UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-36603

LIBERTY TRIPADVISOR HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

State of Delaware (State or other jurisdiction of incorporation or organization)	**46-3337365** (I.R.S. Employer Identification No.)
12300 Liberty Boulevard **Englewood, Colorado** (Address of principal executive offices)	**80112** (Zip Code)

Registrant's telephone number, including area code: **(720) 875-5200**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Series A common stock	LTRPA	The Nasdaq Stock Market LLC
Series B common stock	LTRPB	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐ Accelerated Filer ☒ Non-accelerated Filer ☐ Smaller Reporting Company ☐ Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of Liberty TripAdvisor Holdings, Inc. computed by reference to the last sales price of such stock, as of the closing of trading on June 30, 2020, was approximately $153 million.

The number of outstanding shares of Liberty TripAdvisor Holdings, Inc.'s common stock as of January 31, 2021 was:

	Series A	Series B
Liberty TripAdvisor Holdings, Inc. common stock	72,227,256	2,973,665

Documents Incorporated by Reference

The Registrant's definitive proxy statement for its 2021 Annual Meeting of Stockholders is hereby incorporated by reference into Part III of this Annual Report on Form 10-K.

LIBERTY TRIPADVISOR HOLDINGS, INC.
2020 ANNUAL REPORT ON FORM 10-K

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PART I.

Item 1. Business.

General Development of Business

Liberty TripAdvisor Holdings, Inc. ("TripCo" or the "Company") was formed in 2013 as a Delaware corporation. TripCo was a subsidiary of Liberty Interactive Corporation (subsequently renamed Qurate Retail, Inc. ("Qurate Retail")) until the completion of its spin-off from Qurate Retail on August 27, 2014 ("TripCo Spin-Off"). Following the TripCo Spin-Off, Qurate Retail and TripCo operate as separate, publicly traded companies, and neither has any stock ownership, beneficial or otherwise, in the other. TripCo does not have any operations outside of its controlling interest in its subsidiary, Tripadvisor, Inc. ("Tripadvisor"). As of December 31, 2020, TripCo held an approximate 23% economic interest and 58% voting interest in Tripadvisor.

In connection with the TripCo Spin-Off, TripCo entered into certain agreements, including the services agreement, the facilities sharing agreement and the tax sharing agreement, with Qurate Retail and/or Liberty Media Corporation ("Liberty Media") (or certain of their subsidiaries) in order to govern certain of the ongoing relationships between the companies after the TripCo Spin-Off and to provide for an orderly transition.

Pursuant to the services agreement (except as described below in respect to Gregory B. Maffei), Liberty Media provides TripCo with general and administrative services including legal, tax, accounting, treasury and investor relations support. TripCo reimburses Liberty Media for direct, out-of-pocket expenses incurred by Liberty Media in providing these services and TripCo pays a services fee to Liberty Media under the services agreement that is subject to adjustment semi-annually, as necessary.

In December 2019, TripCo entered into an amendment to the services agreement with Liberty Media in connection with Liberty Media's entry into a new employment arrangement with Gregory B. Maffei, TripCo's Chairman, President and Chief Executive Officer. Under the amended services agreement, components of his compensation would either be paid directly to him by each of TripCo, Liberty Broadband Corporation ("LBC"), GCI Liberty, Inc. and Qurate Retail (collectively, the "Service Companies") or reimbursed to Liberty Media, in each case, based on allocations among Liberty Media and the Service Companies set forth in the amended services agreement, currently set at 5% for the Company but subject to adjustment on an annual basis upon the occurrence of certain events. The amended services agreement between Liberty Media and Mr. Maffei provides for a five year employment term which began on January 1, 2020 and ends December 31, 2024, with an aggregate annual base salary of $3 million (with no contracted increase), an aggregate one-time cash commitment bonus of $5 million (paid in December 2019), an aggregate annual target cash performance bonus of $17 million, aggregate annual equity awards of $17.5 million and aggregate equity awards granted in connection with his entry into his new agreement of $90 million (the "upfront awards"). A portion of the grants made to our CEO in the year ended December 31, 2020 related to our Company's allocable portion of these upfront awards.

Under the facilities sharing agreement, TripCo shares office space with Liberty Media and related amenities at Liberty Media's corporate headquarters in Englewood, Colorado.

On March 15, 2020, TripCo and Gregory B. Maffei entered into an Investment Agreement (the "Investment Agreement") with Certares Holdings LLC, Certares Holdings (Blockable) LLC and Certares Holdings (Optional) LLC with respect to an investment in TripCo's Series A Preferred Stock, which was later assigned to Certares LTRIP LLC ("Certares" or the "Purchaser"). Pursuant to the assigned Investment Agreement, on March 26, 2020, TripCo issued 325,000 shares of Series A Preferred Stock to Certares for a purchase price of $1,000 per share.

* * * * *

Certain statements in this Annual Report on Form 10-K constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding business, product and marketing strategies; the impacts of the novel coronavirus ("COVID-19"); improvements in revenue; cost reductions measures and related impacts; new product and service offerings; the recoverability of our goodwill and other long-lived assets; projected sources and uses of cash; anticipated debt obligations; fluctuations in interest rates and foreign exchange rates; and the anticipated impact of certain contingent liabilities related to tax rules and other matters arising in the ordinary course of business. In particular, statements under Item 1. "Business," Item 1A. "Risk Factors," Item 2. "Properties," Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 7A. "Quantitative and Qualitative Disclosures About Market Risk" contain forward-looking statements. Forward-looking statements inherently involve many risks and uncertainties that could cause actual results to differ materially from those projected in these statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but such statements necessarily involve risks and uncertainties and there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated:

- our ability to obtain cash in amounts sufficient to service our financial obligations and other commitments due to the fact we are a holding company;
- our ability to access the cash that Tripadvisor generates from its operating activities;
- the ability of our Company and Tripadvisor to obtain additional financing, or refinance our existing indebtedness, on acceptable terms;
- the existence of our 8% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series A Preferred Stock") and its rights, preferences and privileges that are not held by, and are preferential to, the rights of our common stockholders;;
- our ability to realize the full value of our intangible assets;
- the impacts of COVID-19;
- declines or interruptions in the travel industry;
- Tripadvisor's ability to attract a significant amount of visitors and cost-effectively convert these visitors into revenue-generating consumers;
- failure of internet search engines and application marketplaces to continue to prominently display links to Tripadvisor's websites;
- reduction in spending by advertisers on Tripadvisor's platforms or the loss of Tripadvisor's significant travel partners;
- Tripadvisor's failure to maintain, protect or enhance its brands;
- the ability of Tripadvisor to offer compelling products on mobile devices or continue to operate effectively on such platforms;
- declines or disruptions in the economy in general and in the travel industry in particular;
- failure of Tripadvisor to effectively complete in the global environment in which it operates;
- Tripadvisor's failure to adapt to technological developments or industry trends;
- the ability of Tripadvisor to innovate and provide products, services and features that are useful to consumers;
- Tripadvisor's potential for prioritizing rapid innovation and consumer experience over short-term financial results;
- the ability of Tripadvisor to maintain a quality of traffic in its network to provide value to its travel partners;
- real or perceived inaccuracies of the assumptions and estimates and data Tripadvisor relies on to calculate certain of its key metrics;
- the ability of Tripadvisor to retain the highly skilled personnel is relies on;

- disruptions resulting from any acquisitions, investments, significant commercial arrangements and/or new business strategies;
- risks due to Tripadvisor operating in many jurisdictions inside and outside the U.S.;
- claims, lawsuits, government investigations and other proceedings which Tripadvisor is regularly subject to;
- the ability of Tripadvisor to protect its intellectual property from copying or use by others;
- risks due to Tripadvisor's processing, storage and use of personal information and other data;
- risks resulting from system security issues, data protection breaches, cyberattacks and system outage issues;
- Tripadvisor's indebtedness and the resulting impacts on its business and financial condition;
- limitation imposed by the various covenants in Tripadvisor's credit facilities and indenture;
- fluctuation of Tripadvisor's financial results;
- factors that determine Tripadvisor's effective income tax rate;
- changes in tax laws that affect Tripadvisor or the examination of Tripadvisor's tax positions;
- changes in the tax treatment of companies engaged in e-commerce;
- challenges by tax authorities in the jurisdictions where Tripadvisor operates;
- fluctuation in foreign currency exchange rates which affect Tripadvisor; and
- risks associated with our stock price being disproportionately affected by the results of operations of Tripadvisor and developments in its business.

These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this Annual Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. When considering such forward-looking statements, you should keep in mind the factors described in Item 1A, "Risk Factors" and other cautionary statements contained in this Annual Report. Such risk factors and statements describe circumstances which could cause actual results to differ materially from those contained in any forward-looking statement.

This Annual Report includes information concerning Tripadvisor, a public company in which we have a controlling interest that files reports and other information with the Securities and Exchange Commission (the "SEC") in accordance with the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Information in this Annual Report concerning Tripadvisor has been derived from the reports and other information filed by Tripadvisor with the SEC. If you would like further information about Tripadvisor, the reports and other information it files with the SEC can be accessed on the Internet website maintained by the SEC at www.sec.gov. Those reports and other information are not incorporated by reference in this Annual Report.

Description of Business

Tripadvisor

Tripadvisor is a leading online travel company and its mission is to help people around the world plan, book and experience the perfect trip. Tripadvisor operates a global travel guidance platform that connects the world's largest audience of prospective travelers with travel partners through rich content, price comparison tools and online reservation and related services for destinations, accommodations, travel activities and experiences, and restaurants.

Under its flagship brand, Tripadvisor, it launched www.Tripadvisor.com in the United States in 2000. Since then, Tripadvisor has launched localized versions of the Tripadvisor website in 48 markets and 28 languages worldwide.

Tripadvisor's Industry and Market Opportunity

Tripadvisor operates in the global travel industry, focusing exclusively on online travel and travel-related activity, and the online advertising market.

In January 2021, Phocuswright, an independent travel, tourism and hospitality research firm, estimated that the annual global travel market (not including dining) will reach $1.4 trillion of bookings in 2022 and is increasingly shifting online. As consumer travel media consumption and travel commerce activity increasingly moves online, Tripadvisor believes travel and travel-related businesses will continue to allocate greater percentages of their marketing budgets to online channels in order to grow their businesses.

The COVID-19 pandemic has caused a significant negative impact on the travel, hospitality, restaurant, and leisure industry and consequently adversely and materially affected Tripadvisor's business, results of operations, liquidity and financial condition during the year ended December 31, 2020. With uncertainty over travel continuing due to the COVID-19 pandemic, no one knows how quickly global travel will recover and what the travel experience will look like once new health screening measures are in place. However, Tripadvisor believes that, while the pandemic could permanently change travel in certain ways, global travel will return to the pre-pandemic levels. Consumers want to connect with others, learn about new places and see things they have not seen before. Tripadvisor believes this passion for travel combined with the need to make informed choices creates significant long-term growth opportunities for its business.

Business Model

On a global scale, Tripadvisor matches consumer demand for travel with its travel partners that offer accommodations and travel experiences.

Consumer Offerings

Tripadvisor helps consumers plan, book, and enjoy the trips that matter. Its platform, which offers content, supply, price, and convenience, has led Tripadvisor to become a global brand, attracting hundreds of millions of unique visitors that visit its sites each month, and influences a significant amount of travel commerce. Tripadvisor is focused on creating the best online experience in travel planning and booking, making it easier for consumers to research destinations and experiences, read and contribute user-generated content, compare destinations and businesses based on quality, price and availability, and complete bookings powered by its travel partners.

Travel Partners

Tripadvisor's portfolio of travel-related websites enables its travel partners to be discovered, to advertise and to sell their services to a global travel audience. Travel partners may include hotel chains, independent hoteliers, online travel agencies ("OTAs"), destination marketing organizations, and other travel-related and non-travel related product and service providers – that seek to market and sell their products and services to a global audience. Tripadvisor enables media advertising opportunities – and in some cases, facilitates transactions between consumers and travel partners in a number of ways, including by sending referrals to its travel partners' websites, facilitating bookings on behalf of its travel partners, or by serving as the merchant of record – particularly in its Experiences offering – and by offering advertising placements on Tripadvisor websites and mobile applications ("app").

