
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): **Decem**

be satisfied at the closing, (iii) if the F1 Closing has not occurred on or before the twelve (12) month anniversary of the date of the Investment Agreements, (iv) upon the enactment or entry of any law, permanent injunction or other order or legal restraint issued by a court or other governmental entity of competent jurisdiction which has the effect of rendering the transactions contemplated by the Investment Agreement or the Second SPA illegal or otherwise

prohibiting the consummation of the transactions contemplated by the Investment Agreement or the Second SPA and (v) the termination of the Second SPA in accordance with its terms.

In connection with the F1 Closing, both the Third Party Investors and the Selling Shareholders will be subject to certain lock-up restrictions for a period of six months following the F1 Closing, subject to certain exceptions. Information regarding these lock-up restrictions can be found in (i) Exhibit B: Form of Lock-Up Agreement and Exhibit C: Form of Coordination Agreement Side Letter to the form of Investment Agreement and (ii) the definitive proxy statement filed by Liberty Media with respect to the special meeting of stockholders (described below).

The F1 Closing is not conditioned upon the consummation of the Third Party Investment or any Investment Agreement. The maximum aggregate number of shares of LMCK to be issued to the Selling Shareholders and the Third Party Investors at the F1 Closing is approximately 138 million shares.

Liberty Media intends to seek stockholder approval for the issuance of the shares of LMCK in connection with the Formula 1 Acquisition (including the issuance of shares of LMCK to the Third Party Investors pursuant to the Investment Agreements) in accordance with the rules and requirements of Nasdaq. On December 9, 2016, Liberty Media filed a definitive proxy statement (the "**Proxy Statement**") with the Securities and Exchange Commission (the "**SEC**") relating, among other things, to a proposal to obtain such approval at a special meeting to be held on January 17, 2017. If Liberty Media does not receive the requisite stockholder approval for the issuance of the shares of LMCK in connection with the Formula 1 Acquisition, the F1 Closing will not occur, and Liberty Media will not issue such shares to the Third Party Investors pursuant to the Investment Agreements, to the Selling Shareholders pursuant to the Second SPA or to the noteholders pursuant to the terms of the exchangeable notes to be issued by Delta Topco at the F1 Closing as described in the Proxy Statement. Approval of the share issuance proposal by Liberty Media's stockholders is a non-waivable condition to the F1 Closing.

The summary of the Investment Agreements (and certain exhibits thereto) provided above is qualified in its entirety by reference to the full text of such agreements, a form of a

Purchaser.

SECTION 1.2 Commitment Increases.

(a) If any Other Equity Purchaser fails to deposit funds into the Escrow Account at least two (2) Business Days prior to the Closing Date or otherwise fails to consummate the purchase of the shares of LMG Series C Stock to be purchased by such Other Equity Purchaser pursuant to the applicable Other Investment Agreement (such amount in default, a “Defaulted Commitment Amount”), the Company may offer, in its sole discretion, to the Purchaser and all non-defaulting Other Equity Purchasers, on a pro rata basis, the opportunity to increase such Purchaser’s Initial Commitment Amount.

(b) Any increase in the Purchaser’s Initial Commitment Amount pursuant to Section 1.2(a) is referred to herein as a “Commitment Increase.”

(c) The amount of any Commitment Increase shall be funded by the Purchaser into the Escrow Account as soon as practicable prior to the Closing.

ARTICLE II

PROXY MATERIALS AND STOCKHOLDERS MEETING

SECTION 2.1 Proxy Statement.

