

SUPPLEMENTAL INFORMATION

As a supplement to Liberty's consolidated statements of operations, the following is a presentation of quarterly financial information and operating metrics on a stand-alone basis for the two largest privately held businesses (QVC, Inc. and Starz Entertainment Group LLC) owned by or in which Liberty held an interest at September 30, 2005.

Please see below for the definition of operating cash flow (OCF) and Schedule 2 at the end of this document for reconciliations for the applicable periods in 2005 and 2004 of operating cash flow to operating income, as determined under GAAP, for each identified entity.

QUARTERLY SUMMARY

<i>(amounts in millions)</i>	3Q05	2Q05	1Q05	4Q04	3Q04
QVC, INC. (98.4%)					
Revenue – Domestic	\$ 1,039	1,034	1,025	1,347	932
Revenue – International	436	445	439	476	360
Revenue – Total	\$ 1,475	1,479	1,464	1,823	1,292
OCF – Domestic	\$ 235	248	241	334	210
OCF – International	71	76	82	77	61
OCF – Total	\$ 306	324	323	411	271
Operating Income	\$ 179	193	200	290	153
Gross Margin – Domestic	36.5%	38.0%	37.3%	36.8%	36.8%
Gross Margin – International	35.3%	36.7%	38.2%	34.0%	37.6%
Homes Reached – Domestic	90.5	89.9	89.1	88.4	87.8
Homes Reached – International	70.3	69.8	68.2	66.0	64.8
STARZ ENTERTAINMENT GROUP LLC (100%)					
Revenue	\$ 245	258	254	248	245
OCF	\$ 47	47	48	46	62
Operating Income (Loss)	\$ 35	36	36	1	46
Subscription Units – Starz!	13.9	14.1	14.0	14.1	13.7
Subscription Units – Encore	25.3	24.9	24.5	24.5	23.9
Subscription Units – Thematic Multiplex & Other	141.3	140.0	135.3	134.2	129.7
Subscription Units – Total ⁽¹⁾	180.5	179.0	173.8	172.8	167.3

(1) **SEG – Subscription Units:** Total subscription units represent the number of SEG services which are purchased by cable, DTH and other distribution media customers.

NON-GAAP FINANCIAL MEASURES

This press release includes a presentation of operating cash flow, which is a non-GAAP financial measure, for each of the privately held entities of Liberty included herein together with a reconciliation of that non-GAAP measure to the privately held entity's operating income, determined under GAAP. Liberty defines operating cash flow as revenue less cost of sales, operating expenses, and selling, general and administrative expenses (excluding stock and other equity-based compensation). Operating cash flow, as defined by Liberty, excludes depreciation and amortization, stock and other equity-based compensation and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP.

Liberty believes operating cash flow is an important indicator of the operational strength and performance of its businesses, including the ability to service debt and fund capital expenditures. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Because operating cash flow is used as a measure of operating performance, Liberty views operating income as the most directly comparable GAAP measure. Operating cash flow is not meant to replace or supercede operating income or any other GAAP measure, but rather to supplement the information to present investors with the same information as Liberty's management considers in assessing the results of operations and performance of its assets. Please see the attached schedules for a reconciliation of consolidated segment operating cash flow to consolidated earnings from continuing operations before income taxes and minority interest (Schedule 1) and a reconciliation, for our two largest consolidated subsidiaries, of each identified entity's operating cash flow to its operating income calculated in accordance with GAAP (Schedule 2).

LIBERTY MEDIA CORPORATION

SCHEDULE 1

The following table provides a reconciliation of consolidated segment operating cash flow to earnings from continuing operations before income taxes and minority interest for the three months ended September 30, 2005 and 2004.

<i>(amounts in millions)</i>	3Q05	3Q04
QVC	\$ 306	271
SEG	47	62
Corporate & Other	3	(13)
Consolidated segment operating cash flow	\$ 356	320
Consolidated segment operating cash flow	356	320
Stock compensation	(15)	(6)
Depreciation and amortization	(162)	(162)
Interest expense	(149)	(150)
Share of earnings of affiliates	4	-
Realized and unrealized gains (losses) on financial instruments, net	(332)	239
Gains on dispositions of assets, net	-	389
Nontemporary declines in fair value of investments	(68)	-
Other, net	51	3
Earnings (loss) from continuing operations before income taxes and minority interest	\$ (315)	633

LIBERTY MEDIA CORPORATION

SCHEDULE 2

The following tables provide reconciliation, for our two largest consolidated subsidiaries, of operating cash flow to operating income calculated in accordance with GAAP for the three months ended September 30, 2005, June 30, 2005, March 31, 2005, December 31, 2004 and September 30, 2004, respectively.

<i>(amounts in millions)</i>	3Q05	2Q05	1Q05	4Q04	3Q04
QVC, INC. (98.4%)					
Operating Cash Flow	\$ 306	324	323	411	271
Depreciation and Amortization	(117)	(114)	(115)	(113)	(110)
Stock Compensation Expense	(10)	(17)	(8)	(8)	(8)
Operating Income	\$ 179	193	200	290	153
STARZ ENTERTAINMENT GROUP LLC (100%)					
Operating Cash Flow	\$ 47	47	48	46	62
Depreciation and Amortization	(12)	(11)	(12)	(22)	(14)
Stock Compensation Expense	--	--	--	(23)	(2)
Operating Income	\$ 35	36	36	1	46