Businesses and Products

Tripadvisor manages its business based on the following reportable segments: (1) Hotels, Media & Platform and (2) Experiences & Dining.

The Hotels, Media & Platform segment includes revenue generated from the following sources:

- ***Tripadvisor-branded Hotels Revenue.*** Tripadvisor's largest source of Hotels, Media & Platform segment revenue is generated from click-based advertising on Tripadvisor-branded websites, which is primarily comprised of contextually-relevant booking links to its travel partners' websites. Tripadvisor's click-based travel partners are predominantly OTAs and hotels. Click-based advertising is generally priced on a cost-per-click, or CPC basis. CPC rates are determined in a dynamic, competitive auction process, also known as hotel auction revenue, where travel partner CPC bids for rates and availability to be listed on Tripadvisor's site are submitted.

Tripadvisor also offers subscription-based advertising to hotels, owners of B&Bs and other specialty lodging properties, enabling subscribers to advertise their businesses on Tripadvisor's websites, as well as manage and promote their website URL, email address, phone number, special offers and other information related to their business. Subscription-based advertising services are predominantly sold for a flat fee for a contracted period of time. In addition, Tripadvisor generates revenue on a cost-per-action, or "CPA" basis, which consists of contextually-relevant booking links to its travel partners' websites which are advertised on its platform. Tripadvisor earns a commission from its travel partners for each traveler who clicks to and books a hotel reservation on the travel partners' website, which results in a traveler stay. Tripadvisor also offers travel partners the opportunity to advertise and promote their business through hotel sponsored placements on its websites, generally on a CPC rate basis.

- ***Tripadvisor-branded Display and Platform Revenue.*** Tripadvisor offers businesses the ability to promote their brands through display-based advertising placements on its websites. Tripadvisor's display-based advertising clients are predominantly direct suppliers of hotels, airlines and cruises, as well as destination marketing organizations. Tripadvisor also sells display-based advertising to OTAs and other travel-related businesses, as well as advertisers from non-travel categories. Display-based advertising is sold predominantly on a cost per thousand impressions basis.

The Experiences & Dining segment includes revenue generated from the following sources:

- ***Experiences.*** Tripadvisor provides information and services that allow consumers to research and book tours, activities and experiences in popular travel destinations both directly through Viator, its dedicated Experiences offering, and on its Tripadvisor branded websites and mobile apps. Tripadvisor works with local tour or travel activities/experiences operators ("the supplier") to provide consumers the ability to book tours, activities and experiences ("the activity") in popular destinations worldwide, for which Tripadvisor generates commissions for each booking transaction it facilitates through its online reservation system. Tripadvisor also powers travel tours, activities and experiences' booking capabilities to consumers on affiliate partner websites, including some of the world's top airlines, hotel chains, and online and offline travel agencies who display and promote on Tripadvisor's websites the supplier activities available on its platform to generate bookings for which Tripadvisor earns a commission.

- ***Dining.*** Tripadvisor provides information and services for consumers to research and book restaurant reservations in popular travel destinations through its dedicated online restaurant reservations offering, TheFork, and on its Tripadvisor-branded websites and mobile apps. Tripadvisor primarily generates transaction fees (or per seated diner fees) that are paid by its restaurant customers for diners seated through TheFork's online reservation system. Tripadvisor also generates subscription fees for subscription-based advertising to restaurants, access to certain online reservation management services, marketing analytic tools and menu syndication services provided by TheFork and Tripadvisor. In addition, Tripadvisor also offers restaurant partners the opportunity to advertise and promote their business through restaurant media advertising placements on its website, generally on a CPC rate basis.

Included in Corporate and other are Tripadvisor's Rentals, Flights & Car and Cruise offerings. Corporate and other includes revenue generated from the following sources:

- Tripadvisor's Rentals offering provides information and services that allow travelers to research and book vacation and short-term rental properties, including full homes, condominiums, villas, beach properties, cabins and cottages. Rentals generates revenue primarily by offering individual property owners and property managers the ability to list their rental properties on Tripadvisor's websites and mobile apps thereby connecting with travelers primarily through a free-to-list, commission-based option or, alternatively through an annual subscription-based fee structure. These properties are listed on www.flipkey.com, www.holidaylettings.co.uk, www.housetrip.com, www.niumba.com, www.vacationhomerentals.com, and on Tripadvisor-branded websites and mobile apps. In addition, Corporate and other also includes revenue generated from flights, cruises, and car offerings on Tripadvisor-branded websites and its portfolio of travel media brand websites, which primarily generates click-based advertising and display-based advertising revenue, similar to the Hotels, Media & Platform segment.

For further information regarding segments, refer to note 15 in the accompanying consolidated financial statements.

Commercial Relationships

Tripadvisor has commercial relationships with a majority of the world's leading OTAs, as well as thousands of other travel partners pursuant to which these companies primarily purchase traveler leads from Tripadvisor, generally on a click-based advertising basis. Although these relationships are memorialized in agreements, many of these agreements are for limited terms or are terminable at will or on short notice. As a result, Tripadvisor seeks to ensure the mutual success of these relationships.

For the years ended December 31, 2020, 2019 and 2018, Tripadvisor's two most significant travel partners were Expedia Group, Inc. ("Expedia") and Booking Holdings Inc. ("Booking Holdings"), which each accounted for 10% or more of Tripadvisor's consolidated revenue and together accounted for approximately 25%, 33% and 37%, respectively, of its consolidated revenue, with nearly all of this revenue concentrated in the Tripadvisor-branded Hotels revenue line within the Hotels, Media & Platform segment for these reporting periods.

Operations and Technology

Tripadvisor has assembled a team of highly skilled software engineers, computer scientists, data scientists, network engineers and systems engineers whose expertise spans a broad range of technical areas, including a wide variety of open source operating systems, databases, languages, analytics, networking, scalable web architecture, operations and warehousing technologies. Tripadvisor makes significant investments in product and feature development, data management, personalization technologies, scalable infrastructures, networking, data warehousing, and search engine technologies.

Tripadvisor's systems infrastructure for Tripadvisor-branded websites is in a "hybrid-cloud" configuration in which parts of it are housed at two geographically separate colocation facilities and managed by Tripadvisor's operations team, while the rest is hosted on Amazon Web Services. Tripadvisor's infrastructure installations have multiple communication links as well as continuous monitoring and engineering support. Each colocation facility is fully self-sufficient and operational with its own hardware, networking, software and content and is structured in an active/passive, fully redundant configuration. Tripadvisor makes use of Amazon Web Services availability zones to provide redundancy for the cloud portions of its infrastructure. Substantially all of Tripadvisor's software components, data, and content are replicated in multiple datacenters and development centers, as well as backed up at offsite locations. Tripadvisor's systems are monitored and protected though multiple layers of security. Several of Tripadvisor's individual subsidiaries and businesses have their own data infrastructure and technology teams.

Intellectual Property

Tripadvisor's intellectual property, including patents, trademarks, copyrights, domain names, trade dress, proprietary technology and trade secrets, is an important component of its business. Tripadvisor relies on its intellectual property rights in its content, proprietary technology, software code, ratings indexes, databases of reviews and forum content. Tripadvisor has acquired some of its intellectual property rights through licenses and content agreements with third parties and these may place restrictions on its use of the intellectual property.

Tripadvisor protects its intellectual property by relying on its terms of use, confidentiality agreements and contractual provisions, as well as on international, national, federal, state and common law rights. Tripadvisor protects its brands by pursuing the trademark registration of its core brands, as appropriate, maintaining its trademark portfolio, securing contractual trademark rights protection when appropriate, and relying on common law trademark rights when appropriate. Tripadvisor also registers copyrights and domain names as deemed appropriate. Additionally, Tripadvisor protects its trademarks, domain names and copyrights with the use of intellectual property licenses and an enforcement program.

Tripadvisor has considered, and will continue to consider, the appropriateness of filing for patents to protect future inventions, as circumstances may warrant. However, many patents protect only specific inventions and there can be no assurance that others may not create new products or methods that achieve similar results without infringing upon patents owned by Tripadvisor.

In connection with Tripadvisor's copyrightable content, it posts and institutes procedures under the United States Digital Millennium Copyright Act and similar "host privilege" statutes worldwide to gain immunity from copyright liability for photographs, text and other content loaded on its sites by consumers. However, differences between statutes, limitations on immunity, and moderation efforts in the many jurisdictions in which Tripadvisor operates may affect its ability to claim immunity.

From time to time, Tripadvisor may be subject to legal proceedings and claims in the ordinary course of its business, including claims of alleged infringement by Tripadvisor of the trademarks, copyrights, patents, and other intellectual property rights of third parties. In addition, litigation may be necessary in the future to enforce Tripadvisor's intellectual property rights, protect its trade secrets or determine the validity and scope of proprietary rights claimed by others. Any such litigation, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could materially harm Tripadvisor's business.

Seasonality

Consumers' travel expenditures have historically followed a seasonal pattern. Correspondingly, travel partners' advertising investments and therefore Tripadvisor's revenue and profits, have also historically followed a seasonal pattern. Tripadvisor's financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, traveler hotel and rental stays, and travel activities and experiences taken, compared to the first and fourth quarters, which represent seasonal low points. However, as discussed in Item 7. "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and in note 1 in the accompanying notes to the consolidated financial statements, due to the impact of COVID-19 on Tripadvisor's business, it did not experience its typical seasonal pattern for revenue and profit during the year ended December 31, 2020. In addition, cash outflows to travel suppliers related to deferred merchant payables significantly exceeded cash received from travelers during the year ended December 31, 2020, primarily reflecting the decline in consumer demand for Tripadvisor's products and an increase in reservation cancellations related to COVID-19. These factors contributed significantly to unfavorable working capital trends and material negative operating cash flow during the year ended December 31, 2020, most notably occurring during the first half of 2020 when Tripadvisor typically generates significant positive cash flow. It is difficult to forecast the seasonality for fiscal year 2021, given the uncertainty related to the ultimate extent and duration of the economic and consumer impact from COVID-19, the widespread availability and distribution of the vaccine, and the shape and timing of a recovery. In addition, significant shifts in Tripadvisor's business mix or adverse economic conditions could result in future seasonal patterns that are different from historical trends.

Terms of Investment in Tripadvisor

We own an approximate 23% economic interest and 58% voting interest in Tripadvisor as of December 31, 2020. Tripadvisor's amended and restated certificate of incorporation provides that the holders of Tripadvisor common stock, acting as a single class, are entitled to elect a number of directors equal to 25% of the total number of directors, rounded up to the next whole number, which is currently three directors. We consolidate Tripadvisor as we control a majority of the voting interest in Tripadvisor. We are subject to a Governance Agreement with Tripadvisor which provides us with certain director nomination, registration and other rights and imposes certain restrictions on our shares of Class B common stock.

Regulatory Matters

Tripadvisor is subject to a number of laws and regulations that affect companies conducting business on the Internet and relating to the travel industry, the vacation rental industry and the provision of travel services. As Tripadvisor continues to expand the reach of its brands into additional international markets and expands its product offerings, it is increasingly subject to additional laws and regulations. This includes laws and regulations regarding privacy and data protection, libel, content, intellectual property, distribution, electronic contracts and other communications, consumer protection, taxation, online payment services and competition, among others. These laws and regulations are constantly evolving and can be subject to significant change. Many of these laws and regulations are being tested in courts, and could be interpreted by regulators and courts in ways that could harm Tripadvisor's business. In addition, the application and interpretation of these laws and regulations is often uncertain, particularly in the new and rapidly-evolving industry in which Tripadvisor operates.