(a) Prior to the date hereof, the Company has prepared and filed with the SEC a definitive proxy statement on Schedule 14A for a special meeting of its stockholders (as amended or supplemented, the “Proxy Statement”), which Proxy Statement includes a solicitation relating to the approval, for purposes of Rule 5635(a) of the NASDAQ Stock Market Rules, of (i) the issuance by the Company of shares of LMG Series C Stock to the Selling Shareholders and/or to the Equity Investors (including the issuance to the Purchaser of shares of LMG Series C Stock as contemplated hereby), as contemplated by the Second Purchase Agreement, (ii) the potential issuance by the Company of shares of LMG Series C Stock in accordance with the terms of the Exchangeable Securities (together with the issuance of the shares described in clause (i), the “Transaction Consideration Issuance”) and (iii) a proposal relating to the name change of the Media Group to the “Formula One Group” (the “Name Change Proposal”). If at any time prior to the Closing Date, any

information should be discovered by any party hereto that should be set forth in an amendment or supplement to the Proxy Statement so that the Proxy Statement would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other party hereto and, to the extent required by applicable Law, an appropriate amendment or supplement describing such information shall be promptly filed by the Company with the SEC and, to the extent required by applicable Law, disseminated by the Company to the stockholders of the Company. At the request of the Company, the Purchaser will, and will cause its Affiliates to, promptly furnish to the Company such information regarding the Purchaser and its Affiliates as shall be required to be included in such amendment or supplement to the Proxy Statement pursuant to the Exchange Act in the reasonable judgment of counsel to the Company.

(b) The Company shall mail the Proxy Statement to the Company’s stockholders at the earliest practicable date.

SECTION 2.2 Stockholders Meeting. The Company shall, in accordance with the terms of the Second Purchase Agreement, duly call, give notice of, convene and hold a special meeting of its stockholders (the “Stockholders Meeting”), at which the Transaction Consideration Issuance proposal and the Name Change Proposal shall be presented to the stockholders of the Company at the Stockholders Meeting for approval.

SECTION 2.3 Publicity.

(a) No press release or public announcement concerning this Agreement or the transactions contemplated hereby will be issued by the Purchaser or any of its Affiliates, without the prior consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed except as such release or announcement may be required by applicable Law or the rules of, or listing agreement with, any national securities exchange on which the securities of the Purchaser or any of its Affiliates are listed or traded, in which case, the Person required to make the release or announcement will, to the extent practicable, allow the other party reasonable time to comment on such release or announcement in advance of such issuance.

(b) Notwithstanding any other provision of this Agreement or the Lock-Up Agreement, the Purchaser and its Affiliates may disclose the purchase of the Purchased Shares by the Purchaser and any details related thereto (i) to their respective directors, officers, employees and professional advisers (including their respective legal counsel and accountants) who (x) have a legitimate business reason to have such information and (y) are subject to confidentiality obligations with respect to such information, (ii) in accordance with ordinary-course reporting to regulators and existing or prospective investors so long as such existing and prospective investors are subject to confidentiality obligations with respect to any such information, and (iii) as required by Law or requested by any Governmental Entity.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

(other than the approval of the Name Change Proposal, which is not a condition to the completion of the Formua w

(d) The Purchaser (i) is an “accredited investor” within the meaning of the Securities Act, (ii) understands that the offer and sale of the Purchased Shares pursuant to this Agreement is intended to be exempt from the prospectus delivery and registration requirements under the Securities Act and that any transaction advice of a Restricted Book Position (and the related records of Computershare) will bear the legend set forth in Section 4.1 hereof, (iii) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Purchased Shares, (iv) is acquiring the Purchased Shares for its own account, for investment and not with a view to the public resale or distribution thereof in violation of any federal, state or foreign securities law, (v) understands that the Purchased Shares will be offered and sold in a transaction exempt from the registration or qualification requirements of the Securities Act and applicable state securities Laws, and that such securities must be held indefinitely unless a subsequent disposition thereof is registered or qualified under the Securities Act and applicable state securities Laws or is exempt from such registration or qualification and (vi) is capable of bearing the economic risk of (A) an investment in the Purchased Shares and (B) a total loss in respect of such investment.

The obligations of the Purchaser to purchase the Purchased Shares from the Company and consummate the transactions contemplated by Article I of this Agreement on the Closing Date shall be subject to the satisfaction or waiver at the Closing by the Purchaser of the following conditions:

SECTION 6.1 Representations and Warranties; Covenants and Agreements.