*** Slip Sheet ***

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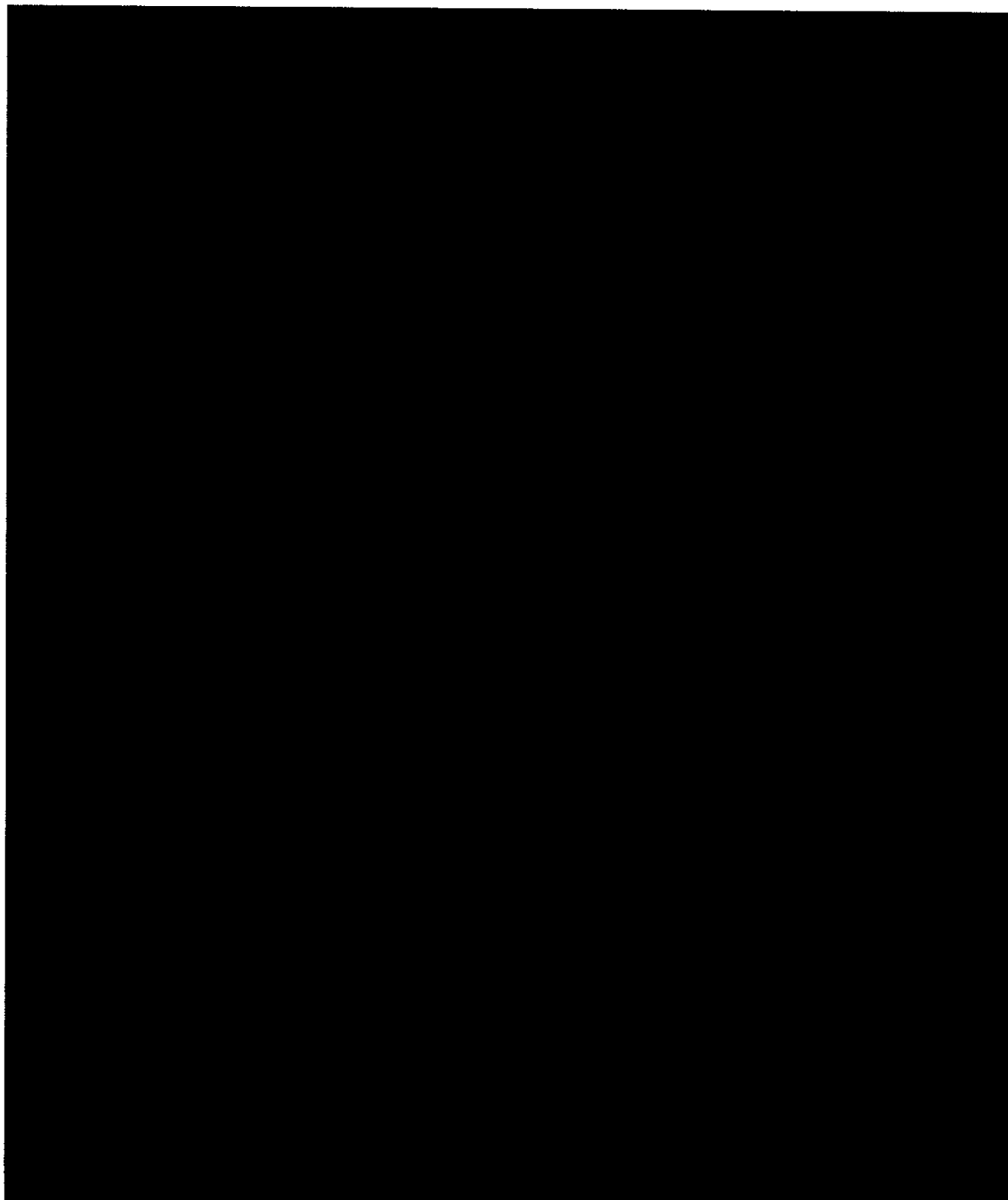
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