In addition, Tripadvisor provides advertising data and information and conducts marketing activities that are subject to consumer protection laws that regulate unfair and deceptive practices, domestically and internationally, including, in some countries, pricing display requirements, licensing and registration requirements and industry specific value-added tax regimes. The United States (as well as individual states), the European Union (the "E.U.") (as well as member states) and other countries have adopted legislation that regulates that regulate certain aspects of the Internet, including online editorial and user-generated content, data privacy, behavioral targeting and online advertising, taxation, and liability for third-party activities.

It is difficult to accurately predict how such legislation will be interpreted and applied or whether new taxes or regulations will be imposed on Tripadvisor's services, and whether or how Tripadvisor might be affected. Increased regulation of the Internet could increase the cost of doing business or otherwise materially adversely affect Tripadvisor's business, financial condition or operating results.

Tripadvisor is subject to laws that require protection of user privacy and user data. As Tripadvisor's business has evolved, Tripadvisor has begun to receive and store a greater volume of personally identifiable data. This data is increasingly subject to laws and regulations in numerous jurisdictions around the world. For example, the E.U. adopted the General Data Protection Regulation, effective in May 2018, which requires companies, including Tripadvisor, to meet enhanced requirements regarding the handling of personal data. In addition, the State of California adopted the Consumer Privacy Protection Act which became effective January 1, 2020 and also enhances privacy rights and consumer protection for residents of California. In addition, similar laws have been adopted or are currently under discussion in other jurisdictions. The enactment, interpretation and application of these laws is still in a state of flux.

Also, on June 23, 2016, the U.K. passed a referendum to exit the European Union, known as Brexit, and the U.K. ceased to be a member of the EU on January 31, 2020. On December 24, 2020, the U.K. and E.U. finalized the terms of the departure. While there continues to be some uncertainty around U.K. and E.U. relations, Tripadvisor does not expect Brexit will have a material impact on its business and results of operations; however, it will likely face new regulations and additional hiring costs, as well as hiring limitations from candidates outside of the U.K.

Marketing and Competition

Tripadvisor competes with other companies in rapidly evolving categories of the travel industry. In these areas, Tripadvisor competes for content, traffic, advertising dollars, and, more generally, to attract and retain consumers' attention, both in terms of reach and engagement. Since Tripadvisor's products and those of its competitors are typically free, Tripadvisor competes based on its brand, the quality and nature of its product offerings and its online travel search and price comparison services (or metasearch), rather than on price. As such, Tripadvisor invests heavily in constantly improving its consumer experience and expanding content, listings and bookable inventory.

Tripadvisor also invests to amplify its global brand and raise consumer awareness of, and engagement with, its end-to-end product offerings. Tripadvisor leverages a number of online and offline marketing channels, including online search engines (primarily Google), social media, email and brand advertising. The relative success of Tripadvisor's marketing strategy is more measurable on some of these channels than others, and can be influenced by changes that

Tripadvisor, its travel partners, or its competitors make to their respective products and marketing strategies. Tripadvisor intends to promote brand awareness and will strategically allocate resources among the different marketing channels based on the return on investment. Tripadvisor competes globally with both online and offline, established and emerging, providers of travel, lodging, experiences and restaurant reservation and related services. The markets for the services Tripadvisor offers are intensely competitive, and current and new competitors can launch new services at a relatively low cost.

Tripadvisor also competes with different types of companies in the various markets and geographies where it operates, including large and small companies in the travel space as well as broader service providers. More specifically:

- Tripadvisor's Hotels, Media & Platform segment competes, and in some cases partners, with the following businesses: OTAs (including Expedia, Booking Holdings, and their respective subsidiaries and operating companies; hotel metasearch providers (including trivago (a majority-owned subsidiary of Expedia), Kayak and HotelsCombined (subsidiaries of Booking Holdings) and Trip.com Group Limited (formerly known as Ctrip.com International, Ltd)); large online search, social media, and marketplace platforms and companies (including Google, Facebook, Microsoft's Bing, Yahoo, Baidu, Alibaba, Airbnb and Amazon); traditional offline travel agencies; and global hotel chains seeking to promote direct bookings.
- Within Tripadvisor's Experiences & Dining segment, its Experiences businesses compete with online travel agencies, such as Airbnb, Booking Holdings, GetYourGuide and Klook; traditional travel agencies; online travel service providers; and wholesalers, among others. Tripadvisor's Dining businesses compete with other online restaurant reservation services, such as Google and OpenTable (a subsidiary of Booking Holdings).

See discussion about Tripadvisor's long-term growth strategy in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Human Capital Resources

Employees

As described above, our Company is party to a services agreement with Liberty Media, pursuant to which 84 Liberty Media corporate employees provide certain management services to the Company for a determined fee. As a result, our Company is not responsible for the hiring, retention and compensation of these individuals (except that our Company does grant equity incentive awards to these individuals). However, our Company directly benefits from the efforts undertaken by Liberty Media to attract and retain talented employees. Liberty Media strives to create a diverse, inclusive and supportive workplace, with opportunities for its employees to grow and develop in their careers, supported by competitive compensation, benefits and health and wellness programs, and by programs that build connections between its employees and their communities. Our Company fully supports these efforts.

During the year ended December 31, 2020, Tripadvisor enacted workforce reductions and furloughs in response to the COVID-19 pandemic. As of December 31, 2020, Tripadvisor had 2,596 employees, which includes approximately 400 furloughed employees, primarily based in its European operations at TheFork. This represented a decrease in the number of employees of approximately 38% when compared to the same period in 2019. Nearly 40% and 50% of Tripadvisor's current employees are based in the U.S. and Europe, respectively. Tripadvisor believes it has good relationships with its employees, including relationships with employees represented by international works councils or other similar organizations.

In response to the COVID-19 pandemic, Tripadvisor has in place business continuity programs to ensure that employees are safe and that its teams continue to function effectively while working remotely during COVID-19.

Talent Acquisition and Development

Tripadvisor believes its employees are essential to its success and that its success depends on its ability to attract, develop and retain key talent. The skills, experience and industry knowledge of key employees significantly benefit Tripadvisor's operations and performance. Tripadvisor's management and Board of Directors oversee various initiatives for talent acquisition, retention and development.

Tripadvisor's talent philosophy is to both develop talent from within and to strategically recruit key external talent. This approach has yielded a deep understanding among Tripadvisor's employee base of its business, its products, and its customers, while adding new employees and ideas in support of its continuous improvement mindset.

Tripadvisor's overall talent acquisition and retention strategy is designed to attract and retain diverse and qualified candidates to enable the success of the company and achievement of its performance goals. Tripadvisor recruits the best people for the job without regard to gender, ethnicity or other protected traits and it is its policy to comply fully with all domestic, foreign and local laws relating to discrimination in the workplace. Tripadvisor's talent acquisition team uses internal and external resources to recruit highly skilled and talented workers, and encourages employee referrals for open positions.

Tripadvisor supports and develops its employees through global training and development programs that build and strengthen employees' leadership and professional skills. Leadership development includes programs for new leaders as well as programs designed to support more experienced leaders. Tripadvisor also partners with external training organizations to help provide current and future workers with the knowledge and skills they need to succeed.

Tripadvisor's diversity and inclusion initiatives support its goal that everyone throughout the company is engaged in creating an inclusive workplace. Tripadvisor supports inclusion through training on topics including Unconscious Bias and Inclusive Leadership. Tripadvisor also supports a network of active Employee Resource Groups (ERGs) reflecting many dimensions of diversity across the company.

Total Rewards

As part of Tripadvisor's compensation philosophy, it believes that it must offer and maintain market competitive total rewards programs for its employees in order to attract, motivate and retain superior talent. These programs not only include base wages and incentives in support of its pay for performance culture, but also health, welfare, and retirement benefits.

Tripadvisor designs its benefit programs to meet the needs of its employees' health while managing program costs for escalation rates at or below industry trend factors. Tripadvisor's programs include but are not limited to wellness, mental health services, telemedicine, and partnerships with service providers that support diverse family-care need solutions. Tripadvisor continuously refines, develops and implements proactive health care strategies and solutions that allow it to enhance employee health and well-being while curbing costs.

Refer to note 12 and note 13 in the accompanying notes to the consolidated financial statements for more information about employee compensation and the 401(k) Plan.

Health and Safety

The health and safety of its employees is of utmost importance to Tripadvisor. Tripadvisor conducts regular self-assessments and audits to ensure compliance with its health and safety guidelines and regulatory requirements. The COVID-19 pandemic has underscored for Tripadvisor the importance of keeping its employees safe and healthy. In response to the pandemic, Tripadvisor has taken actions aligned with the World Health Organization and the Centers for Disease Control and Prevention to protect its workforce so they can more safely and effectively perform their work, including, but not limited to:

- Adding work from home flexibility;
- Increasing cleaning protocols across all locations;
- Initiating regular communication regarding impacts of the COVID-19 pandemic, including health and safety protocols and procedures;
- Prohibiting all domestic and international non-essential business travel for all employees; and
- Requiring masks to be worn in all locations where required by local law.

Available Information

All of our filings with the SEC, including our Form 10-Ks, Form 10-Qs and Form 8-Ks, as well as amendments to such filings are available on our Internet website free of charge generally within 24 hours after we file such material with the SEC. Our website address is www.libertytripadvisorholdings.com.

Our corporate governance guidelines, code of business conduct and ethics, compensation committee charter, nominating and corporate governance committee charter, and audit committee charter are available on our website. In addition, we will provide a copy of any of these documents, free of charge, to any shareholder who calls or submits a request in writing to Investor Relations, Liberty TripAdvisor Holdings, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112, Tel. No. (877) 772-1518.

The information contained on our website is not incorporated by reference herein.

Item 1A. Risk Factors

The risks described below and elsewhere in this annual report are not the only ones that relate to our businesses or our capitalization. The risks described below are considered to be the most material. However, there may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that also could have material adverse effects on our businesses. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. If any of the events described below were to occur, our businesses, prospects, financial condition, results of operations and/or cash flows could be materially adversely affected.

Risk Factors Relating to Our Corporate History and Structure

We are a holding company, and we could be unable in the future to obtain cash in amounts sufficient to service our financial obligations or meet our other commitments. Our ability to meet our financial obligations and other contractual commitments, including debt service payments (if any) under our Credit Facility (as defined below) and any other indebtedness that we may obtain in the future, depends upon our ability to access cash. We are a holding company, and our sources of cash include our available cash balances, any dividends and interest we may receive from our investments and proceeds from any asset sales we may undertake in the future. We currently have no plans with respect to any asset sales. The ability of Tripadvisor to pay dividends or to make other payments or advances to us depends on its operating results and any statutory, regulatory or contractual restrictions to which it may be or may become subject.

We do not have access to the cash that Tripadvisor generates from its operating activities.Tripadvisor used $194 million, and generated $424 million and $405 million of cash from its operations during the years ended December 31, 2020, 2019 and 2018, respectively. Tripadvisor uses the cash it generates from its operations to fund its investing activities and to service its debt and other financing obligations. We do not have access to the cash that Tripadvisor generates unless Tripadvisor declares a dividend on its capital stock payable in cash, repurchases any or all of its outstanding shares of capital stock for cash or otherwise distributes or makes payments to its stockholders, including us. Other than the special dividend paid in December 2019, Tripadvisor has not historically paid any dividends on its capital stock or, with limited exceptions, otherwise distributed cash to its stockholders and instead has used all of its available cash in the expansion of its business and to service its debt obligations. Covenants in Tripadvisor's existing debt instruments also restrict the payment of dividends and cash distributions to stockholders. We expect that Tripadvisor will continue to apply its available cash to the expansion of its business.

Our company may have future capital needs and may not be able to obtain additional financing, or refinance our existing indebtedness, on acceptable terms. We have issued $325 million of Series A Preferred Stock to Certares (as defined below), which we are required to redeem for cash on the earlier of (i) the first business day after March 26, 2025, or (ii) subject to certain exceptions, our change in control. In addition, following March 26, 2021, Certares (as defined below) will have certain put rights to require us to repurchase all of the outstanding Preferred Stock for, at our election, cash, shares of Tripadvisor common stock, shares of our Series A or Series C common stock, provided that shares of our Series A or Series C common stock, as the case may be, are listed on a national securities exchange and are actively traded, or any combination of the foregoing, subject to certain limitations. Our cash reserves may be insufficient to satisfy our obligation to redeem the Preferred Stock.