(a) Except as set forth in Section 6.1(b), the representations and warranties of the Company contained in this Agreement and in any certificate or document executed and delivered by the Company pursuant to this Agreement, in each case, without giving effect to any limitation as to materiality set forth herein or therein, shall be true and accurate in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date, except for those representations and warranties which address matters only as of a particular date, which representations and warranties shall, without giving effect to any limitation as to materiality set forth herein or therein, have been true and correct in all material respects as of such particular date, and the Purchaser shall have received a certificate, dated the Closing Date, signed by the Company to such effect.

(b) The representations and warranties of the Company contained in Sections

3.1(a)-(c), in each case, shall be true and accurate in all respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date, except for those representations and warranties which address matters only as of a particular date, which representations and warranties shall have been true and correct in all respects as of such particular date, and the Purchaser shall have received a certificate, dated the Closing Date, signed by the Company to such effect.

(c) The Company shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or ~~do~~ ~~complied~~ ~~with~~ ~~by~~ ~~the~~ ~~Company~~ ~~on~~ ~~or~~ ~~pursuant~~ ~~to~~ ~~the~~ ~~Closing~~ ~~Date~~ and the Purchaser shall have receive

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In the event that this Agreement is terminated as provided herein, then each of the parties as to which such termination is effective shall be relieved of their duties and obligations with respect to the purchase of the Purchased Shares by the Purchaser arising under this Agreement after the date of such termination and such termination shall be without Liability to the Purchaser or the Company; provided, however, that nothing in this Section 7.2 shall relieve the Purchaser or the Company of any Liability for a breach of this Agreement.

ARTICLE VIII

pursuant to this Section 9.1(a)(i) prior to the effective date of the corresponding Registration Statement; provided, ^{b1} that such request shall count as one of the Purchaser's demand requests referred to in Section 9.1(a)(ii) unless the Purchaser reimburses the Company for all out-of-pocket expenses (including Registration Expenses) incurred by the Company relating to such Registration Statement; provided, ^e further, if the Purchaser revokes a demand pursuant to this Section 9.1(a)(i) within twenty-four (24) hours after notice in writing to the Purchaser of an Underwriter Cutback, (1) such request shall not count as one of its demand requests pursuant to Section 9.1(a)(ii) and (2) the Purchaser will not be obligated to reimburse the Company for any of its out-of-pocket expenses, including Registration Expenses.

(ii) Following receipt of any notice under this Section 9.1(a), the Company shall use commercially reasonable best efforts to register under the Securities Act, for public sale in accordance with the method of disposition specified in such notice from the Purchaser, the number of shares of Registrable Securities specified in such notice. If the method of disposition shall be an underwritten public offering, the Purchaser may designate the managing underwriter(s) or co-managing underwriter(s) of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Purchaser shall have two (2) demand registrations pursuant to this Section 9.1(a); provided, however, that the Company shall not be obligated to effect more than one such registration in any one hundred eighty (180)-day period; provided, further, that such obligation shall be deemed satisfied only when a Registration Statement covering all shares of Registrable Securities specified in notices received as aforesaid, for sale in accordance with the method of disposition specified by Purchaser, shall have become effective and, (A) if such method of disposition is a firm commitment underwritten public offering, all such shares shall have been sold pursuant thereto and (B) in any other case, such Registration Statement shall have remained effective throughout the Effectiveness Period.

(iii) From and after the date hereof, the Company shall use its commercially reasonable best efforts to qualify under the provisions of the Securities Act, ~~and~~ thereafter, to continue to qualify at all times, for registration on Form S-3 or any successor thereto. Demand registrations pursuant to this Section 9.1(a) shall be on Form S-3 or any similar short-form Registration Statement, if available. In the event the Company fails to qualify, the Company shall be required to effect demand registrations pursuant to this Section 9.1(a) on Form S-1 or any successor thereto to the same extent as the Company would be required to effect demand registrations on Form S-3.

