

The DIRECTV Group, Inc.
Audit Committee
Amended and Restated Policy and Procedures
Regarding Related Party Transactions

As Adopted on August 5, 2008

I. Background

Pursuant to Section 6 of Article V of the Amended and Restated Certificate of Incorporation of The DIRECTV Group, Inc. (“DIRECTV”), Section 3(d) of Article III of the Amended and Restated By-Laws of DIRECTV, and the Charter of the Audit Committee, the Audit Committee of the Board of Directors of DIRECTV has the sole authority to review, consider and pass upon any transactions which are determined, from time to time by the Audit Committee, to be “related party transactions”, and no such transaction may be effected without the approval or authorization of a majority of the Audit Committee, provided that any such transaction may be ratified by the Audit Committee. In addition, under NASDAQ Rule 4350(h), related party transactions must be reviewed and approved by DIRECTV’s Audit Committee or another independent body of the Board of Directors and, under Section 144 of the Delaware General Corporation Law (“DGCL”), certain transactions between DIRECTV and any of its directors or officers (or transactions in which a director or officer has a financial interest) may be subject to approval or ratification by independent directors. Further, pursuant to Item 404 of Regulation S-K of the Securities and Exchange Commission (“SEC”) and under Statement of Financial Accounting Standards No. 57 (“SFAS 57”), certain transactions between DIRECTV or its Subsidiaries and certain related parties are required to be disclosed in DIRECTV’s filings with the SEC, including DIRECTV’s periodic financial statements filed with the SEC.

This Amended and Restated Policy and Procedures Regarding Related Party Transactions (“Policy”) describes the process for identifying related party transactions which are subject to Audit Committee approval or ratification as well as establishing certain reporting requirements to assure that the Audit Committee is aware of all relevant transactions. This Policy amends and restates in its entirety the Policy and Procedures Regarding Related Party Transactions as adopted on January 28, 2004 (the “Prior Policy”). Among other things, this Policy (1) changes the definition of “Related Parties”, and reduces the dollar amount threshold for Related Party Transactions, in light of the acquisition of stock of DIRECTV by Liberty Media Corporation or its subsidiaries and to reflect SEC disclosure requirements referred to above, and (2) expands the description of transactions which are excluded from this Policy (“Excluded Transactions”, as defined below), consistent with applicable SEC disclosure rules and to assure that this Policy does not result in unnecessarily burdensome internal processes for DIRECTV and its Subsidiaries.

II. Definitions

A. Defined Terms.

For purposes of this Policy, capitalized terms not otherwise defined herein shall have the meanings set forth below:

- 1) “Company” means DIRECTV and its Subsidiaries, individually or as a consolidated group, as the context requires.
- 2) “Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.
- 3) “Excluded Transaction” means any contract, transaction or arrangement, or series of contracts, transactions or arrangements, which would otherwise be considered a Related Party Transaction but which fall within one or more of the following exclusions as determined in good faith by DIRECTV’s General Counsel or by the Audit Committee:
 - (a) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, which are solely between or among the entities included in the Company ;
 - (b) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, which is ratified or approved by another committee of the Board of Directors of DIRECTV, which committee has at least three members and which is comprised entirely of independent directors (as determined in accordance with DIRECTV’s By-Laws as in effect at the time of such ratification or approval);
 - (c) any Related Party Transaction in effect on the date of adoption of this Policy (as specified above), including any Related Party Transaction ratified or approved under the Prior Policy, and renewals or extensions thereof pursuant to contractual arrangements in effect and binding on the Company on such date;
 - (d) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, with any Person who was not a Related Party at the time such contract, transaction or arrangement, or series of contracts, transactions or arrangements, was entered into with the Company, and renewals or extensions thereof pursuant to contractual arrangements in effect and binding on the Company prior to the date such Person became a Related Party;