On February 18, 2021 the Company entered into a $25 million Senior Secured Revolving Credit Facility (the "Credit Facility"). The Credit Facility matures on the earliest of (i) February 18, 2024, (ii) if the holders of Series A Preferred Stock exercise their put rights (see note 10 of the accompanying consolidated financial statements), the earlier of (a) the date that is 120 days from the date the holders of Series A Preferred Stock exercise their put rights or (b) the date the shares of Series A Preferred Stock are redeemed and (iii) 15 days following the consummation of certain change of control transactions. The Credit Facility will bear interest at LIBOR plus 3.00%. The Credit Facility will be drawn on primarily to cover corporate general and administrative expenses. The Credit Facility is secured by a first priority lien on all of our assets and the assets of any future guarantor (with certain limited exceptions and other than assets explicitly prohibited by the Investment Agreement with respect to the Series A Preferred Stock). If we borrow under the Credit Facility, are then required to repay it and decide to refinance the Credit Facility, we may not be able to do so on acceptable terms. Further, our cash reserves may be insufficient to satisfy our obligation to repay the Revolving Credit Facility. In addition, the Credit Facility contains various customary covenants that limit our activities, and a breach of any of these covenants could result in a default under the Credit Facility.

Although Tripadvisor has substantial cash flow from operations, we have limited sources of cash and liquidity. Our cash balance is expected to enable us to fund our parent level operating expenses for the foreseeable future; however, we cannot assure you that we will not experience unexpected expenses or that we will have sufficient liquidity to fund our operations and service our debt and other obligations during the foreseeable future. For additional information about our company's ability to potentially service our direct debt obligations, see "*We are a holding company, and we could be unable in the future to obtain cash in amounts sufficient to service our financial obligations or meet our other commitments."* and *"We do not have access to the cash that Tripadvisor generates from its operating activities."* above.

In addition, the availability of capital for our company will be subject to prevailing general economic and credit market conditions, including interest rate levels and the availability of credit generally, and financial, business and other factors, all of which are beyond the control of our company. In light of periodic uncertainty in the capital and credit markets, there can be no assurance that sufficient financing will be available on desirable terms, if at all, to fund investments, acquisitions, stock repurchases, dividends, debt refinancing or extraordinary actions or that counterparties in any such financings would honor their contractual commitments. If financing is not available when needed or is not available on favorable terms, our company may be unable to complete acquisitions, repurchase equity or otherwise take advantage of business opportunities, any of which could have a material adverse effect on the business, financial condition and results of operations of our company. If we raise additional funds through the issuance of equity securities, our stockholders may experience significant dilution.

Our Preferred Stock has rights, preferences and privileges that are not held by, and are preferential to, the rights of our common stockholders, which could adversely affect our liquidity and financial condition and result in the interests of Certares (as defined below) differing from those of our common stockholders. On March 15, 2020, we entered into an Investment Agreement (the "Investment Agreement") with Certares Holdings LLC, Certares Holdings (Blockable) LLC, and Certares, Holdings (Optional) LLC (collectively, "Certares"). Pursuant to the Investment Agreement, we sold Certares 325,000 shares of Preferred Stock, for a purchase price of $1,000 per share. As a holder of our Preferred Stock, Certares is entitled to receive:

- dividends, in preference and priority to holders of our common stock, which will accrue on a daily basis at the rate of 8.00% of the liquidation value of the Preferred Stock. The liquidation value of each share of Preferred Stock is equal to the sum of (i) $1,000, plus (ii) all unpaid dividends (whether or not declared) accrued with respect to such share which pursuant to the terms of the related Certificate of Designations has been added to the liquidation price (the "Liquidation Price"); and

- in the event of our liquidation, dissolution or winding up, before any payment or distribution is made to holders of our common stock, an amount equal to the Liquidation Price for each share of Preferred Stock held plus all unpaid dividends (whether or not declared) on such share.

As discussed above, Certares also has certain put rightsthat are exercisable after March 26, 2021 and redemption rights to require us to redeem the Preferred Stock on the earlier of the first business day after March 26, 2025 or, subject to certain exceptions, our change in control.

These dividend and share repurchase obligations could impact our liquidity and reduce the amount of cash flows available for working capital, capital expenditures, growth opportunities, acquisitions and other general corporate purposes and could limit our ability to obtain additional financing or increase our borrowing costs, which could have an adverse effect on our financial condition.

Holders of our Preferred Stock have certain consent rights, including with respect to dividends on or repurchases of our common stock, incurring certain indebtedness, issuing certain stock, entering certain transaction and transferring certain shares of Tripadvisor stock. For so long as at least 25% of the original aggregate liquidation value of the Preferred Stock remains outstanding (the "Threshold Amount"), we will not pay any dividends on or repurchase shares of our common stock without the prior written consent of the holders of a majority of the Preferred Stock (subject to certain exceptions). In addition, for so long as Certares beneficially owns a number of shares of Preferred Stock with an aggregate liquidation value at least equal to the Threshold Amount, we will be required to obtain the prior written consent of the holders of at least a majority of the Preferred Stock prior to incurring certain indebtedness, issuing any stock which ranks on a parity basis with or senior to the Preferred Stock, issuing shares of our Series B common stock, subject to certain exceptions, entering into certain affiliate transactions and transferring shares of Class B common stock and common stock of Tripadvisor. Such consent rights may limit our financial and operational flexibility, which could have a material adverse effect on our business and/or liquidity.

Holders of Preferred Stock have certain redemption rights and put rights to require us to repurchase all of the Preferred Stock. We may not be able to raise the funds necessary to finance such a required repurchase. We are required to redeem for cash shares of Preferred Stock on the earlier of (i) the first business day after March 26, 2025 or (ii) subject to certain exceptions, our change in control. The "Redemption Price" in a mandatory redemption or the exercise of a holder's put right (as described below) will equal the greater of (i) the sum of the liquidation value on the redemption date, plus all unpaid dividends accrued since the last dividend date, and (ii) the product of the (x) initial liquidation value, multiplied by (y) an accretion factor (determined based on a formula set forth in the related Certificate of Designations) with respect to the common stock of Tripadvisor, less (z) the aggregate amount of all dividends paid in cash or shares of our Series A or Series C common stock from March 26, 2020 through the applicable redemption date.

Following March 26, 2021, Certares will have certain put rights to require us to repurchase all of the outstanding shares of Preferred Stock at the Redemption Price for, at our election, cash, shares of Tripadvisor common stock, shares of our Series A or Series C common stock, provided that shares of our Series A or Series Common stock, as the case may be, are listed on a national securities exchange and are actively traded, or any combination of the foregoing, subject to certain limitations. Certares may exercise its put right by delivering notice to us within a certain number of days following our filing of our periodic reports with the SEC, and we will have 180 days from the delivery of such notice to redeem the outstanding Preferred Stock. If we determine not to redeem the Preferred Stock within that 180-day period, we may facilitate the sale of Certares' Preferred Stock and, if necessary, make Certares whole for any shortfall from the redemption price.

It is possible that we would not have sufficient funds to make any required redemption of Preferred Stock. Moreover, we may not be able to arrange financing, to pay the redemption price.

Our company has overlapping directors and officers with Qurate Retail, Liberty Media, LBC and Liberty Media Acquisition Corporation ("LMAC"), which may lead to conflicting interests. As a result of our spin-off from

Qurate Retail in 2014 and other transactions between 2011 and 2018 that resulted in the separate corporate existence of Qurate Retail, Liberty Media and LBC, as well as the initial public offering of LMAC in January 2021, all of our executive officers also serve as executive officers of Qurate Retail, Liberty Media, LBC and LMAC, and there are overlapping directors. Other than Liberty Media's ownership of LMAC's sponsor, which beneficially owns 20% of LMAC's outstanding common stock as of January 26, 2021, none of the foregoing companies has any ownership interest in any of the others. Our executive officers and members of our company's board of directors have fiduciary duties to our stockholders. Likewise, any such persons who serve in similar capacities at Qurate Retail, Liberty Media, LBC, LMAC or any other public company have fiduciary duties to that company's stockholders. For example, there may be the potential for a conflict of interest when our company, Qurate Retail, Liberty Media, LBC or LMAC looks at acquisitions and other corporate opportunities that may be suitable for each of them. Therefore, such persons may have conflicts of interest or the appearance of conflicts of interest with respect to matters involving or affecting more than one of the companies to which they owe fiduciary duties. Moreover, many of our company's directors and officers own Qurate Retail, Liberty Media, LMAC and/or LBC stock and equity awards. These ownership interests could create, or appear to create, potential conflicts of interest when the applicable individuals are faced with decisions that could have different implications for our company, Qurate Retail, Liberty Media, LBC and LMAC. Each of our company, LBC and LMAC has renounced its rights to certain business opportunities and their respective restated certificate of incorporation provides that no director or officer of the respective company will breach their fiduciary duty and therefore be liable to the respective company or its stockholders by reason of the fact that any such individual directs a corporate opportunity to another person or entity (including Qurate Retail, Liberty Media, LBC, LMAC and TripCo, as the case may be) instead of the respective company, or does not refer or communicate information regarding such corporate opportunity to the respective company, unless (x) such opportunity was expressly offered to such person solely in his or her capacity as a director or officer of the respective company or as a director or officer of any of the respective company's subsidiaries, and (y) such opportunity relates to a line of business in which the respective company or any of its subsidiaries is then directly engaged. In addition, any potential conflict that qualifies as a "related party transaction" (as defined in Item 404 of Regulation S-K) is subject to review by an independent committee of the applicable issuer's board of directors in accordance with its corporate governance guidelines. Any other potential conflicts that arise will be addressed on a case-by-case basis, keeping in mind the applicable fiduciary duties owed by the executive officers and directors of each issuer. From time to time, we may enter into transactions with Qurate Retail, Liberty Media, LBC, LMAC and/or their subsidiaries or other affiliates. There can be no assurance that the terms of any such transactions will be as favorable to our company, Qurate Retail, Liberty Media, LBC, LMAC or any of their respective subsidiaries or affiliates as would be the case where there is no overlapping officer or director.

Certain of our inter-company agreements were negotiated while we were a subsidiary of Qurate Retail. We entered into a number of inter-company agreements covering matters such as tax sharing and our responsibility for certain liabilities previously undertaken by Qurate Retail for certain of our businesses. In addition, we entered into a services agreement with Liberty Media pursuant to which it provides to us certain management, administrative, financial, treasury, accounting, tax, legal and other services, for which we pay Liberty Media a services fee, and pursuant to an amendment to the services agreement, components of our President and Chief Executive Officer's compensation will either be paid directly to him by our company or reimbursed to Liberty Media, in each case, based on the allocation set forth in the amendment. The terms of all of these agreements (other than the amendment to the services agreement relating to Mr. Maffei's compensation) were established while we were a wholly owned subsidiary of Qurate Retail, and hence may not be the result of arms' length negotiations. Although we believe that the negotiations with Liberty Media were at arms' length, the persons negotiating on behalf of Liberty Media also serve as officers of Qurate Retail, as described above. We believe that the terms of these inter-company agreements are commercially reasonable and fair to all parties under the circumstances; however, conflicts could arise in the interpretation or any extension or renegotiation of the foregoing agreements.

Goodwill and other identifiable intangible assets, specifically trademarks, represent a significant portion of our total assets, and we may never realize the full value of our intangible assets. As of December 31, 2020, we had intangible assets not subject to amortization, which consisted of goodwill and trademarks, of approximately $2,972 million, which represented approximately 73% of total assets as of December 31, 2020. These intangible assets were recorded in connection with our acquisition of a controlling interest in Tripadvisor in 2012 and subsequent acquisitions by Tripadvisor. We perform our annual assessment of the recoverability of our goodwill and other non-amortizable intangible assets during the fourth quarter, or more frequently if events and circumstances indicate impairment may have occurred.