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STRICTLY CONFIDENTIAL
The undersigned hereby represent, warrant, cove-
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ant, and agree that the timing, size and price of such offering and otherwise work with the Company and the underwriters in structuring and determining all aspects of the offering, and the Selling Shareholders (and their affiliates and permitted transferees) shall have priority in the event of any Underwriter Cutback in any such registration or offering.

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(c) Expenses. Except as specifically provided herein, all Registration Expenses incurred in connection with the registration of the Registrable Securities shall be borne by the Company, and all Selling Expenses shall be borne by the Purchaser.

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(d) Procedures for Registration. If and whenever the Company is required by the provisions of Sections 9.1(a) or 9.1(b) to use commercially reasonable best efforts to effect the registration of any shares of Registrable Securities under the Securities Act, the Company will, as expeditiously as possible:

(i) Prepare and promptly file with the SEC a Registration Statement with respect to such securities and use commercially reasonable best efforts to cause such Registration Statement to become and remain effective for the period of the distribution contemplated thereby (determined as hereinafter provided);

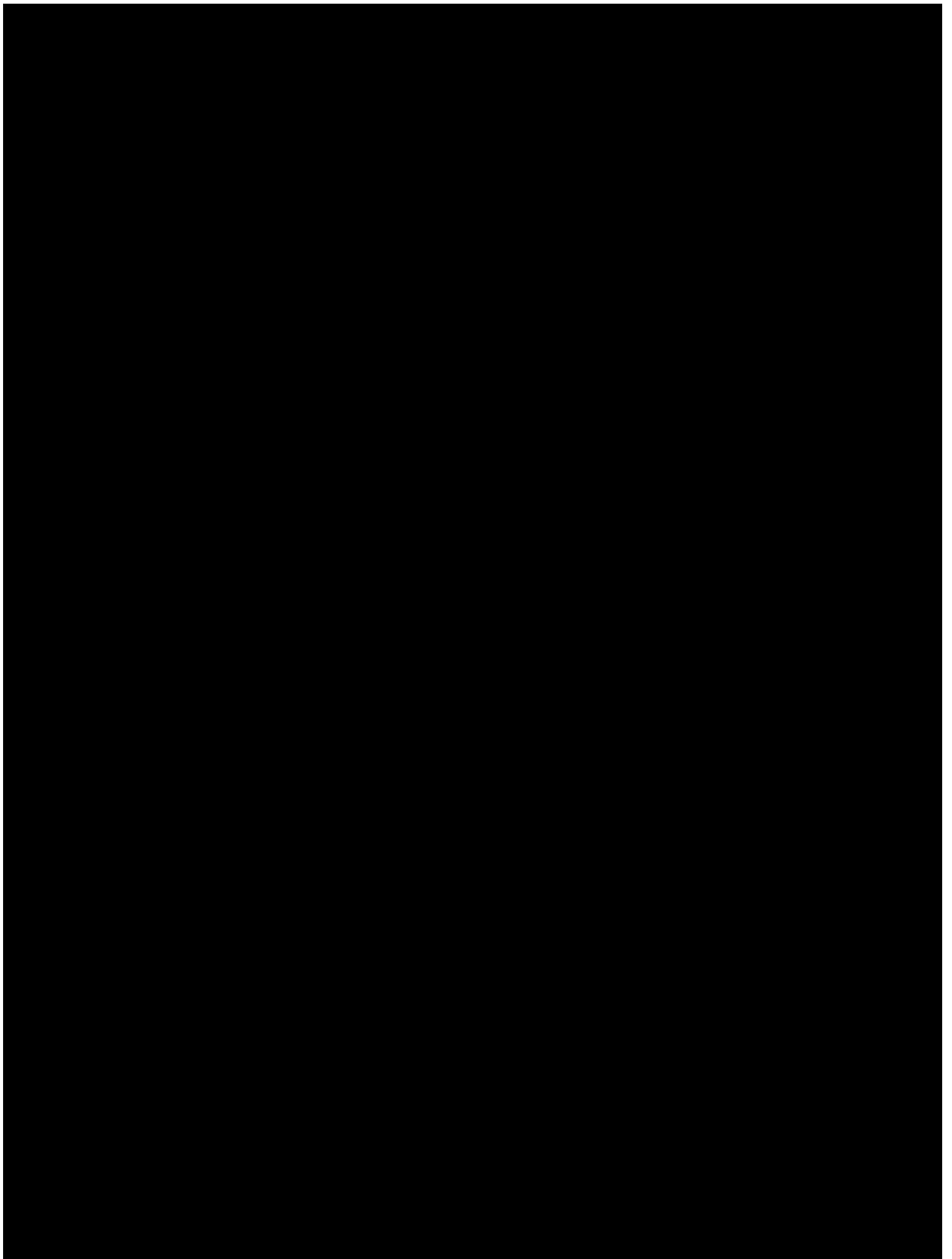
(ii) Prepare and file with the SEC such amendments and suppl SEC 'S v

