

The information below summarizes certain aspects of the U.S. federal income tax treatment of Qurate Retail Inc.'s ("Qurate Retail") special distributions made in 2020 to a beneficial owner of Qurate Retail stock that is (i) an individual who is a citizen or a resident of the United States; (ii) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust, if (a) a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (b) it has a valid election in place under applicable Treasury Regulations to be treated as a U.S. person (collectively, "U.S. Holders"). Please note that the information below is provided solely as a convenience to stockholders. Qurate Retail does not provide its stockholders with tax advice and the information below is not intended to be tax advice. In addition, the information below does not describe all aspects of the U.S. federal income tax treatment of the special distributions that may be relevant to particular holders of Qurate Retail stock in light of their particular facts and circumstances and does not apply to persons that are subject to special rules under the U.S. federal income tax laws (including, for example, persons that received distributions with respect to compensatory stock or stock rights, entities or arrangements treated as partnerships for U.S. federal income tax purposes and the owners thereof, tax-exempt entities, and persons that are not U.S. Holders). Furthermore, the information below is limited to U.S. federal income taxes and does not address any other federal taxes or any state, local or non-U.S. taxes. Qurate Retail encourages its stockholders to consult with their own tax advisors with respect to their specific questions pertaining to their own tax positions.

In 2020, Qurate Retail made the below distributions.

- September 14th: Newly issued preferred stock ("Preferred Stock") distribution of 0.03 shares of Preferred Stock per applicable QRTEA/QRTEB share, with cash paid in lieu of fractional shares (the "Preferred Stock Distribution")
 - Initial liquidation price of \$100 per share of Preferred Stock
 - Approximately \$1.3 billion aggregate Preferred Stock distribution
 - 8.0% dividend rate, payable quarterly
 - Maturing in the first quarter of 2031
- September 14th: Special cash distribution of \$1.50 per applicable QRTEA/QRTEB share
 - Approximately \$633 million aggregate one-time cash distribution
- December 7th: Special cash distribution of \$1.50 per applicable QRTEA/QRTEB share
 - Approximately \$626 million aggregate one-time cash distribution

U.S. Federal Income Tax Treatment

- Distribution of Preferred Stock
 - Receipt of Preferred Stock pursuant to the Preferred Stock Distribution (other than the receipt of cash in lieu of fractional shares) is not intended to be subject to U.S. federal income tax
- Quarterly Cash Dividend on Preferred Stock made December 15th, 2020

- The quarterly cash dividend paid on December 15, 2020 is treated as a dividend for U.S. federal income tax purposes
- Generally, such cash dividend received by certain *non-corporate* U.S. Holders will be subject to tax at the preferential rates applicable to long-term capital gains (not ordinary income tax rates), provided that applicable holding period conditions are satisfied (Qualified dividends)
- Such cash dividend received by *corporate* U.S. Holders will generally be allowed a dividend received deduction to the extent applicable holding period conditions are satisfied
- If such cash dividend exceeds certain thresholds in relation to a *corporate* U.S. Holder's tax basis in its Preferred Stock, such cash dividend may be an "extraordinary dividend" that reduces such holder's tax basis in the Preferred Stock by the non-taxed portion of the dividend (taking into account any dividend received deduction) if certain holding period conditions are not satisfied and result in gain to the extent that the amount of the reduction exceeds the U.S. Holder's tax basis
- Special cash distributions
 - The special cash distributions made on September 14th, 2020 and December 7th, 2020 are treated as dividends for U.S. federal income tax purposes
 - Generally, such dividends received by certain *non-corporate* U.S. Holders will be subject to tax at the preferential rates applicable to long-term capital gains (not ordinary income tax rates), provided that applicable holding period conditions are satisfied (Qualified dividends)
 - Such dividends received by *corporate* U.S. Holders will generally be allowed a dividend received deduction to the extent applicable holding period conditions are satisfied
 - Such dividends that exceed certain thresholds in relation to a *corporate* U.S. Holder's tax basis in the Qurate Retail common stock may be "extraordinary dividends" that reduce such U.S. Holder's tax basis in the common stock by the non-taxed portion of the dividend (taking into account any dividend received deduction) if certain holding period conditions are not satisfied and result in gain to the extent that the amount of the reduction exceeds the U.S. Holder's tax basis

The allocation of basis between the Preferred Stock and Qurate Retail common stock is posted on Qurate Retail's website at <http://www.qurate-retail.com/stock-cost-basis.html>