Impairments may result from, among other things, deterioration in financial and operational performance, declines in stock price, increased attrition, adverse market conditions, adverse changes in applicable laws and/or regulations, deterioration of general macroeconomic conditions, fluctuations in foreign exchange rates, increased competitive markets in which Tripadvisor operates in, declining financial performance over a sustained period, changes in key personnel and/or strategy, and a variety of other factors.

Due to deteriorations in revenue, an impairment loss of $288 million was recorded during the year ended December 31, 2019, related to trademarks for the hotels, media & platform reporting unit.

Due to the impact of COVID-19 on Tripadvisor's future revenue outlook, TripCo recorded a trademark impairment of $250 million during the three months ended June 30, 2020 related to the hotels, media and platform reporting unit. Based on the quantitative assessment performed during the three months ended June 30, 2020 and the resulting impairment loss recorded, the carrying fair value of the trademark approximates its estimated fair value. Further declines in Tripadvisor's future revenue outlook could result in a decrease in the fair value of the trademark. TripCo will continue to monitor events and circumstances that may affect the fair value or carrying value of its trademark.

We previously recorded an impairment loss of $1,271 million during the year ended December 31, 2017 related to goodwill, related to the legacy hotels reporting unit due to a decline in Tripadvisor's stock price.

Due to the impact of COVID-19 on Tripadvisor's operating results, which led to a decline in Tripadvisor's stock price, TripCo recorded a goodwill impairment of $279 million during the three months ended June 30, 2020, related to the hotels, media and platform reporting unit. Based on the quantitative assessment performed during the second quarter and the resulting impairment loss recorded, the carrying value of the Hotels, Media and Platform reporting unit approximates its estimated fair value. Declines in the future revenue outlook, cash flows, or other changes in the business, may necessitate future impairments, which could be material. TripCo will continue to monitor Tripadvisor's financial performance, stock price and other events and circumstances that may negatively impact the estimated fair values to determine if future impairment assessments may be necessary.

The amount of any quantified impairment must be expensed immediately as a charge to results of operations. Any impairment charge relating to goodwill or other intangible assets would have the effect of decreasing our earnings or increasing our losses in such period. At least annually, or as circumstances arise that may trigger an assessment, we will test our goodwill for impairment. There can be no assurance that our future evaluations of goodwill will not result in our recognition of additional impairment charges, which may have a material adverse effect on our financial statements and results of operations.

Risk Factors Relating to Tripadvisor

The COVID-19 pandemic has materially and adversely affected, and will likely continue to materially and adversely impact, Tripadvisor's business and financial performance while the pandemic lasts. The COVID-19 pandemic has caused material declines in demand within the travel, hospitality, restaurant and leisure industry that has dampened consumer demand for Tripadvisor's products and services and has adversely and materially affected its business, financial results and financial condition. Tripadvisor's future financial results and liquidity could be impacted by delays in payments of outstanding accounts receivable amounts beyond normal payment terms, travel supplier and restaurant insolvencies, governmental restrictions and mandates. The extent and duration of the impact of the COVID-19 pandemic on Tripadvisor's business, financial results and financial condition is highly uncertain and difficult to predict, as the duration and severity of the pandemic is uncertain and cannot be predicted. Tripadvisor expects the pandemic and its effects to continue to have a significant adverse impact on its business for the duration of the pandemic. Furthermore, economies worldwide have also been disrupted by the COVID-19 pandemic, and such economic disruption could have a material adverse effect on Tripadvisor's business as consumers reduce their discretionary spending.

Declines or disruptions in the travel industry have had a material adverse impact on Tripadvisor's business, financial results and financial condition. Many jurisdictions have adopted laws, regulations or decrees intended to address the COVID-19 pandemic, including those implementing travel restrictions, social mobility and distancing requirements and/or restricting access to city centers or popular tourist destinations or limiting accommodation offerings in surrounding areas. Many airlines have also suspended or limited flights. As the COVID-19 pandemic continues to develop, governments, corporations and other authorities may continue to implement restrictions or policies that adversely impact travel, or reinstate similar restrictions or policies, where previously lifted. Increased and/or prolonged restrictions and regulations such as these could continue to negatively impact Tripadvisor's business, financial results and financial condition and could cause the market price of Tripadvisor's common stock and our common stock to decline.

If Tripadvisor is unable to continue to attract a significant amount of visitors to its websites and mobile apps, to cost-effectively convert these visitors into revenue-generating consumers and to continue to engage consumers, its business, financial results and financial condition could be harmed. Tripadvisor's traffic and user engagement could be adversely affected by a number of factors including, but not limited to, inability to provide quality content, inventory or supply to its consumers; declines or inefficiencies in traffic acquisition and reduced awareness of its brands. Certain of Tripadvisor's competitors have advertising campaigns expressly designed to drive traffic directly to their websites, and these campaigns may negatively impact traffic to Tripadvisor's site. There can be no assurances that Tripadvisor will continue to provide content and products in a manner that meets rapidly changing demand. Any failure to obtain and manage content and products in a cost-effective manner that will engage consumers, or any failure to provide content and products that are perceived as useful, reliable and trustworthy, could adversely affect user experiences and their repeat behavior, reduce traffic to Tripadvisor's websites and negatively impact its business and financial performance.

Tripadvisor relies on internet search engines and application marketplaces to drive traffic to its platform, certain providers of which offer products and services that compete directly with Tripadvisor's. If links to Tripadvisor's websites and apps are not displayed prominently, traffic to its platform could decline and its business would be negatively affected. The number of consumers Tripadvisor attracts to its platform is due in large part to how and where information is from, and links to, its websites are displayed on search engine results pages, or SERPs. The display, including rankings, of search results can be affected by a number of factors, many of which are not in Tripadvisor's control. Search engines frequently change the logic that determines the placement and display of the results of a user's search, such that the purchased or algorithmic placement of links to Tripadvisor's websites can be negatively affected. A search engine could alter its search algorithms or results causing Tripadvisor's websites to place lower in search query results. For example, Google, a significant source of traffic to Tripadvisor's websites, frequently promotes its own competing products in its search results, which has negatively impacted placement of references to Tripadvisor and its websites on the SERP. If a major search engine changes its algorithms in a manner that negatively affects the search engine ranking of Tripadvisor's websites or those of its travel partners, or if competitive dynamics impact the cost or effectiveness of search engine optimization, or SEO, or search engine marketing, or SEM, in a negative manner, Tripadvisor's business and financial performance would be adversely affected. Furthermore, Tripadvisor's failure to successfully manage its SEO and SEM strategies and/or other traffic acquisition strategies could result in a substantial decrease in traffic to Tripadvisor's websites, as well as increased costs to the extent it replaces free traffic with paid traffic.

Tripadvisor also relies on application marketplaces, or app stores such as Apple's App Store and Google's Play, to drive downloads of its apps. In the future, Apple, Google or other marketplace operators may make changes that make access to Tripadvisor's products more difficult or may limit Tripadvisor's access to information that would restrict its ability to provide the best user experience. For example, Google has entered various aspects of the online travel market, including by establishing a flight metasearch product and hotel metasearch product as well as reservation functionality. Tripadvisor's apps may receive unfavorable treatment compared to the promotion and placement of competing apps, such as the order in which they appear within marketplaces. In addition, Apple has announced new features that limit who has access to consumer data, including location information. Similarly, if problems arise in Tripadvisor's relationships with providers of application marketplaces, traffic to Tripadvisor's website and its user growth could be harmed.

Tripadvisor derives a substantial portion of its revenue from advertising and any significant reduction in spending by advertisers on its platforms could harm its business. Tripadvisor's ability to grow advertising revenue with its existing or new travel partners is dependent in large part on its ability to provide value to them relative to other alternatives. Tripadvisor's ability to provide value to its travel partners depends on a number of factors, including, but not limited to, the following:

- Tripadvisor's ability to increase or maintain user engagement;
- Tripadvisor's ability to increase or maintain the quantity and quality of ads shown to consumers;
- The development of technologies that can block the display of Tripadvisor's ads or its ad measurement tools;

- The effectiveness of Tripadvisor's advertising and the extent to which it generates sales leads, customers, bookings or financial results on a cost-effective basis;
- The competitiveness of Tripadvisor's products, traffic quality, perception of its platform, and availability and accuracy of analytics and measurement solutions to demonstrate its value; and
- Adverse government actions or legal developments relating to advertising, including limitations on Tripadvisor's ability to deliver targeted advertising.

Any of these or other factors could result in a reduction in demand for Tripadvisor's ads, which may reduce the prices it receive for its ads, or cause marketers to stop advertising with Tripadvisor altogether, any of which would negatively affect its revenue and financial results.

Click-based advertising revenue accounts for the majority of Tripadvisor's advertising revenue. Tripadvisor pricing for click-based advertising depends, in part, on competition between advertisers. If Tripadvisor's large advertisers become less competitive with each other, merge with each other or with Tripadvisor's competitors, focus more on per-click profit than on traffic volume, or are able to reduce CPCs, this could have an adverse impact on Tripadvisor's advertising revenue which would, in turn, have an adverse effect on its business and financial results.

Tripadvisor relies on a relatively small number of significant travel partners and any reduction in spending by or loss of these partners could seriously harm its business. For the year ended December 31, 2020, Tripadvisor's two most significant travel partners, Expedia and Booking (and their subsidiaries), accounted for a combined 25% of total revenue. If any of Tripadvisor's significant travel partners were to cease or significantly curtail advertising on its websites, Tripadvisor could experience a rapid decline in its revenue over a relatively short period of time which would have a material impact on its business.

Tripadvisor's business depends on strong brands and any failure to maintain, protect or enhance its brands could hurt its ability to retain and expand its base of consumers and partners, the frequency with which consumers utilize its products and services and its ability to attract travel partners. Tripadvisor's ability to maintain and protect its brands depends, in part, on its ability to maintain consumer trust in its products and services and in the quality, integrity, reliability of usefulness of the content and other information found on its platform. If consumers do not view the content on Tripadvisor's website to be useful and reliable, they may seek other sources to obtain the information they are looking for and may not return to its platform as often or at all. Tripadvisor dedicates significant resources to protecting the quality of its content, primarily through its content guidelines, computer algorithms and human moderators that are focused on identifying and removing inappropriate, unreliable or deceptive content.

Media, legal, or regulatory scrutiny of Tripadvisor's user content, advertising practices, and other issues may adversely affect its reputation and brand. Negative publicity about Tripadvisor, including its content, technology and business practices, could diminish its reputation and confidence in its brand, thereby negatively affecting the use of its products and its financial performance. For example, in the past, certain media outlets have alleged that Tripadvisor has improperly filtered or screened reviews, that it has not properly verified reviews, or that it manipulates reviews, ranking and ratings in favor of its advertisers. Tripadvisor expends significant resources to ensure the integrity of its reviews and to ensure that the most relevant reviews are available to its consumers; Tripadvisor does not establish rankings and ratings in favor of its advertisers. Regulatory inquiries or investigations require management time and attention and could result in further negative publicity, regardless of their merits or ultimate outcomes.

In addition, unfavorable publicity regarding, for example, Tripadvisor's practices relating to privacy and data protection could adversely affect its reputation with its consumers and its travel partners. Such negative publicity also could have an adverse effect on the size, engagement, and loyalty of Tripadvisor's user base and result in decreased revenue.

Consumer adoption and use of mobile devices creates new challenges. If Tripadvisor is unable to offer compelling products on such devices or continue to operate effectively on these platforms, its business may be adversely affected. Widespread adoption of mobile devices has driven substantial online traffic and commerce to mobile platforms and Tripadvisor anticipate that use of these devices will continue to grow. Tripadvisor's websites and apps, when utilized on mobile phone devices, have historically monetized at a significantly lower rate than desktops and advertising opportunities are more limited on these devices. Additionally, consumer purchasing patterns differ on these devices. For example, accommodation reservations made on a mobile device are generally for shorter lengths of stay and are not made as far in advance. Tripadvisor expects that the ways in which consumers engage with its platform will continue to change over time as consumers increasingly engage via alternative devices.