any Regi



(i) Admitted Claims. If, within twenty (20) Business Days after a Notice of Reg Rights Claim is delivered to the Reg Rights Indemnifying Person, the Reg Rights Indemnifying Person agrees in writing that Liability for such Claim is indemnified under Section 9.1(h)(i) or Section 9.1(h)(ii), as applicable, the full amount of the Damages in the Notice of Reg Rights Claim is the Reg Rights Indemnifying Person's obligation.

only in the event) that such court does not have subject matter jurisdiction over such action or proceeding, in the United States District Court for the District of Delaware, or that this Agreement or any such document may not be enforced in or by such courts, and the parties hereto irrevocably a



“Defaulted Commitment Amount” has the meaning set forth in Section 1.2(a) of this Agreement.

“Delta Topco” has the meaning set forth in the recitals to this Agreement.

“Disclosure Package” means, with respect to any offering of Registrable Securities, (i) the preliminary Prospectus, (ii) each Free Writing Prospectus and (iii) all other information, in each case, that is deemed, under Rule 159 under the Securities Act, to have been conveyed to purchasers of securities at the time of sale of such securities.

“DT Shares” has the meaning set forth in the recitals to this Agreement.

“Effectiveness Period” has the meaning set forth in Section 9.1(d) of this Agreement.

“Equity Investors” means the Purchaser, the Other Equity Purchasers and any Formula One Teams that have entered into binding agreements to purchase shares of LMG Series C Stock in connection with the Formula One Acquisition.

“Escrow Account” means the escrow account established pursuant to the Escrow Agreement.

“Escrow Agent” means U.S. Bank National Association.

“Escrow Agreement” means that certain Escrow Agreement to be entered into by and among the Escrow Agent, the Company and the Other Equity Purchasers, substantially in the form attached hereto as Exhibit A.

“Exchangeable Securities” has the meaning set forth in the recitals to this Agreement.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Exchange Act Reports” has the meaning set forth in Section 3.1(e) of this Agreement.

“First Purchase Agreement” has the meaning set forth in the recitals to this Agreement.

“Formula One Acquisition” has the meaning set forth in the recitals to this Agreement.

“Formula One Team” means a team or constructor which, at the relevant time of determination, is admitted to the FIA Formula One Championship and is a party to a Team Agreement (as defined in the Second Purchase Agreement) whose rights thereunder have not terminated.

“Free Writing Prospectus” means any “free writing prospectus” as defined in Rule 405 under the Securities Act.

“Governmental Entity” means any United States or foreign (a) federal, state, local, municipal or other government, (b) governmental or quasi-governmental entity of any nature (including, without limitation, any governmental agency, branch, department, official or entity

and any court or other tribunal) or (c) body exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature, including, without limitation, any arbitral tribunal.

“Information” has the meaning set forth in Section 8.1 of this Agreement.

“Initial Commitment Amount” means an amount equal to the number of Initial Commitment Shares multiplied by the Per Share Price.

“Initial Commitment Shares” has the meaning set forth in the recitals to this Agreement.

“Initial Sellers” has the meaning set forth in the recitals to this Agreement.

“Law” means rule, regulation, statutes, orders, ordinance, guideline, code, or other legally enforceable requirement, including but not limited to common law, state, local and federal laws or securities laws and laws of foreign jurisdictions.