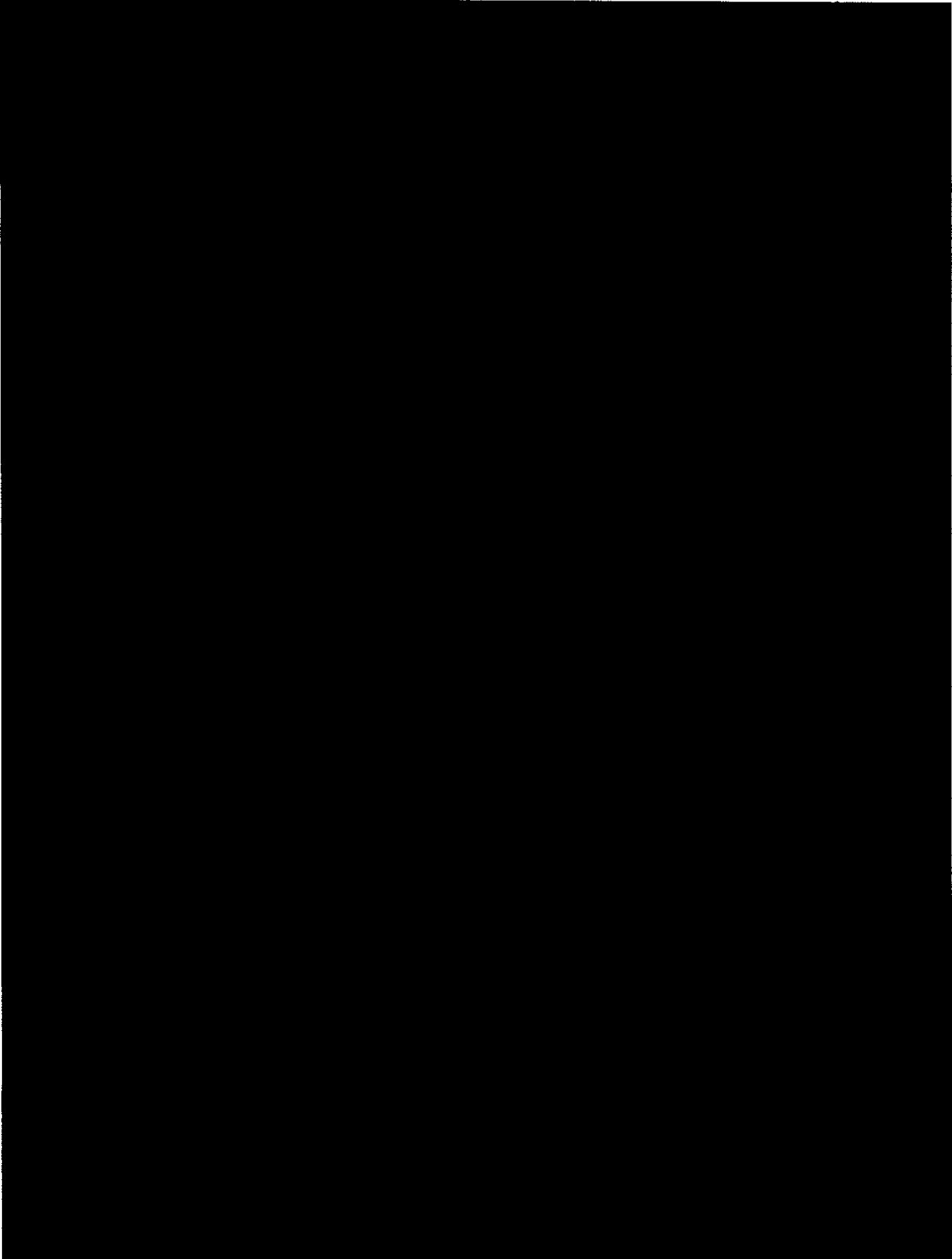
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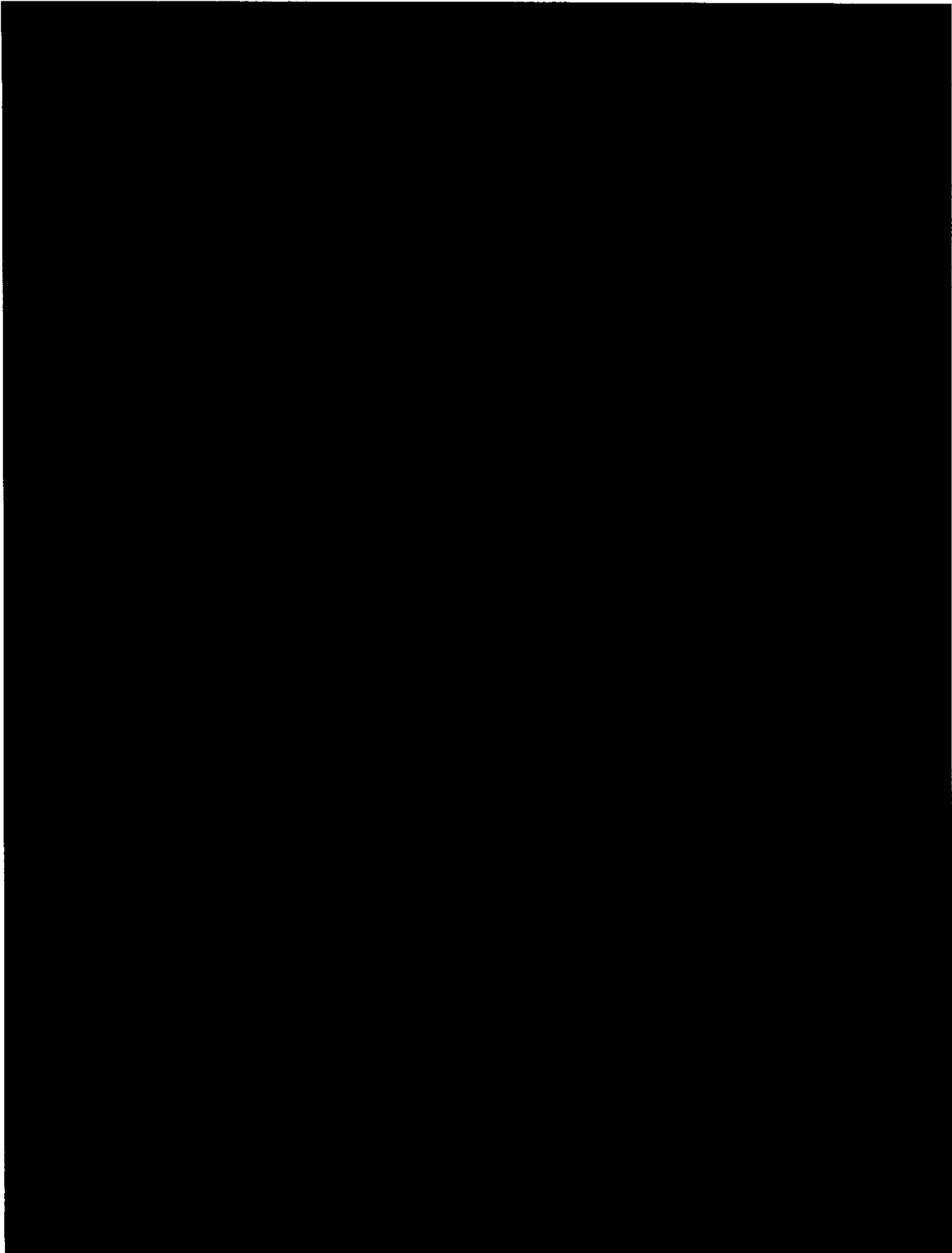
*** Slip Sheet ***