It is important for Tripadvisor to develop and maintain effective platforms to drive adoption and user engagement by providing consumers with an appealing, easy-to-use experience. As new devices and platforms are continually being released, it is difficult to predict the problems Tripadvisor may encounter in adapting its products and services and it may need to devote significant resources to the creation, support and maintenance of competitive new products. If Tripadvisor is unable to continue to rapidly innovate and create appealing, user-friendly and differentiated offerings and efficiently and effectively advertise on these platforms, it could lose market share and its business, future growth and financial results could be adversely affected.

Tripadvisor's success will also depend on the interoperability of its products with a range of technologies, systems, networks and standards and its ability to create, maintain and develop relationships with key participants in related industries, some of which may be its competitors. For example, Google's Android, and Apple's iPhone are the leading smartphones in the world and Tripadvisor's products need to synergistically function on their respective operating systems in order to create a positive user experience on those devices. Yet, Apple has announced new privacy features that may limit the amount of information Tripadvisor can access about its users operating on the Apple iPhone operating system.

Tripadvisor may not be successful in developing products that operate effectively with these technologies, systems, networks and standards or in creating, maintaining and developing relationships with key participants in related industries. If Tripadvisor experiences difficulties or increased costs in integrating its products into alternative devices or if manufacturers do not include its products in their devices, make changes that degrade the functionality of its products, give preferential treatment to competitive products or prevent Tripadvisor from delivering advertising, its user growth and financial results may be harmed.

Declines or disruptions in the economy in general and travel industry, in particular, could adversely affect Tripadvisor's businesses, financial results and the market price of Tripadvisor's common stock and our common stock. Sales of travel services tend to decline or grow more slowly during economic downturns when consumers engage in less discretionary spending, are concerned about unemployment or economic weakness, have reduced access to credit or experience other concerns that reduce their ability or willingness to travel. The global economy may be adversely impacted by events beyond Tripadvisor's control including actual or threatened terrorism, regional hostilities or instability, natural disasters, political instability and health concerns (including epidemics or pandemics), significant increases in energy costs, tightening of credit markets and declines in consumer confidence. The uncertainty of macro-economic factors and their impact on consumer behavior makes it more difficult to forecast industry and consumer trends and the timing and degree of their impact on Tripadvisor's markets and business, which in turn could adversely affect its ability to effectively manage its business.

Tripadvisor has significant operations in both the U.K. and the E.U. and those operations are highly integrated across the U.K. and the E.U. and are highly dependent on the free flow of labor and goods in those regions. Although the U.K. ceased to be a member of the E.U. on January 31, 2020, and the U.K. and E.U. have come to some agreements on the terms of the departure, there remains some uncertainty about the future relationship between the U.K. and the E.U. The ongoing uncertainty could negatively impact Tripadvisor's partner and customer relationships as well as consumer confidence and spending in the U.K. Since the U.K. regulatory environment continues to evolve, Tripadvisor is unable to predict the effect Brexit and U.K. and E.U. relations will have on its business and results of operations.

Economic downturn and adverse market conditions may also negatively impact Tripadvisor's travel partners, its travel partners' access to capital, cost of capital and ability to meet liquidity needs. These challenges faced in a prolonged economic downturn or deterioration in the travel industry could adversely impact Tripadvisor's business, financial results and financial condition. The extent and duration of such impacts remain largely uncertain and dependent on future developments that cannot be accurately predicted at this time.

Tripadvisor operates in an increasingly competitive global environment and its failure to compete effectively could reduce its market share and harm its financial performance. Tripadvisor competes with different types of companies in the various markets and geographies where it operates, including large and small companies in the travel space as well as broader service providers. Tripadvisor faces competition for content, consumers, advertisers, online travel search and price comparison services and online reservations. Tripadvisor competes globally with both online and offline, established and emerging, providers of travel, lodging, experiences and restaurant reservation and related services. Current and new competitors can launch new services at a relatively low cost. More specifically:

- In Tripadvisor's Hotels, Media & Platform segment, it faces competition from the following businesses: OTAs (including Expedia and Booking); hotel metasearch providers (including trivago, Kayak, HotelsCombined, and Trip.com Group Limited); large online search, social media, and marketplace platforms and companies (including Google, Facebook, Bing, Yahoo, Baidu, Alibaba, Airbnb and Amazon); and traditional offline travel agencies; and global hotel chains seeking to promote direct bookings.
- Tripadvisor also faces competition from different companies with respect to its Experiences & Dining segment. Its Experiences offering competes with online travel agencies, such as Airbnb, Booking, GetYourGuide and Klook; traditional travel agencies; online travel service providers; and wholesalers, among others. Its Dining offering competes with other online restaurant reservation services, such as Google and OpenTable.

There has been a proliferation of new channels through which service providers can offer accommodations, experiences and restaurant reservations. Metasearch services may lower the cost for new companies to enter the market by providing a distribution channel without the cost of promoting the new entrant's brand to drive consumers directly to its website. Some of Tripadvisor's competitors offer a variety of online services and, in some cases, are willing to make little or no profit on a transaction, or offer travel services at a loss, in order to gain market share. Many of Tripadvisor's competitors have significantly greater financial, technical, marketing and other resources and have more expertise in developing online commerce and facilitating internet traffic as well as larger client bases. They also have the ability to leverage other aspects of their business to enable them to compete more effectively.

In addition, Google and other large, established companies with substantial resources and expertise have launched travel or travel-related search, metasearch and/or reservation booking services and may create additional inroads into online travel. Many of Tripadvisor's competitors continue to expand their voice and artificial intelligence capabilities, which may provide them with a competitive advantage in travel.

Tripadvisor competes with certain companies that it also does business with, including certain of its travel partners and related parties. The consolidation of Tripadvisor's competitors and travel partners may affect its relative competitiveness and its travel partner relationships. Competition and consolidation could result in higher traffic acquisition costs, reduced margins on its advertising services, loss of market share, reduced customer traffic to its websites and reduced advertising by travel companies on its websites.

Tripadvisor relies on information technology to operate its business and remain competitive, and any failure to adapt to technological developments or industry trends could harm its businesses. Tripadvisor's future success depends on its ability to continuously improve and upgrade its systems and infrastructure to meet rapidly evolving consumer trends and demands while at the same time maintaining the reliability and integrity of its systems and infrastructure. Tripadvisor may not be able to maintain or replace its existing systems or introduce new technologies and systems as quickly as it would like or in a cost-effective manner. Tripadvisor may not be successful, or as successful as its competitors, in developing technologies and systems that operate effectively across multiple devices and platforms in a way that is appealing to its consumers. The emergence of alternative or new devices and the emergence of niche competitors who may be able to optimize products, services or strategies for such platforms will require additional investment in technology. New developments in other areas could also make it easier for competitors to enter its markets due to lower up-front technology costs.

If Tripadvisor does not continue to innovate and provide products, services and features that are useful to consumers, it may not remain competitive, and its business and financial performance could suffer. Tripadvisor's competitors are continually developing innovations in services and features. As a result, Tripadvisor is continually working to improve the user experience on its platform in order to engage its consumers and drive user traffic and conversion rates for its travel partners. Tripadvisor has invested, and expects to continue to invest, significant resources in developing and marketing these innovations. Tripadvisor can give no assurances that the changes it makes will yield the benefits it expects and will not have unintended or adverse impacts. If Tripadvisor is unable to continue offering innovative products and services and quality features that consumers want to use, existing consumers may become dissatisfied and use competitors' offerings and Tripadvisor may be unable to attract additional consumers, which could adversely affect its business and financial performance.

Tripadvisor's dedication to making the consumer experience its highest priority may cause it to prioritize rapid innovation and consumer experience over short-term financial results. Tripadvisor strives to create the best experience for its consumers. Tripadvisor believes that in doing so it will increase its traffic conversion (i.e., visitors converting into clicks and/or bookings), revenue and financial performance. Tripadvisor has taken actions in the past, and may continue to take actions in the future, that have the effect of reducing its short-term financial results if it believes the actions benefit the overall consumer experience. These decisions may not produce the long-term benefits Tripadvisor expects, new or enhanced products may fail to engage consumers and/or Tripadvisor may be unsuccessful in its efforts to monetize these initiatives, in which case its relationships with consumers and travel partners, and its business and financial performance could be harmed.

Tripadvisor is dependent upon the quality of traffic in its network to provide value to its travel partners, and any failure in its ability to deliver quality traffic and/or the metrics to demonstrate the value of the traffic could have a material and adverse impact on the value of its websites to its travel partners and adversely affect its revenue. Tripadvisor uses technology and processes to monitor the quality of the internet traffic that it delivers to its travel partners and has identified metrics to demonstrate the quality of that traffic and identify low quality clicks such as non-human processes, including robots, spiders, the mechanical automation of clicking and other types of invalid clicks or click fraud. Even with such monitoring in place, there is a risk that a certain amount of low-quality traffic will be delivered to such online advertisers. Such low-quality or invalid traffic may be detrimental to Tripadvisor's relationships with travel partners and could adversely affect its advertising pricing and revenue.

Tripadvisor relies on assumptions and estimates and data to calculate certain of its key metrics, and real or perceived inaccuracies in such metrics may harm its reputation and negatively affect its business. Certain metrics are key to Tripadvisor's business; as both the industry in which it operates and its businesses continue to evolve, so too might the metrics by which it evaluates its businesses. While the calculation of the metrics Tripadvisor uses is based on what it believes to be reasonable estimates, its internal tools are not independently verified by a third party and have a number of limitations; furthermore, its methodologies for tracking these metrics may change over time. For example, a single person may have multiple accounts or browse the internet on multiple browsers or devices, some consumers may restrict Tripadvisor's ability to accurately identify them across visits, some mobile apps automatically contact its servers for regular updates with no user action, and Tripadvisor is not always able to capture user information on all of its platforms. As such, the calculations of its unique users may not accurately reflect the number of people actually visiting its platforms. If the internal tools Tripadvisor uses to track these metrics under-count or over-count performance or contain algorithm or other technical errors, the data it reports may not be accurate. Tripadvisor continues to improve upon its tools and methodologies to capture data; however, the improvement of its tools and methodologies could cause inconsistency between current data and previously reported data, which could confuse investors or lead to questions about the integrity of its data. Finally, Tripadvisor may, in the future, identify new or other metrics that enable it to more accurately evaluate its business. Accordingly, investors should not place undue reliance on these metrics.

Tripadvisor relies on the performance of highly skilled personnel and if it is unable to retain or motivate key personnel or hire, retain and motivate qualified personnel its business would be harmed. In particular, the contributions of Stephen Kaufer, Tripadvisor's co-founder, Chief Executive Officer and President, the contributions of key senior management and the contributions of software engineers and other technology professionals are critical to Tripadvisor's overall management and the success of its business. Tripadvisor cannot ensure that it will be able to retain the services of its existing key personnel and the loss of one or more of its key personnel could seriously harm its business. Tripadvisor does not maintain any key person life insurance policies.

During 2020, Tripadvisor's headcount was reduced by nearly 1,600 employees. This reduction in workforce results in the loss of institutional knowledge, relationships, or expertise for critical roles. This reduction could also have a negative impact on employee morale and productivity, make it more difficult to retain valuable key employees, divert attention from operating Tripadvisor's business, create personnel capacity constraints and hamper its ability to grow, develop innovative products and compete, any of which could impede its ability to operate or meet strategic objectives. As travel recovers from the COVID-19 pandemic, Tripadvisor may need to replace some or all of those roles with qualified individuals, which is typically a time-consuming process. Tripadvisor competes with companies that have far greater financial resources than it does as well as companies that promise short-term growth opportunities and/or other benefits. If Tripadvisor does not succeed in attracting well-qualified employees or retaining or motivating existing employees, its business would be adversely affected.