“Liability” means any and all debts, liabilities and obligations of any kind or nature, whether accrued or fixed, absolute or contingent, matured or unmatured, or determined or determinable.

“Lien” means any and all pledges, liens, proxies, claims, charges, security interests, preemptive rights, voting trusts, voting agreements, options, rights of first offer or refusal and any other encumbrances whatsoever.

“LMC Stockholder Approval” has the meaning set forth in Section 3.1(b) of this Agreement.

“LMG Series C Stock” means shares of Series C Liberty Media common stock, par value \$0.01 per share.

“Loan Notes” has the meaning set forth in the recitals to this Agreement.

“Lock-Up Agreement” means that certain letter agreement to be entered into by and between the Company and the Purchaser, substantially in the form attached hereto as Exhibit B.

“Lock-Up Period” has the meaning assigned thereto in the Lock-Up Agreement.

“Material Adverse Effect” means any event, circumstance, change or effect, individually or in the aggregate, that is materially adverse to the business, condition (financial or otherwise), operations, assets or results of operations of the Company and its subsidiaries, taken as a whole, except any such event, circumstance, change or effect, to the extent resulting from:

(a) changes in the financial or securities markets or general economic or political conditions in the United States or any other market in which the Company and its Affiliates operate that affect the industries in which the Company and its Affiliates conduct their business (including changes in interest rates or the availability of

derivative or hybrid securities) generally on any securities exchange or over-the-counter-market operating in the United States or any other market in which the Company or its Affiliates operate) except to the extent that such changes materially and disproportionately have a greater adverse impact on the Company and its subsidiaries, this as a whole is contemplated to be an adverse impact that the Company has when the Company is not in a position to take into account the purpose of the financing, whether a Material Adverse Effect has occurred. Although not a disproportionate adverse impact, such

“Registration Statement” means a registration statement on an appropriate form under the Securities e Sdb

corresponding day of the fourth week following the closing of an underwritten offering, on behalf of any Selling Shareholders, effected in accordance with Section 6(a) of the Coordination Agreement Side Letter.

3. Adjustment to Shares. The number of shares of LMG Series C Stock and type of shares constituting Lock-Up Shares at any time of determination shall be appropriately adjusted by Liberty Media (in its reasonable determination) in the event of any spin-off, split-off, stock split, stock dividend, reverse stock split, combination, reclassification or other similar action with respect to shares of LMG Series C Stock.
 4. Legend. Any attempted transfer or disposition in violation of this letter agreement will be of no effect and null and void *ab initio*, regardless of whether the proposed transferee has any actual or constructive knowledge of the transfer restrictions set forth in this letter agreement. In furtherance of the foregoing, Liberty Media and its transfer agent are hereby authorized to decline t sock split ck sgrty
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Attention: []
Fax: []
Email: []

EXHIBIT C

FORM OF COORDINATION AGREEMENT SIDE LETTER

[DATE]

Liberty Media Corporation
12300 Liberty Boulevard

of Liberty Media, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors' rights and to general principles of equity, (iii) the execution and delivery of Liberty Media of this letter agreement and the performance by it of its obligations under this letter agreement do not and will not conflict with or violate any provision of, or require the consent or approval of any Person (except for any such consents or approvals which have been obtained) under (x) any Law applicable to Liberty Media, (y) any agreement binding on Liberty Media, or (z) its organizational documents, and (iv) all authority conferred or agreed to be conferred and any obligations of Liberty Media under this letter agreement will be binding upon the successors, assigns, heirs or personal representatives of Liberty Media.

Liberty Media Corporation Announces Agreements with Third Party Investors to Invest \$1.55 billion to Support Formula 1 Acquisition

December 14, 2016

ENGLEWOOD, Colo.—(BUSINESS WIRE)— Liberty Media Corporation (“Liberty Media”) (NASDAQ:LSXMA, LSXMB, LSXMK, BATRA, BTRK, LMCA, LMCK)
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