08/04/2005
FINAL

Discovery Holding Company
Spin-off Restructuring Plan







*** Slip Sheet ***

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Exhibit 11

REGISTERED AGREEMENT

This Services Agreement (this "AGREEMENT") is made and entered into this 1st day of July, 2006 (the "EFFECTIVE DATE"), by and between Liberty Holding Company, a Delaware corporation (the "COMPANY"); and Liberty Media Corporation, a Delaware corporation ("PROVIDER"). For purposes of this Agreement, terms used or capitalized here will have the meanings set forth in Article A.

SPECIALS

1. From the Effective Date, the Company was a wholly owned subsidiary of Liberty. On the effective date, the Company became an independent, publicly traded company through the distribution of the Company's common stock to its shareholders on a pro rata basis (the "SPIN OFF"). From the Effective Date and thereafter, the Company is engaged primarily in (i) the production, acquisition and distribution of entertainment, educational and information programming and software, (ii) and retail, sale and licensing of content to other specialty providers and (iii) the provision of creative, media management and network services to the media and entertainment industries (the "COMPANY BUSINESS").

2. The Company and Provider believe that it is in their mutual interest for the Company to obtain services from Provider in connection with the Company's business after the Spin Off and for the Company to compensate Provider for the performance of such services.

3. The parties desire to set forth in this Agreement the services to be provided by Provider to the Company and the basis upon which Provider will be compensated by the Company.

AGREEMENT

4. In consideration of the receipt and sufficiency of which are hereby agreed, the parties, intending to be bound legally, agree as follows:

ARTICLE I. GENERAL PROVISIONS

1.1. **ENTIRE AGREEMENT.** The Company engages Provider to provide to the Company the services set forth in Section 1.2 in connection with the Company Business, and any other services and programs, subject to and upon the terms and conditions of this Agreement.

1.2. **SERVICES PROVIDED BY PROVIDER.** Provider will provide the following services with respect to the Company Business, (i) and to the extent requested by the Company upon reasonable notice during the Initial Term and any Renewal Term of this Agreement:

(a) sharing offices space at 12880 Liberty Boulevard, Englewood, Colorado, including furniture, furnishings, certain equipment and, if

applicable, selected software, and facilities and certain services related to the foregoing, and to other technologies, as appropriate in order to facilitate the provision of the Services described; and

(b) Other:

(1) Providing personnel to perform services typically performed by a financial accounting, treasury, financial, legal, tax, and investor relations assistants, and business office or administrative services, including financial information systems, computer, network and telecommunications services, training and other human resources management, and, as to any of the foregoing activities that are employees of Provider, the services of such officers and employees, and "SERVICES".

(2) PROVIDER NOT TO INTERFERE WITH PROVIDER'S BUSINESS. In providing the Services set forth in Section 1.2, Provider will not be required to take any action that would interfere with and hinder operations of Provider's business operations.

(3) BOOKS AND RECORDS. Provider will maintain reasonably complete and detailed books and records in accordance with Provider's standard business practices with respect to its provision of the Services to the Company pursuant to this Agreement, including, but not limited to, a location of costs and charges to the Company pursuant to Section 2. Provider will give the Company and its directors, officers, employees, agents, and attorneys reasonable access to all such books and records during Provider's regular business hours after providing reasonable notice.

(4) OBLIGATION TO AFFILIATES. Provider acknowledges that the Company may desire that certain Services be provided by Provider to Affiliates of the Company, including for such purpose Discovery Communications, Inc. ("DCI"). Provider agrees to use commercially reasonable efforts to provide such Services to Affiliates of the Company; provided, however, that Provider will have no obligation to provide any services to an Affiliate of the Company if Provider is not free to do so without any agreement with a third-party. If the Company notifies Provider that certain Services are being provided for an Affiliate of the Company, Provider, in addition to the Services, will identify the costs and expenses incurred by the Company pursuant to Section 2 hereof that are properly attributable to the Services performed by Provider for such Affiliate of the Company separately, except to the extent required to be paid by the Company for any Affiliate of the Company, and Services provided for any Affiliate of the Company will be deemed to be provided performed for the Company for all purposes of this Agreement.

(5) PARTICIPATION IN PROVIDER'S MASTER VENDOR PROGRAMS. Provider will use commercially reasonable efforts to permit the Company and its Affiliates to participate for such purpose does not include DCI to participate in any master vendor programs or third-party vendors of Provider, if requested by the Company, including equipment purchasing and software licensing programs. Provider and the Company shall cooperate in good faith to enter into any such licenses for software, equipment and other goods and services, if appropriate to implement the master vendor programs.

SECTION 2. COMPENSATION FOR PROVIDING SERVICES

(a) AFFILIATES PERSONNEL EXPENSES.

(1) The Company will pay Provider for the Services based on an allocated portion of the personnel costs and related expenses that are incurred by Provider in connection.

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with the Services being received under the Agreement. Additionally, the "ALLOCATED EMPLOYEE EXPENSES", the Allocated Employee Expenses will be not to exceed, as determined from time to time, in the manner set forth in Schedule A, attached hereto, as such Schedule will may be periodically amended and revised by the Parties.

(b) **ALLOCATED EMPLOYEE EXPENSES.** The Allocated Employee Expenses will be determined at the beginning of each calendar year based on the anticipated Services to be provided to the Company during the upcoming calendar year. Provider and the Company will review and evaluate the Allocated Employee Expenses for reasonableness, seasonality and will negotiate in good faith to reach agreement or any appropriate adjustment to the Allocated Employee Expense based on such review and evaluation, including updating the appropriate amounts and benefits of Provider Employees (and any other costs or expenses included in Allocated Employee Expenses), revising the allocated percentages of those spent providing Services to the Company and agreeing on the appropriate effective date which may be retroactive, of any such adjustment to the Allocated Employee Expenses. The initial review of and adjustment to the Allocated Employee Expenses shall be effective as of January 1, 2006.

(c) **NET REIMBURSEMENT.** In addition to the Allocated Employee Expenses payable pursuant to Section 2(a), the Company also will reimburse Provider for all direct out-of-pocket costs, with no markup, incurred by Provider, unless such costs are paid directly to the Company, for postage and out-of-town courier service charges, for any applicable software license fees attributable to Provider or laptop computers provided by employees of the Company, and for expenses incurred by Provider Employees related to Services performed on behalf of the Company, including travel and meals and entertainment related to such Services, and to any other travel related expenses that may be incurred by Provider on behalf of the Company.

(d) **PAYMENT PROVISIONS.**

(i) The Company shall pay Provider, by wire or intrabank transfer or by such other means specified by Provider to the Company, in advance on or before the last day of each calendar month beginning August 2005, the Allocated Employee Expenses then in effect, in equal monthly installments if the amount of any such payment is determined on a basis other than a monthly amount.

(ii) Any reimbursement to be made by the Company to Provider pursuant to Section 2(a)(2) shall be paid by the Company to Provider within 15 days of receipt of the Company or any invoice therefor, by wire or intrabank transfer or funds or in such other manner as specified by Provider to the Company. Provider will invoice the Company within ten business days of the end of the calendar month for Provider's net out-of-pocket expenses incurred by Provider on behalf of the Company during the preceding calendar month. Provider, however, shall Provider may occasionally provide the Company at a point in time, single reimbursements - expenses incurred by Provider on behalf of the Company, if such amount equals to or greater than \$5,000. Any invoice or statement provided to this Section 2(d)(ii) will be accompanied by supporting documentation in reasonable detail with respect to the actual costs or expenses incurred by Provider for which Provider is entitled to reimbursement.