- (e) any purchase or use by the Company of advertising on channels or other media controlled or owned by a Related Party (or vice versa) in the ordinary course of business at or below rate card or otherwise on arm's-length terms;
- (f) any transfer of any employee(s) of the Purchaser Group or any Purchaser Affiliate to, or hiring of any such individual(s) by, the Company (or vice versa), and any associated employment arrangements otherwise properly authorized;
- (g) any Related Party Transaction the relevant terms of which are imposed by applicable law, regulation or order of a court, arbitrator or other governmental authority having jurisdiction over the Company;
- (h) any employment by DIRECTV of an executive officer, and any related employment arrangements with, or compensation paid to, any such executive officer, if the Compensation Committee (or any subcommittee thereof) approves or ratifies (or recommends that the Board of Directors approves or ratifies) such employment arrangements or compensation;
- (i) any compensation paid to a director if the compensation is approved or ratified by the Compensation Committee (or any subcommittee thereof) or by the Board of Directors upon the recommendation of the Compensation Committee;
- (j) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, with another entity ("Other Entity") at which a Related Party's only relationship is as an employee, director or beneficial owner of less than 10% of that Other Entity's equity interests;
- (k) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, which (i) are with an Other Entity which is not included in the Purchaser Group and (ii) in the opinion of each of the Chief Financial Officer and the General Counsel of DIRECTV, or their respective designees, are not required to be disclosed in DIRECTV's filings with the SEC;
- (l) any charitable contribution, grant or endowment ("Contribution") to a charitable organization, foundation or university ("Non-Profit Entity"); provided that such Contribution is either approved by the Nominating and Corporate Governance Committee or does not exceed any limitations established by such Committee with respect

to Contributions to Non-Profit Entities which are Related Parties or associated with a Related Party;

- (m) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, where the Related Party's interest arises solely from the ownership of the Company's common stock or other securities and all holders of the Company's common stock or other securities receive the same benefit on a pro rata basis (e.g., dividends, interest or anti-dilution rights);
 - (n) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, involving a Related Party where the rates or charges involved are determined by competitive bids;
 - (o) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority;
 - (p) any contract, transaction or arrangement, or series of contracts, transactions or arrangements, with a Related Party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services;
 - (q) ordinary course business travel and expenses, advances and reimbursements; and
 - (r) indemnification payments and payments under directors and officers insurance policies or made pursuant to the DIRECTV Certificate of Incorporation or By-Laws or pursuant to any policy, agreement or instrument.
- 4) "Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, governmental authority or other entity.
- 5) "Purchaser" means Greenlady Corporation, a Delaware corporation, and its Subsidiary, Greenlady II, LLC, so long as such entities beneficially own more than ten percent (10%) of the outstanding voting securities of DIRECTV.
- 6) "Purchaser Affiliate" means, as of any particular time, a Person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with the Purchaser as of such

time; provided, however, that the term “Purchaser Affiliate” shall not include the Company.

- 7) “Purchaser Group” means Purchaser, Purchaser Parent, Subsidiaries of Purchaser (excluding the Company), or Purchaser Successors and (i) John Malone and, if applicable, his executor, administrator, guardian, conservator or similar legal representative, (ii) any member of the immediate family of John Malone, (iii) any settlement and trusts, and any entities which are controlled by settlements and trusts, set up for the benefit of John Malone or members of his family (exclusively or also for the benefit of others) and (iv) any Person acting as agent for Purchaser, Purchaser Parent, any Subsidiary of Purchaser, any Purchaser Successor or any Person described in clauses (i) through (iii) hereof.
- 8) “Purchaser Parent” means Liberty Media Corporation, a Delaware corporation, and its successors, so long as Purchaser is a Subsidiary of such Person.
- 9) “Purchaser Successor” means any Person to whom any member of the Purchaser Group transfers (other than pursuant to open market transactions) more than ten percent (10%) of the outstanding voting securities of DIRECTV or any successor of any such Person.
- 10) “Related Party” means: (a) the Purchaser Group; (b) any Purchaser Affiliate; (c) any Person which notifies the Company that it is a party to any contract, transaction or arrangement with the Purchaser Group or any Purchaser Affiliate pursuant to which the Purchaser Group or any Purchaser Affiliate has a financial interest in the terms of any contract, transaction or arrangement not otherwise negotiated or established by the Company; (d) each director or executive officer of DIRECTV; (e) any nominee for election as a director of DIRECTV; (f) any security holder who is known to the Company to be the beneficial owner of more than five percent (5%) of any class of DIRECTV’s voting securities; (g) any immediate family member of any of the foregoing individuals, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the applicable individuals (other than a tenant or employee) sharing the household of such individuals; and (h) any entity in which any of the foregoing individuals is a director or executive officer or is a partner or principal or in a similar position or which any such Person Controls.
- 11) “Related Party Transaction” means any contract, transaction or arrangement, or series of related contracts, transactions or arrangements, which (a) either: (i) requires or is reasonably expected to result in the payment by or to the Company to or from any Related Party of \$120,000 or more; or (ii) involves a transfer of intellectual or other property or other

assets by or to the Company to or from any Related Party having an aggregate value of \$120,000 or more; and (b) in each case, is not an Excluded Transaction.