Acquisitions, investments, significant commercial arrangements and/or new business strategies could present new challenges and risks and disrupt its ongoing business. Tripadvisor has acquired, invested in and/or entered into significant commercial arrangements with a number of businesses in the past and its future growth may depend, in part, on future acquisitions, investments, commercial arrangements and/or changes in business strategies. Such endeavors may involve significant risks and uncertainties, including, but not limited to, the following:

- Costs incurred to identify, pursue and fund these endeavors that may or may not be successful and may limit other potential uses of cash;
- Amortization expenses related to acquired intangible assets and other adverse accounting consequences;
- Diversion of management's attention or other resources from Tripadvisor's existing business;
- Difficulties and expenses in integrating the operations, products, technology or personnel;
- Difficulties in implementing and retaining uniform standards, controls, procedures, policies and information systems;
- Assumption of debt and liabilities, including costs associated with litigation, cybersecurity risks, and other claims;
- Failure of any such strategy or target to achieve anticipated objectives, revenue or earnings;
- Limited management or operational control and heightened reputational risk with respect to minority investments;
- Entrance into markets in which Tripadvisor has no prior experience; and
- Adverse market reaction to the transaction.

Tripadvisor has invested, and may in the future invest, in privately-held companies. Such investments are inherently risky and its ability to liquidate any such investments is typically difficult. Valuations of such privately-held companies are inherently complex and uncertain due to the lack of liquid market for the companies' securities. Tripadvisor cannot assure you that these investments will be successful or that such endeavors will result in the realization of the synergies, cost savings and innovation that may be possible within a reasonable period of time, if at all. Tripadvisor could lose the full amount of its investments; any impairment of its investments could have a material adverse effect on its financial results.

Risks Related to Legal and Regulatory Matters

Tripadvisor is a global company that operates in many different jurisdictions inside and outside the U.S. and these operations expose Tripadvisor to additional risks. Many regions have different economic conditions, languages, currencies, legislation, regulatory environments, levels of political stability, levels of consumer expectations, and use of the internet for commerce. Tripadvisor is subject to risks typical of global businesses, including, but not limited to, the following:

- Compliance with additional laws and regulations, including but not limited to, laws and regulations regarding data privacy, labor and employment, advertising, anti-competition and tax;
- Diminished ability to legally enforce contractual rights;
- Increased risk and limits on enforceability of intellectual property rights;
- Restrictions on repatriation of cash and on investments in operations;
- Difficulties in managing staff and operations due to distance, time zones, language and cultural differences;
- Uncertainty regarding liability for services, content and intellectual property rights;
- Economic or political instability or laws involving economic or trade prohibitions or sanctions; and
- Threatened or actual acts of terrorism.

Tripadvisor's strategy includes continued expansion in existing markets and potentially new markets. In addition to the risks mentioned above, international markets have strong local competitors with established brands and travel service providers or relationships that may make expansion in certain markets difficult and costly and take more time than anticipated. In some markets, legal and other regulatory requirements may prohibit or limit participation by foreign businesses, such as by making foreign ownership or management of internet or travel-related businesses illegal or difficult or may make direct participation in those markets uneconomic, which could make Tripadvisor's entry or expansion in those markets difficult or impossible, require that it work with a local partner or result in higher operating costs. If Tripadvisor is unsuccessful in expanding in existing and potentially new markets and effectively managing that expansion, its business and financial results could be adversely affected.

Tripadvisor is regularly subject to claims, lawsuits, government investigations, and other proceedings which may result in adverse outcomes and, regardless of the outcome, result in legal costs, diversion of management resources,

injunctions or damage awards, and other negative results. It is possible that a resolution of one or more such proceedings could result in substantial damages, fines or penalties that could adversely affect Tripadvisor's business, financial results or financial position. These proceedings could also result in reputational harm, criminal sanctions or consent decrees, the release of confidential information or orders preventing Tripadvisor from offering certain features, functionalities, products, or services, requiring a change in its business practices. Any of these consequences could adversely affect Tripadvisor's business and financial results.

A failure to comply with current laws, rules and regulations or changes to such laws, rules and regulations and other legal uncertainties may adversely affect Tripadvisor's business or financial results. Tripadvisor's business and financial results could be adversely affected by unfavorable changes in or interpretations of existing laws, rules and regulations or the promulgation of new laws, rules and regulations applicable to Tripadvisor and its business, including, but not limited to, those relating to internet and online commerce, internet advertising, consumer protection, intermediary liability and data security and privacy. These laws continue to evolve. For example, there is, and will likely continue to be, an increasing number of laws and regulations pertaining to internet and online commerce and liability for information retrieved from or transmitted over the internet. In addition, the growth and development of online commerce may prompt calls for more stringent consumer protection laws and more aggressive enforcement efforts, data privacy and industry-specific laws and regulations. Further, Tripadvisor's Rentals business has been and continues to be subject to regulatory developments globally that affect the rental industry, such as (i) statutes or ordinances that prohibit or limit property owners and managers from renting certain properties on a short-term basis, (ii) fair housing or other laws governing whether and how properties may be rented, and (iii) homeowners, condominium and neighborhood associations adopting or considering adopting rules that prohibit or restrict property owners and managers from short-term rentals. Operating in this dynamic regulatory environment requires significant management attention and financial resources. The failure of Tripadvisor's businesses to comply with these laws and regulations could result in fines and/or proceedings against us by governmental agencies, regulatory authorities, courts and/or consumers, which, if material, could adversely affect Tripadvisor's business, financial condition and financial results.

The promulgation of new laws, rules and regulations, or new interpretations of existing laws, rules and regulations, could require Tripadvisor to change certain aspects of its business, operations and relationships to ensure compliance, which could decrease demand for services, reduce revenue, increase costs and/or subject Tripadvisor to additional liabilities. For example, many jurisdictions have adopted, and many jurisdictions are considering adopting, privacy rights and consumer protections for their residents, which legislation will continue to change the landscape for the use and protection of data and could increase the cost and complexity of delivering Tripadvisor's services. Unfavorable changes could limit marketing methods and capabilities, decrease demand for products and services, impede development of new products, require significant management time, increase costs and/or subject us to additional liabilities. Violations of these laws and regulations could result in penalties, criminal sanctions and/or negative publicity against Tripadvisor, its officers or its employees and/or restrictions on the conduct of its business.

Tripadvisor cannot be sure that its intellectual property is protected from copying or use by others.Tripadvisor's websites rely on content as well as proprietary brands and technology. Tripadvisor protects its content, brands and technology by relying on a combination of trademarks, copyrights, trade secrets, and confidentiality agreements. Even with these precautions, it may be possible for a party to copy or obtain and use its content, brands or technology without authorization or to independently develop similar content, brands or technology. Any misappropriation or violation of Tripadvisor's rights could have a material adverse effect on its business.

Effective intellectual property protection is expensive to develop and maintain and may not be available in every jurisdiction in which its services are available. Policing unauthorized use of Tripadvisor's intellectual property is difficult and expensive; in certain jurisdictions, Tripadvisor may be unable to protect its intellectual property adequately against unauthorized third-party copying or use. Tripadvisor cannot be sure that the steps it has taken will prevent misappropriation or infringement of its intellectual property. Furthermore, Tripadvisor may need to go to court or other tribunals or administrative bodies in order to enforce its rights, to protect its trade secrets or to determine the validity and scope of the rights of others. These proceedings might result in substantial costs and diversion of resources and management attention. Tripadvisor's failure to protect its intellectual property in a cost-efficient or effective manner could have a material adverse effect on its business.

Tripadvisor currently licenses and incorporates into its websites technologies and content from third parties. As Tripadvisor continues to introduce new services that incorporate new technologies and content, it may be required to license additional technology or content. Tripadvisor cannot be sure that such technology or content will be available on commercially reasonable terms, if at all.

Risks Related to Data Security and Privacy

Tripadvisor's processing, storage and use of personal information and other data subjects it to additional laws and regulations and failure to comply with those laws and regulations could give rise to liabilities. The security of data when engaging in electronic commerce is essential to maintaining consumer and service provider confidence in Tripadvisor's services. Tripadvisor is subject to a variety of laws in the U.S. and abroad regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information, the scope of which are changing, subject to differing interpretations, and may be inconsistent between countries or conflict with other existing laws. The regulatory framework for privacy issues worldwide is currently in flux and is likely to remain so for the foreseeable future. In addition, practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet have recently come under increased public scrutiny.

Implementing and complying with these laws and regulations may be more costly or take longer than Tripadvisor anticipates, or could otherwise affect its operations. Any failure or perceived failure by Tripadvisor to comply with its privacy policies, privacy-related obligations to consumers or other third parties, or privacy-related legal obligations, may result in governmental enforcement actions that could harm its reputation and cause its consumers and travel partners to lose trust in Tripadvisor, any of which could have an adverse effect on its business, brand, market share and financial results.

Tripadvisor is subject to risks associated with processing credit card and other payment transactions and failure to manage those risks may subject it to fines, penalties and additional costs and could have a negative impact on its business. Tripadvisor accepts payments from consumers and travel partners using a variety of methods, including credit, debit and invoicing. Tripadvisor is subject to regulations and compliance requirements, including obligations to implement enhanced authentication processes. Tripadvisor relies on third parties to provide certain payment methods and payment processing services and its business could be disrupted if these companies become unwilling or unable to provide these services to it. Tripadvisor is also subject to payment card association operating rules, including data security rules, certification requirements, and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for it to comply. Tripadvisor is also subject to a number of other laws and regulations relating to payments, money laundering, international money transfers and privacy and information security. These laws, regulations and/or requirements result in significant costs and, yet, Tripadvisor may still be susceptible to fraudulent activity. If Tripadvisor fails to comply with these rules or requirements or if its data security systems are breached or compromised, it may be liable for card issuing banks' costs, subject to fines, penalties and higher transaction fees, and/or lose its ability to accept credit and debit card payments, process electronic funds transfers, or facilitate other types of online payments. In addition, for certain payment methods, including credit and debit cards, Tripadvisor pays interchange and other fees, which may increase over time and raise its operating costs and lower profitability.

System security issues, data protection breaches, cyberattacks and system outage issues could disrupt Tripadvisor's operations or services provided to its consumers, and any such disruption could damage its reputation and adversely affect its business, financial results and share price. Tripadvisor's reputation and ability to attract, retain and service its consumers and travel partners is dependent upon the reliable performance and security of its computer systems and those of third parties Tripadvisor utilizes in its operations. Significant security issues, data breaches, cyberattacks and outages, interruptions or delays, in Tripadvisor's systems or third party systems upon which it relies, could impair Tripadvisor's ability to display content or process transactions and significantly harm its business. Breaches of Tripadvisor's security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or confidential data about Tripadvisor, its consumers or its travel partners, could expose Tripadvisor, its consumers and travel partners to a risk of loss or misuse of this information, damage its brand and reputation or otherwise harm its business and financial performance and could result in government enforcement actions and litigation and potential liability for Tripadvisor. The costs of enhancing infrastructure to attain improved stability and redundancy may be time consuming and expensive and may require resources and expertise that are difficult to obtain. In addition, to the extent that Tripadvisor does experience a data breach, remediation may be costly and it may not have adequate insurance to cover such costs.

Computer programmers and hackers also may be able to develop and deploy viruses, worms, ransomware and other malicious software programs that attack Tripadvisor's products or otherwise exploit any vulnerabilities in its systems, or attempt to fraudulently induce its employees, consumers, or others to disclose passwords or other sensitive information or unwittingly provide access to its systems or data. In addition, sophisticated hardware and operating system software and applications that Tripadvisor produces or procures from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the system. Tripadvisor may need to expend significant resources to protect against security breaches or to investigate and address problems caused by cyber or other security problems. Failure to adequately protect against attacks or intrusions, whether for Tripadvisor's own systems or systems of vendors, could expose it to security breaches that could have an adverse impact on its financial performance.