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of any payments not made when due under this Section 2.1 will be limited to the rate of late payment on the outstanding amount from and including the date to late including the date paid.

3.1.1. **REIMBURSEMENT BY PROVIDER.** Notwithstanding the preceding provisions of this Section 3.1, Provider and the Company may agree that the Company's payment to Provider shall be limited to reimbursement as to any item for which the Company has not previously reimbursed under this Agreement. As to the item which is the subject of such agreement, the amount of the reimbursement fixed by such agreement shall be final. The parties agreed, however, that as to any item that is not the subject of an agreement, the preceding provisions of Section 3.1 will apply.

3.2. **TERM OF TERM**

3.2.1. **INITIAL TERM.** The term of this Agreement will commence on the effective date and will continue until December 31, 2005 (the "INITIAL TERM"); unless the term is extended by two successive one-year periods hereafter (the "RENEWAL TERM"), unless earlier terminated in accordance with Section 3.3.

3.3. **DISCONTINUANCE OF SERVICES.** At any time during the Initial Term or any Renewal Term, upon at least 90 days' prior notice by Provider to the Company or 30 days' prior notice by the Company to Provider, either Provider or the Company may elect to discontinue providing to the Company or obtaining from Provider some or all of the Services described in Section 1.2. In such event, the time to completion to provide any Services that have been discontinued pursuant to this Section 3.3, and the Company's obligation to compensate Provider for any such Services, will cease as of the end of such 180-day period or other period, or such later date, or such later date as may be specified in the notice, and this Agreement will remain in effect with respect to any Services that have not been so discontinued. Each party will remain liable to the other for any unpaid payment or performance accrued prior to the effective date of discontinuance of any Service or termination of this Agreement in its entirety.

3.4. **TERMINATION.** This Agreement will be terminated in the following events:

(a) at any time upon at least 90 days' prior notice by the Company to Provider;

(b) at any time upon at least 180 days' prior notice by Provider to the Company;

(c) immediately upon notice (or at any time upon filed in such notice) by or on behalf of the Company of a Change in Control or Bankruptcy Event of the Company to the Company;

(d) immediately upon notice (or at any time specified in such notice) by or on behalf of Provider of a Change in Control or Bankruptcy Event of Provider to Provider.

For purposes of this Section 3.4, a "Change in Control" will be deemed to have occurred, with respect to the Company or Provider, as the case may be, if a merger, acquisition, tender offer, binding lease

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...series of related transactions, including the Company or Provider (as applicable) ... result of such transactions, the voting securities of the Company or Provider (as applicable) ... immediately prior thereto ... converted into voting securities of the Company or Provider (as applicable) ... the voting power of the Company or Provider (as applicable) ... the voting entity ... immediately prior to such Transaction ... the Company or Provider (as applicable) ... the voting effect to such Transaction is a ... then the voting securities of the Company or Provider (as applicable) ... being converted into voting securities of the Company or Provider (as applicable) ... the voting power of the Company or Provider (as applicable) ...

...a "Bankruptcy Event" shall be deemed to have occurred with respect to the Company or Provider, as the case may be, upon the Company's or Provider's ... general assignment for the benefit of creditors, the voluntary commencement of the Company or Provider (as applicable) ... seeking reorganization, liquidation, reorganization, dissolution, or consolidation of the Company's or Provider's (as applicable) debts under any law relating to ... or relief of debtors, or seeking appointment of a receiver, or other similar official for the Company or Provider (as applicable) ... any substantial part of the Company's or Provider's (as applicable) assets ... a "BANKRUPTCY EVENT", ... the involuntary filing against the Company or Provider (as applicable) of any bankruptcy proceeding that is not stayed within 60 days after ...

...in accordance with this Agreement, in accordance with this Section 3.3, the ... will also terminate.

ARTICLE 4. ADMINISTRATION AND SERVICES

...PROVIDER WILL MAKE AVAILABLE TO THE COMPANY ... Provider will make available to the Company ... to perform the ... as may be reasonably requested by the Company ... and as necessary and appropriate for the ... and operation of the Company Business, ... as performed immediately prior to the ... Provider will be responsible for hiring, supervising, and ... such employees, and administering any employee benefit plans applicable to such employees. The ... of Provider performing the Services for the Company ("PROVIDER EMPLOYEES") ... services for Provider ... certain Affiliates of Provider. The Company ... to utilize independent contractors rather than employees of Provider to perform the ... independent contractors will be included ... employees under this Agreement, where applicable.

...PROVIDER AS EMPLOYER. Notwithstanding the Services provided by ... Provider Employees to the Company, the Company acknowledges that Provider is and will remain the employer of all Provider Employees and will be responsible for the employment and training of

and for the payment of salaries, wages, benefits, vacation, health insurance, life insurance, and other similar benefits, if any; and shall be responsible for all Provider Employees, except as payment by the Company of the full and complete amounts in accordance with Section 1.1. The Provider shall be responsible for the payment of all Provider Employees' wages and benefits in accordance with the provisions of Provider and shall be entitled to participate in Provider's existing benefit plans to the same extent as similarly situated employees of Provider performing services in connection with Provider's business. Provider will be responsible for the payment of all Federal, state, and local withholding taxes or the reimbursement of all Provider Employees and shall ensure that all taxes are paid as and when required by law. The Company will cooperate with Provider to facilitate Provider's compliance with applicable Federal, state, and local law, rules, regulations, and ordinances applicable to the employment of all Provider Employees by Provider and their provision of services to the Company under this Agreement.