- 12) “Subsidiary” with respect to a Person, means any corporation, limited liability company, partnership, trust, unincorporated organization or other entity of which such Person owns, directly or indirectly, fifty percent (50%) or more of the outstanding stock or other equity interests, the holders of which are entitled to vote for the election of the board of directors or others performing similar functions with respect to such corporation, limited liability company, partnership, trust, unincorporated organization or other entity.

B. Interpretation of Policy.

This Policy shall be interpreted and administered by, or under the direction of, the Audit Committee, which shall have the authority to construe, interpret, implement, amend, modify or restate this Policy and further define terms used in this Policy.

III. Approval, Ratification or Rejection of Related Party Transactions

- A. No Related Party Transaction shall be binding on the Company unless such Related Party Transaction is approved or ratified by a majority of the members of the Audit Committee and, if rejected by the Audit Committee, any such Related Party Transaction shall be void and unenforceable against the Company.
- B. In determining whether to approve or reject any Related Party Transaction, the Audit Committee shall be entitled to rely in good faith upon such information, opinions, reports or statements presented to the Audit Committee by any officer or employee of the Company or by any other Person as to matters the Audit Committee reasonably believes are within such other Person’s professional or expert competence and who has been selected with reasonable care by or on behalf of the Audit Committee; provided that the officer, employee or other Person shall have disclosed to the Audit Committee (or the Audit Committee shall otherwise have knowledge of) all material facts as to any relationship or interest of such officer, employee or other Person in the Related Party or arising out of the Related Party Transaction.
- C. If a member of the Audit Committee is a Related Party with respect to a particular Related Party Transaction, the vote of such individual shall not be counted in determining whether the Related Party Transaction is approved or ratified by the Audit Committee; however, such individual may be counted in determining the presence of a quorum at a meeting of the Audit Committee acting on such Related Party Transaction.

- D. The Audit Committee shall have the authority to (1) determine categories of Related Party Transactions that are immaterial and not required to be individually reported to, reviewed by, and/or approved or ratified by the Audit Committee; and (2) approve in advance categories of Related Party Transactions that (unless the Audit Committee determines otherwise in a particular instance) need not be individually reported to, reviewed by, and/or approved or ratified by the Audit Committee but may instead be reported to and reviewed by the Audit Committee collectively on a periodic basis, which shall be at least quarterly, and shall not require approval or ratification by the Audit Committee.
- E. In the event that, prior to approval by the Audit Committee, the Company enters into a Related Party Transaction that requires such approval, such transaction shall be presented to the Audit Committee for its review and ratification or rejection, not later than the next subsequent regular quarterly meeting of the Audit Committee. The Audit Committee shall consider, and make a recommendation to management, whether rescission or any modification of the transaction is appropriate and whether any changes in the Company's controls and procedures or other action should be undertaken in connection therewith.
- F. The Audit Committee may delegate its authority to review, approve or ratify specified Related Party Transactions or categories of Related Party Transactions, other than a transaction involving the Purchaser Group or a Purchaser Affiliate or a member of the Audit Committee, to one or more members of the Audit Committee if the Audit Committee determines that such action is warranted between scheduled meetings. Any determinations made by such Audit Committee member or members pursuant to such delegated authority shall be presented to the full Audit Committee for review not later than the next subsequent regular quarterly meeting of the Audit Committee.
- G. In connection with approving or ratifying a Related Party Transaction, the Audit Committee (or its delegate) may, in its judgment, consider any or all of the following factors to the extent pertinent, or such other factors as the Audit Committee may deem appropriate under the circumstances:
- the position within or relationship of the Related Party with the Company;
 - the materiality of the Related Party Transaction to the Related Party and to the Company, including the dollar value involved;
 - the business purpose for and reasonableness of the Related Party Transaction (including the anticipated profit or loss, if known), taken in the context of the alternatives available to the Company for attaining the purposes of the Related Party Transaction;
 - whether the Related Party Transaction is comparable to a contract, transaction or arrangement that could be available on an arms-length basis

or is on terms that the Company offers generally to, or obtains generally from, Persons who are not Related Parties;

