock shall be of a series designated Tele-Communications, Inc. Series A Liberty Media Group Common Stock (the “Series A Liberty Media Group Common Stock”) and two hundred fifty million (250,000,000) shares of Common Stock shall be of a series designated Tele-Communications, Inc. Series B Liberty Media Group Common Stock (the “Series B Liberty Media Group Common Stock”).”

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

Pursuant to the statutes of the State of New York, a director or officer of a corporation is entitled, under specified circumstances, to indemnification by the corporation against reasonable expenses, including attorneys' fees, incurred by him in connection with the defense of a civil or criminal proceeding to which he has been made, or threatened to be made, a party by reason of the fact that he was such a director or officer. In certain circumstances, indemnity is provided against judgments, fines and amounts paid in settlement. In general, indemnification is available where the director or officer acted in good faith, for a purpose such director or officer reasonably believed to be in the best interests of the corporation. Specific court approval is required in some cases. The foregoing statement is qualified in its entirety by reference to Sections 715, 717 and 721 through 725 of the New York Business Corporation Law ("NYBCL").

The by-laws of the Registrant provide that the Registrant is authorized, by (i) a resolution of shareholders, (ii) a resolution of directors or (iii) an agreement providing for such indemnification, to the fullest extent permitted by applicable law, to provide indemnification and to advance expenses to its directors and officers in respect of claims, actions, suits, or proceedings based upon, arising from, relating to, or by reason of the fact that any such director or officer serves or served in such capacity with the corporation or at the request of the Registrant in any capacity with any other enterprise.

The Registrant has entered into contracts with its officers and directors, pursuant to the provisions of NYBCL Section 721, by which it will be obligated to indemnify such persons, to the fullest extent permitted by the NYBCL, against expenses, fees, judgments, fines, and amounts paid in settlement in connection with any present or future threatened, pending or completed action, suit or proceeding based in any way upon or related to the fact that such person was an officer or director of the Registrant or, at the request of the Registrant, an officer, director or other partner, agent, employee, or trustee of another enterprise. The contractual indemnification so provided will not extend to any situation where a judgment or other final adjudication adverse to such person establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty or that there inured to such person a financial profit or other advantage.

The directors and officers of the Registrant are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities.

Item 21. Exhibits and Financial Statement Schedules.

(a) The following exhibits are filed herewith or incorporated herein by reference:

**Exhibit
No.**

- 2.01 Agreement and Plan of Restructuring and Merger, dated as of June 23, 1998, among the Registrant, Italy Merger Corp. and Tele-Communications, Inc. ("TCI") (the "Merger Agreement") (included as Appendix A to the Proxy Statement/Prospectus). The Registrant agrees to furnish supplementally a copy of any omitted schedule to the Commission upon request.
- 2.02 Terms of Tax Sharing Agreement between the Registrant and TCI.
- 2.03 Form of Certificate of Incorporation and Bylaws of Liberty Media Corporation.

**Exhibit
No.**

- 2.04 Form of Contribution Agreement.
- 2.05 Form of LLC Agreement of Liberty Media Group LLC.
- 2.06 Intercompany Agreement Principles.
- 2.07 Certain Terms of Inter-Group Agreement.
- 2.08 Voting Agreement, dated as of June 23, 1998, and amended and restated as of October 9, 1998, among the Registrant, Dr. John C. Malone and Leslie Malone.
- 4.01 No instrument which defines the rights of holders of long term debt, of the Registrant and all of its consolidated subsidiaries, is filed herewith pursuant to Regulation S-K, Item 601(b)(4)(iii)(A). Pursuant to this regulation, the Registrant hereby agrees to furnish a copy of any such instrument to the Commission upon request.
- 5.01 Opinion of Robert S. Feit, General Attorney and Assistant Secretary of the Registrant, as to the legality of the securities being registered.
- 8.01 Opinion of Wachtell, Lipton, Rosen & Katz as to certain U.S. federal income tax matters.*
- 8.02 Opinion of Baker & Botts, L.L.P. as to certain U.S. federal income tax matters.*
- 23.01 Consent of Robert S. Feit (included in Exhibit 5.01).
- 23.02 Consent of Credit Suisse First Boston Corporation.
- 23.03 Consent of Goldman, Sachs & Co.
- 23.04 Consent of Donaldson, Lufkin & Jenrette Securities Corporation.
- 23.05 Consent of PricewaterhouseCoopers LLP.
- 23.06 Consent of KPMG LLP.
- 23.07 Consent of KPMG LLP.
- 23.08 Consent of KPMG LLP.
- 23.09 Consent of KPMG LLP.
- 23.10 Consent of KPMG LLP.
- 23.11 Consent of KPMG Audit Plc.
- 23.12 Consent of Deloitte & Touche LLP.
- 23.13 Consent of KPMG LLP.
- 23.14 Consent of Wachtell, Lipton, Rosen & Katz (included in Exhibit 8.01).
- 23.15 Consent of Baker & Botts, L.L.P. (included in Exhibit 8.02).
- 24.01 Powers of attorney.
- 99.01 Form of Proxy Card to be used in connection with the Special Meeting of Shareholders of the Registrant.
- 99.02 Form of Proxy Card to be used in connection with the Special Meeting of Shareholders of TCI.

* To be filed by a post-effective amendment upon consummation of the Merger.

Item 22. Undertakings.

The undersigned Registrant hereby undertakes:

That for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this Registration Statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

That every prospectus: (i) that is filed pursuant to the paragraph immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to this Registration Statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial *bona fide* offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of this Registration Statement through the date of responding to the request.

To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this Registration Statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on January 7, 1999.

AT&T CORP.

By: /s/ MARILYN J. WASSER

Marilyn J. Wasser
Vice President—Law and Secretary

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Capacity</u>
<u>Principal Executive Officer:</u>	
C. MICHAEL ARMSTRONG*	Chairman and Chief Executive Officer
<u>Principal Financial Officer:</u>	
DANIEL E. SOMERS*	Senior Executive Vice President and Chief Financial Officer
<u>Principal Accounting Officer:</u>	
NICHOLAS S. CYPRUS*	Controller and Chief Accounting Officer

Directors

C. MICHAEL ARMSTRONG*
KENNETH T. DERR*
M. KATHRYN EICKHOFF*
WALTER Y. ELISHA*
GEORGE M.C. FISHER*
DONALD V. FITES*
RALPH S. LARSEN*
DONALD F. MCHENRY*
MICHAEL I. SOVERN*
SANFORD I. WEILL*
THOMAS H. WYMAN*
JOHN D. ZEGLIS*

*By: /s/ MARILYN J. WASSER

Marilyn J. Wasser
(Attorney-in-Fact)

January 7, 1999