1.1.1. ALLIANCE EMPLOYEE PROVISIONS. Provider will have the right to terminate the employment of any Provider Employee at any time. A portion of any severance payments payable to any Provider Employee spending 50% or more of such person's time over the Look-Back Period (as defined below) in connection with providing Services to the Company at the Company's request and separate from employment by Provider shall, at the initial time of any Termination, be payable to the Company based on the percentage determined by dividing the total number of hours that such person was a Provider Employee providing Services to the Company over a 50% or greater basis by the total number of hours that such person was employed by Provider or its predecessors, in each case to the extent taken into account for purposes of accruing any severance payments payable to such person, or any other basis upon which the amount of the severance payments payable to such person may be determined, multiplied by the percentage of such person's time devoted to providing Services to the Company, in each case with the consent of, or such person's time devoted to providing Services to the Company determined for the one-year period for such applicable severance period of that person as a Provider Employee was a Provider Employee for that one-year period, immediately preceding the date of separation of employment from "Look-Back Period". The Company will not employ any Provider Employee to provide an employee of the Company without the prior consent of Provider, unless such Provider has terminated the employment of such Provider Employee.

1.2. REPRESENTATION AND WARRANTIES

1.2.1. REPRESENTATION AND WARRANTIES OF PROVIDER. Provider represents and warrants to the Company as follows:

- (a) Provider is incorporated in any applicable, validly existing, and duly organized jurisdiction and is duly organized and in good standing under the laws of Delaware.
- (b) Provider has duly and lawfully entered into this Agreement, and all persons are duly authorized under this Agreement.
- (c) Provider has not entered into any contractual or other legal obligation that materially interferes with the full, proper, and complete performance of this Agreement.

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(d) The individuals executing this Agreement on behalf of Provider are the authorized officers.

11. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants to Provider as follows:

11.1. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the state of Delaware.

11.2. The Company has the power and authority to enter into this Agreement and to perform its obligations under this agreement.

11.3. The Company is not subject to any contractual or other legal obligation that materially interferes with its full, prompt, and complete performance under this Agreement.

11.4. The individual executing this Agreement on behalf of the Company has not resigned, or is so.

12. INDEMNIFICATION FOR

12.1. INDEMNIFICATION BY PROVIDER. Provider will indemnify, defend, and hold harmless the Company, its Affiliates, and each of their respective officers, directors, employees and agents, and the successors and assigns of any of them, collectively, the "COMPANY INDEMNITEEES", from and against any and all claims, damages, liabilities, costs, suits, damages, or expenses, including reasonable attorneys' fees, disbursements, and court costs ("LOSSES"), that any Provider Indemnitee may suffer arising from or out of, or relating to, (a) any breach of any of its obligations under this Agreement or (b) the negligence, willful misconduct, fraud, or bad faith of Provider in performing its obligations under this Agreement.

12.2. INDEMNIFICATION BY THE COMPANY. The Company will indemnify, defend, and hold harmless Provider, its Affiliates, and each of their respective officers, directors, employees and agents, and the successors and assigns of any of them, collectively, the "PROVIDER INDEMNITEEES", from and against any and all claims, damages, liabilities, costs, suits, damages, or expenses, including reasonable attorneys' fees, disbursements, and court costs ("LOSSES"), that any Provider Indemnitee may suffer arising from or out of, or relating to, (a) any breach by the Company of its obligations under this Agreement or (b) the negligence, willful misconduct, fraud, or bad faith of Provider or such other Provider Indemnitee, or (c) are covered by insurance maintained by Provider or such other Provider Indemnitee, or (d) are covered by Provider pursuant to Sections 7.14 or Section 7.15.

13. NOTICE OF CLAIMS AND PROCEEDINGS.

13.1. In connection with any indemnification provided for in this Agreement, the party seeking indemnification (the "INDEMNITTEE") will give the indemnitor the communication in respect to the "INDEMNITOR" prompt notice of the INDEMNITTEE's assertion that the indemnitor has suffered a loss, damage, or expense, or claims, or losses for which it is

entitled to indemnification under this Section 13, and, when known, the facts that constitute the basis for such claim, in reasonable detail. Failure by the indemnitor to act promptly in this regard will not relieve the Indemnitee of any liability under this Agreement except to the extent that such failure prejudices the Indemnitee in any material respect.

(b) After receipt of a notice pursuant to Section 6.3(a), the Indemnitee shall, if it is possible, to take control of the defense and management of any lawsuit or claim and to employ and engage attorneys reasonably necessary to the Indemnitee to handle and defend such claim, at the expense of the Indemnitee, and, upon receipt of written notice to the Indemnitee of the election, which notice shall advise of the Indemnitee's obligation to pay or reimburse costs and expenses. The Indemnitee will not settle any claim or lawsuit or any aspect of indemnification without the written consent of the Indemnitee, which consent will not be unreasonably withheld, except as such consent, "SURRENDER, WAIVER, and, after reasonable notice, the Indemnitee may settle a claim without the Indemnitee's consent if such settlement is made in satisfaction or acknowledgment of liability or culpability with respect to the Indemnitee, and includes a complete release of the Indemnitee and its affiliates and their respective officers, directors, employees and agents, and only does not require the Indemnitee to make any payment not demanded by Indemnitee or by the Indemnitee hereunder or to forego or take any action. The Indemnitee will cooperate in all reasonable respects with the Indemnitee and its attorneys in the investigation, trial, and defense of any lawsuit or action with respect to such claim and any appeal arising therefrom, including the signing in the Indemnitee's name of appropriate cross motions and counterclaims. The Indemnitee may, at its own cost, participate in any deposition, trial, and defense of such lawsuit or action controlled by the Indemnitee and any appeal or any settlement. If there are one or more legal claims available to the Indemnitee and conflict with those available to, or the Indemnitee may, at its expense, the Indemnitee will have the right, at the expense of the Indemnitee, to engage separate counsel, reasonably available to the Indemnitee and to participate in the defense of the lawsuit or action.

(c) If, after receipt of a notice pursuant to Section 6.3(a), the Indemnitee does not undertake to defend any such claim, the Indemnitee may, but will have no obligation to, contest any lawsuit or action with respect to such claim, and the Indemnitee will be bound by the result obtained with respect to such claim by the Indemnitee. The Indemnitee may not settle any lawsuit or action with respect to which the Indemnitee is entitled to indemnification hereunder without the consent of the Indemnitee, which consent will not be unreasonably withheld, except as such consent will not be unreasonably withheld.