- whether the Related Party Transaction is in the ordinary course of the Company's business and is proposed and considered in the ordinary course of business;
- the effect of the Related Party Transaction on the Company's financial condition, business and operations, including on the Company's internal control over financial reporting and system of disclosure controls or procedures, and any additional conditions or controls (including reporting and review requirements) that should be applied to such Related Party Transaction;
- whether the Related Party Transaction involves products or services to be provided by or to the Company to or from a Related Party, which products or services are unique or otherwise not readily available from alternative sources;
- the overall business relationship of the applicable Related Party and the Company, including benefits realized, or anticipated, from other contracts, transactions or relationships.

In determining whether to approve, ratify or reject a proposed Related Party Transaction, the Audit Committee may, but shall not be required (unless otherwise advised by the Company's General Counsel or independent counsel selected by the Audit Committee), to evaluate whether such Related Party Transaction is fair to the Company and on arm's-length terms. Any approval or ratification of a Related Party Transaction by the Audit Committee shall be considered to include a determination, in good faith, by the Audit Committee, in light of the relevant facts and circumstances, including, to the extent pertinent, the factors referred to above, that such Related Party Transaction is in, or not inconsistent with, the best interests of the Company. Unless otherwise determined by the Audit Committee, the Chief Financial Officer of DIRECTV, or his or her designee, shall advise the Audit Committee, in connection with its evaluation of each Related Party Transaction, whether, in the opinion of the Chief Financial Officer or his or her designee, such transaction is on arm's-length terms or otherwise in, or not inconsistent with, the best interests of the Company.

IV. Reporting

At each quarterly meeting of the Audit Committee, the Chief Executive Officer, General Counsel, Chief Financial Officer or Chief Accounting Officer of the Company shall provide a schedule or other report summarizing all Related Party Transactions, which shall include a report or schedule of payments by or to the Company to or from Related

Parties (other than Excluded Transactions) for the immediately preceding fiscal quarter of the Company.

The Audit Committee shall also be provided the information required to be disclosed by DIRECTV pursuant to Item 404 of Regulation S-K and SFAS 57.

V. Implementation and Responsibility:

A. Overall Responsibility.

The Company's General Counsel is responsible for implementing and assuring compliance with this Policy, with the support of the financial and legal staff of the Company. To ensure compliance by the Company with this Policy, the Audit Committee may request that internal audits be conducted and may retain independent counsel or other advisors, at the expense of the Company.

B. Identification of Related Parties.

1. Directors, Executive Officers and Nominees. On an annual basis, the General Counsel or his or her designee shall request that each director and executive officer complete and submit to General Counsel or his or her designee a questionnaire intended to elicit appropriate information with respect to the identity of Related Parties and material relationships with Non-Profit Entities.

Any individual nominated to stand for election as a director shall be requested to complete and submit to the General Counsel or his or her designee the questionnaire referred to above.

Directors and executive officers will be expected to promptly notify the General Counsel or his or her designee of any updates to the list of Related Parties, their employment and relationships with Non-Profit Entities included in their respective questionnaire.

The General Counsel, or his or her designee, by examining SEC filings and other reasonably available information, shall, if necessary, expand the lists provided by directors, executive officers and nominees by adding parent companies, Subsidiaries and other entities which are or may be considered Related Parties under clause (b) or clause (h) of the definition of such term.

C. Five Percent Owners.

At the time the General Counsel becomes aware of a Person's status as a beneficial owner of more than five percent (5%) of any class of DIRECTV's voting securities, the General Counsel, by examining SEC filings or otherwise, shall create and maintain a list, to the extent the information is readily available, of (1) if the Person is an individual, the same information as is requested of

directors and executive officers under this Policy, and (2) if the Person is an entity, a list of principals, directors and executive officers of the firm, corporation or entity.

D. Dissemination of Related Party Master List.

The General Counsel or his or her designee shall compile the information collected pursuant to the procedures described in B and C above and create and maintain a master list of Related Parties. Such master list (and any updates thereof) shall be distributed to appropriate senior management of the Company. The recipients of the master list shall utilize the information contained therein, in connection with their respective business units, departments and areas of responsibility, to assist in effectuating this Policy.