(d) At any time after the commencement of defense of any lawsuit or action, and before the final appeal, the Indemnitee is willing to the extent of all such contract to the payment or compromise by the Indemnitee of such claim, although such action will be taken unless the Indemnitee determines that the contract would be unenforceable and so notifies the Indemnitee in writing within 15 days of such request from the Indemnitee. Any request from the Indemnitee for any contract or payment will specify the amount that the other party or parties to the contract claim to be agreed to accept or payment or compromise of the claim. If the Indemnitee determines that the contract should be enforceable, the Indemnitee will be liable under this Agreement only to the extent of the contract or payment or compromise. The other party or parties to the contract of the claim agrees to accept or payment or compromise of the claim and to release the Indemnitee from and to indemnify the Indemnitee, as specified in the contract or payment or compromise.

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request, and only the amount for which the Indemnitee may be liable with respect to such claim by reason of the provisions of this Agreement.

6.11. LIMITATION OF LIABILITY. In no event will any Transmitter be liable to any Indenturee for any tortious, special, incidental, or consequential damages with respect to any matter related to this Agreement.

6.12. SURVIVAL. The terms and conditions of this Section 6 will survive the termination or expiration of this Agreement, regardless of the reason for such expiration or termination.

6.13. GOVERNING LAW OF THE TAX DEFERRED AGREEMENT. For the avoidance of doubt, as used in this Contract, the term "States" does not include any Jurisdiction that is deemed to be the subject of international taxes, or that are otherwise excluded under the Tax Deferral Agreement, dated July 10, 2003, between The Company and Frontier.

ARTICLE 7. MISCELLANEOUS

7.1. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this agreement and supersedes all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter of this Agreement. Each provision of this Agreement will be considered severable. If for any reason any provision of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability will not impair the operation of or affect the enforceability of the other provisions of this Agreement, and the balance of this Agreement will continue in full force and effect.

7.2. NOTICE. All notices, demands, approvals, or other communications under this Agreement will be made in writing and will be deemed to have been made if so delivered in person, by telecopy, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties as follows:

To the provider:
 Liberty Media Corporation
 12300 Liberty Boulevard
 Englewood, CO 80112
 Attention: Charles Y. Torabi, Esq.
 Telecopy: XXX-XXX-XXXX

To the Company:
 Discovery Building Company
 12300 Liberty Boulevard
 Englewood, CO 80112
 Attention: Charles Y. Torabi, Esq.
 Telecopy: XXX-XXX-XXXX

Notices and other communications to the party to whom notice is given may have previously been furnished to the other party in writing in the manner set forth above, but such communication delivered in person will be deemed effective only if receipt is acknowledged. Any notice or communication sent by telecopy will be deemed effective when receipt is acknowledged. Any notice or communication sent by

registered

mail or certified mail, return receipt requested, will be deemed effective when received, as evidenced by the return receipt.

7.3. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF COLORADO REGARDLESS OF THE LAWS THAT MIGHT OTHERWISE CLAIM UNDER PRINCIPLES OF CONFLICTS OF LAWS APPLICABLE THERETO.

11. **UNIT OF MEASURE.** The descriptive headings in this Agreement are provided for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement. Words used in this Agreement, regardless of the gender and number specifically used, will be deemed to refer to the entity, other gender, masculine, feminine, or neuter, singular or plural, as the context requires. As used in this Agreement, the word "including" or any variation thereof is not limiting, and the word "or" is not exclusive. The word "day" means a calendar day, whether or not giving any notice or taking any other action is a Saturday, Sunday, or other day when banks, a Federal Circuit, are closed, the time for notice and response or taking any action will be extended to the next day that is not such a day.

12. **ENTIRETY IN WRITING.** This Agreement will be binding on and enforceable for the benefit of each party to this Agreement, and its successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature or kind under or by reason of this Agreement.

13. **INTEGRATION.** This Agreement may be executed in counterparts, each of which will be deemed to be original, but all of which will constitute one and the same agreement.

14. **SEVERABILITY OF PROVISIONS.** Except as otherwise expressly provided in this Agreement, each of the covenants in this Agreement will bear its own expenses, including the costs of any attorneys and consultants engaged by such party, in connection with this agreement.

15. **NO PERSONAL LIABILITY.** This Agreement will not create or be deemed to create any personal liability or obligation on the part of any director, officer, member, manager, or shareholder of either party, to this agreement or any officer, director, employee, agent, representative, or investor of either party, or of any member, manager, or shareholder of either party to this Agreement.

16. **ASSIGNMENT; NOTICE; ASSIGNOR'S OBLIGATION.** This Agreement will inure to the benefit of the assignee of the parties to this Agreement and their respective legal successors, heirs, executors and permitted assigns. This Agreement may not be assigned by either party to this Agreement, except that Provider may assign its rights and obligations under this Agreement to any Person that acquires substantially all the assets of Provider (by merger, operation of law, or otherwise) or to any Affiliate of Provider.

17. **AMENDMENT.** This Agreement may not be amended except by an instrument in writing signed on behalf of both parties.

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18. **WARRANTY.** No party to this Agreement may (a) extend the time of the performance of any of the obligations or other acts of the other party to this Agreement, or (b) waive compliance by the other party with any of the covenants or conditions contained herein or any breach thereof. Any agreement of the part of either party to any such extension or waiver will be void if not set forth in an instrument in writing signed on behalf of such party. No contract, express or implied, of a party of any breach or default by the other party or the performance of its obligations under this Agreement shall be deemed to be a contract to or waiver of any further or other breach or default by said other party. You are on the part of a party to accept or assent, or failure to act, of the other party or to declare the

...shall, in the event of non-performance of any long such failure continues, ...shall constitute a breach of this Agreement.

...shall, in the event of non-performance of any long such failure continues, ...shall constitute a breach of this Agreement. ...shall be entitled to receive from the other party a reasonable attorney's fees and costs incurred in such ...proceeding, in the event such action or proceeding is adjudicated to ...extent as is herein provided in Section 11.14.

11.14. FORCE MAJEURE. Neither party shall be liable to the other party with respect to any underperformance or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to any action or condition beyond its reasonable control, including labor disputes, labor strikes, weather conditions or any other event which is beyond its reasonable control. Each party agrees that it will use its commercially reasonable efforts to continue to perform its obligations under this Agreement, to the extent performance of its obligations under this Agreement, and to mitigate any delay in performance of its obligations under this Agreement notwithstanding the occurrence of any such event beyond such party's reasonable control.

11.15. ENFORCEMENT. If either party threatens to take any action in violation of the terms of this Agreement, the other party may apply to any court of competent jurisdiction for an injunctive order prohibiting such threatened action. Neither party may maintain any action or proceeding against the other party to compel the specific performance of this Agreement. The party against which such action or proceeding is brought hereby waives its right to a writ of habeas corpus or any other equitable remedy as law exists, and such writs will not be granted in aid of any action or proceeding the other or defense that may be brought in this court.

11.16. ARBITRATION. Except as provided in Section 11.14, all disputes arising under this Agreement that are not settled by the parties will be submitted to binding arbitration under the then existing Commercial Arbitration Rules of the American Arbitration Association. Arbitration proceedings will be held in Denver, Colorado, or any other location agreed to by the parties. The parties to the arbitration may agree on an arbitrator; otherwise, there will be a panel of three arbitrators, composed in equal numbers by each party within 21 days after any party serves a notice of arbitration on the third arbitrator named by the other party in the notice by the parties. No person financially interested in the enforcement of any party may serve as an arbitrator. The costs of the arbitration and the fees of the arbitrator or arbitrators will be borne by the prevailing party, unless the arbitrator provides otherwise in his decision. The decision of the arbitrator or arbitrators will be final and conclusive and binding on all the parties, and a court of competent jurisdiction may be petitioned in any Colorado court for enforcement of the award.

11.17. ASSIGNMENT. The parties will execute and deliver all documents, notices and applications, and shall forbear from all actions that may be necessary or appropriate to enforce the purposes of this Agreement.

11.18. CONFIDENTIALITY.

11.18.1. DEFINITION. "CONFIDENTIAL INFORMATION" means any information created, received, or generated as confidential by a party which such party holds in confidence, including all trade secrets, technical, business, or other confidential information or other information, however communicated or

included, related to past, present and future research, development and business activities.

(v) "Confidential Information" means all the prior content of the disclosing party, and party will:

(ii) limit access to the Confidential Information to the other party disclosed to such party, in addition to its employees, agents, representatives, and consultants, and recipients who have a "need-to-know";

(iii) advise its employees, agents, representatives, and consultants, and recipients, to keep Confidential Information of the proprietary nature thereof and of the obligations set forth in this Agreement; and

(iv) maintain such Confidential Information by using a reasonable degree of care to prevent disclosure of the Confidential Information to third parties, but not less than the degree of care used by that party in maintaining its own similar information or material.

(c) EXCEPTIONS TO CONFIDENTIALITY. A party's obligations regarding confidentiality under Section 7.17 will not apply to any of the Confidential Information of the other party that a party can demonstrate: (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through or to the recipient; (iii) was in the possession of the recipient at the time of disclosure to it with it being subject to any obligation of confidentiality; (iv) was received after disclosure to it from a third party who, to its knowledge, had a lawful right to disclose such information to it; (v) was independently developed by the recipient without reference to the Confidential Information; (vi) was required to be disclosed to any regulatory body having jurisdiction over a party or any of their respective clients; or (vii) was required to be disclosed by reason of legal, accounting, or regulatory requirements beyond the reasonable control of the recipient. In the case of any disclosure pursuant to clauses (vi) or (vii) of this paragraph (c), to the extent practicable, the recipient will give prior notice to the disclosing party and the recipient will make such commercially reasonable efforts to obtain a protective order covering such disclosure.

(d) SURVIVAL. The provisions of this Section 7.17 will survive the expiration, termination or cancellation of this Agreement, regardless of the reason for such expiration or termination.

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Witness:

This Agreement is signed by the carrier as of the date hereof.

COMPANY:

STROBESY HOLDING COMPANY, a
DELEWARE CORPORATION

By: _____

Name:
Title:

PROVIDER:

LIBERTY MEDIA CORPORATION, a
DELAWARE CORPORATION

By: _____
Name:
Title:

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APPENDIX A
DEFINITIONS

Section 1.1.1. The following terms will have the following meanings for the purposes of this Agreement:

"AFFILIATE" means, with respect to any Person, any other Person controlling, controlled by, or under common control with such Person, with "control" having the same meaning as the possession, directly or indirectly, or the right to direct or cause the direction of the management and policies of a Person, whether through the possession of voting securities or voting interests, agreement, or otherwise. In addition, LMC will be considered an Affiliate of the Company for purposes of Section 1.1.1 only. For the avoidance of doubt, after the date of this Agreement, the Company and its subsidiaries will not be deemed to be Affiliates of LMC, and LMC and its subsidiaries will not be deemed to be Affiliates of the Company, for any purposes of this Agreement.

"PERSON" means any natural person, corporation, limited liability company, partnership, trust, unincorporated organization, association, governmental, municipal, or other entity.

Section 1.1.2. OTHER DEFINITIONS. The following terms will have the meanings for the purposes of this Agreement set forth in the section reference provided next to each term:

Section
Reference

Section Reference	SECTION REFERENCE
AC	<<>
Agreement	Preamble
Allocation Expense	3.1(a)
Allocation Expense	3.3
Allocation Expense	3.3
Allocation Expense	3.3
Allocation Expense	Preamble
Allocation Expense	Section
Allocation Expense	6.1
Allocation Expense	7.11
Allocation Expense	1.5
Allocation Expense	Preamble
Allocation Expense	6.3(a)
Allocation Expense	6.3(a)
Allocation Expense	3.1
Allocation Expense	4.3
Allocation Expense	6.1
Allocation Expense	Preamble