Much of Tripadvisor's business is conducted with third party partners and vendors. A security breach at such third party could be perceived by consumers as a security breach of its systems and could result in negative publicity or reputational damage, expose it to risk of loss or litigation and subject it to regulatory penalties and sanctions. In addition, such incidents may also result in a decline in Tripadvisor's user base or engagement levels.

Media coverage of data breaches and public exposure of consumer data rights has increased, in part because of the rise of enforcement actions, investigations and lawsuits. Similarly, the increase in privacy activist groups is likely to give rise to further scrutiny, investigative actions and publicity. Security breaches could result in negative publicity, damage to reputation, exposure to risk of loss and possible liability due to regulatory penalties and sanctions. As this focus and attention on privacy and data protection increases, Tripadvisor also risks exposure to potential liabilities and costs resulting from the compliance with, or any failure to comply with, applicable legal requirements, conflicts among these legal requirements or differences in approaches to privacy and security. Security breaches could also cause travelers and consumers to lose confidence in Tripadvisor's data security, which would have a negative effect on the value of its brand.

Evolving regulations, guidance and practices on the use of "cookies" and similar technology could negatively impact the way Tripadvisor does business. Cookies, or text files stored on consumers' web browsers, are common tools used by thousands of websites and apps, including Tripadvisor's, to store or gather information, improve site security, improve the customer experience, market to consumers and increase conversion on their websites. Many countries have adopted data protection laws and regulations governing the use of cookies and other similar tracking technologies by websites and app developers. Such regulations could limit Tripadvisor's ability to serve certain customers in the manner it currently does, including with respect to retargeting or personalized advertising, impair its ability to improve and optimize performance on its websites, negatively affect a consumer's experience using its websites and negatively impact its business. Equally, privacy has been the impetus behind a move towards a cookie-less online ecosystem which poses a potential risk to its online behavioral advertising strategy. For example, Apple and Google Chrome have announced new privacy features that may limit Tripadvisor's ability to use cookies and similar technology to improve the consumer experience.

Risks Related to Financial Matters

Tripadvisor has indebtedness which could adversely affect its business and financial condition. With respect to the Senior Notes (as defined in note 7 of the accompanying consolidated financial statements), Tripadvisor is subject to risks relating to its existing or potential indebtedness that include:

- Requirement to dedicate a portion of its cash flow to principal and interest payments, thereby reducing the availability of cash to fund working capital, capital expenditures, acquisitions and investments and other general corporate purposes;
- Difficulties to optimally capitalize and manage the cash flow for its businesses;
- Possible competitive disadvantage compared to its competitors that have less debt;
- Limitations on its ability to borrow additional funds on acceptable terms or at all; and
- Exposure to increased interest rates to the extent its outstanding debt is subject to variable rates of interest.

Failure to comply with the various covenants contained in Tripadvisor's Credit Agreement and the Indenture could have a material adverse effect on its business. The various covenants contained in the Credit Agreement and Indenture (as defined in note 7 of the accompanying consolidated financial statements) include those that limit Tripadvisor's ability to, among other things:

- Incur indebtedness;
- Pay dividends on, redeem or repurchase its capital stock;

- Effect share repurchases;
- Enter into secured financing arrangements;
- Enter into sale and leaseback transactions; and
- Enter into unrelated businesses.

These covenants may limit Tripadvisor's ability to optimally operate its business. Any failure to comply with the restrictions of the 2015 Credit Facility or the Senior Notes may result in an event of default under the agreements governing such debt instruments and such default may allow the creditors to accelerate the debt incurred thereunder. In addition, lenders under the 2015 Credit Facility may be able to terminate any commitments they had made to supply Tripadvisor with further funds.

Tripadvisor may have future capital needs and may not be able to obtain additional financing on acceptable terms. Pursuant to the 2015 Credit Facility, Tripadvisor agreed to pledge substantially all of its assets, including the equity interests of its subsidiaries. This agreement also includes restrictive covenants that may limit its ability to secure additional financing in the future on favorable terms, if at all. Tripadvisor's ability to secure additional financing will also depend upon its future operating performance, which is subject to then prevailing general economic and credit market conditions, and financial, business and other factors, many of which are beyond its control.

Tripadvisor's financial results are difficult to forecast; they have fluctuated in the past and will likely fluctuate in the future. Tripadvisor's financial results in any given quarter can be influenced by numerous factors, many of which it is unable to predict or are outside of its control, including:

- Its ability to maintain and grow its consumer base and to increase user engagement;
- Increases in marketing, sales and other expenses that it will incur to grow and expand its operations and to remain competitive;
- Fluctuations in the marketing spend of its travel partners due to seasonality, global or regional events or other factors;
- User behavior or product changes that may reduce traffic to features or products that we successfully monetize;
- System failure or outages, which would prevent it from serving ads for any period of time;
- Breaches of security or privacy and the costs associated with any such breaches and remediation;
- Fees paid to third parties for content or promotion of its products and services;
- Adverse litigation judgments, settlement or other litigation related costs;
- Changes in the legislative or regulatory environment or engagement by regulators;
- Changes in tax laws, which may significantly affect its tax rates and taxes;
- Tax obligations that may arise from resolutions of tax examinations that may materially differ from the amounts it has anticipated;
- Fluctuations in currency exchange rates and changes in the proportion of its revenue and expenses denominated in foreign currencies;
- Changes in U.S. GAAP; and
- Changes in global business and macroeconomic conditions.

As a result, you should not rely upon Tripadvisor's quarterly financial results as indicators of future performance.

Risks Related to Tax Matters

Tripadvisor's effective income tax rate is impacted by a number of factors that could have a material impact on its financial results and could increase the volatility of those results. Due to the global nature of Tripadvisor's business, it is subject to income taxes in the U.S. and other foreign jurisdictions. In the event Tripadvisor incurs taxable income in certain jurisdictions but incurs losses in other jurisdictions, it generally cannot offset the income from one jurisdiction with the loss from another. This lack of flexibility could affect its effective income tax rate. Furthermore, significant judgment is required to calculate its worldwide provision for income taxes and depends on its ability to operate its business in a manner consistent with its corporate structure and intercompany arrangements. In the ordinary course of Tripadvisor's business, there are many transactions and calculations where the ultimate tax determination is uncertain.

Tripadvisor's future income tax rates could be affected by a number of matters outside of its control, including but not limited to changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets or accounting for share-based compensation. If Tripadvisor's effective income tax rates were to increase, its financial results and cash flows would be adversely affected.

Application of U.S. state and local or international tax laws, changes in tax laws or tax rulings, or the examination of Tripadvisor's tax positions, could materially affect its financial position and results of operations. As an international business, Tripadvisor is subject to income taxes and non-income-based taxes in the U.S. and various other international jurisdictions. Tax laws are subject to change as new laws are passed and new interpretations of the laws are issued or applied. Due to economic and political conditions, tax rates and tax regimes may be subject to significant change and the tax benefits that Tripadvisor intends to eventually derive could be undermined due to changing tax laws. Governments are increasingly focused on ways to increase tax revenue, which has contributed to more aggressive positions taken by tax authorities and an increase in tax legislation. Any such additional taxes or other assessments may be in excess of Tripadvisor's current tax provisions or may require it to modify its business practices in order to reduce its exposure to additional taxes going forward, any of which could have a material adverse effect on its business, results of operations and financial condition. Any changes to international tax laws or any additional reporting requirements may increase the complexity and costs associated with tax compliance and adversely affect its cash flows and results of operations.

The Organization for Economic Cooperation and Development ("OECD") has been working on a Base Erosion and Profit Shifting Project and has issued various reports, guidelines, policy notes, and proposals that if adopted could result in an overhaul of the international taxation system under which Tripadvisor's current tax obligations are determined. In response, several countries have introduced unilateral digital service tax initiatives which impose new types of non-income taxes, including taxes based on a percentage of revenue. During the year ended December 31, 2020 and 2019, Tripadvisor recorded $2 million and $3 million, respectively, of digital service tax to general and administrative expense on the consolidated statement of operations; however, it continues to assess the financial impact of new laws relating to digital services and taxation.

Tripadvisor is routinely under audit by federal, state and foreign taxing authorities. The ultimate outcome of these examinations (including the IRS audit described below) cannot be predicted with certainty but could be materially different from its income tax provisions and accruals and could have a material effect on its results of operations or cash flows in the period or periods for which that determination is made. Should the IRS or other taxing authorities assess additional taxes as a result of examinations, Tripadvisor may be required to record charges to its results of operations, which could harm its operating results and financial condition.

Changes in the tax treatment of companies engaged in e-commerce may adversely affect the commercial use of Tripadvisor's sites and its financial results. Tax authorities at the international, federal, state and local levels are currently reviewing the appropriate treatment of companies engaged in e-commerce and it is possible that various jurisdictions may attempt to levy additional or new sales, income or other taxes relating to its activities. For example, Congress is considering various approaches to legislation that would require companies engaged in e-commerce to collect sales tax on internet revenue and a growing number of U.S. states and certain foreign jurisdictions have adopted or are considering proposals to impose obligations on remote sellers and online marketplaces to collect taxes on their behalf. Additionally, the U.S. Supreme Court's ruling in South Dakota v. Wayfair Inc., in which a Court reversed longstanding precedent that remote sellers are not required to collect state and local sales taxes, may have an adverse impact on Tripadvisor's business. Also, as described in more detail above, certain U.S. states and countries in which Tripadvisor does business have enacted or proposed digital services tax initiatives. New or revised international, federal, state or local tax regulations or court decisions may subject Tripadvisor or its customers to additional sales, occupancy, income and other taxes. Tripadvisor cannot predict the effect of these and other attempts to impose sales, income or other taxes on e-commerce; however, new or revised taxes and, in particular, sales taxes, occupancy taxes, value added taxes ("VAT"), and similar taxes would likely increase the cost of doing business online and decrease the attractiveness of selling products and services over the Internet. New taxes could also create significant increases in internal costs necessary to capture data and collect and remit taxes. Any of these events could have a material adverse effect on Tripadvisor's business, financial results and financial condition.

Taxing authorities may successfully assert that Tripadvisor should have collected or in the future should collect sales and use, occupancy, VAT or similar taxes, and Tripadvisor could be subject to liability with respect to past or future sales, which could adversely affect its operating results. Tripadvisor does not collect and remit sales and use, occupancy, VAT or similar taxes in all jurisdictions in which it has sales, based on its belief that such taxes are not applicable or legally required. Several states and other taxing jurisdictions have presented or threatened Tripadvisor with assessments, alleging that it is required to collect and remit certain taxes there. While Tripadvisor does not believe that it is subject to such taxes and intends to vigorously defend its position in these cases, it cannot be sure of the outcome of its discussions and/or appeals with these states. In the event of an adverse outcome, Tripadvisor could face assessments, plus any additional interest and penalties. Tripadvisor also expect additional jurisdictions may make similar assessments or pass similar new laws in the future, and any of the jurisdictions where Tripadvisor has sales may apply more rigorous enforcement efforts or take more aggressive positions in the future that could result in greater tax liability allegations. Such tax assessments, penalties and interest or future requirements may materially adversely affect Tripadvisor's business, financial condition and operating results.

Tripadvisor continues to be subject to significant potential tax liabilities in connection with its spin-off from Expedia (the "Spin-Off"). Under the tax sharing agreement between Tripadvisor and Expedia entered into in connection with the Spin-Off, Tripadvisor is generally required to indemnify Expedia for any taxes resulting from the Spin-Off (and any related interest, penalties, legal and professional fees, and all costs and damages associated with related stockholder litigation or controversies). Tripadvisor continues to be responsible for potential tax liabilities in connection with consolidated income tax returns filed with Expedia prior to or in connection with the Spin-Off. By virtue of previously filed consolidated tax returns with Expedia, Tripadvisor is currently under IRS audit for the 2009, 2010, and short-period 2011 tax years and, in connection with that audit, has received Notices of Proposed Adjustment from the IRS which would result in an increase in its worldwide income tax expense. Tripadvisor has requested competent authority assistance under the Mutual Agreement Procedure for tax years 2009 through 2011. It expects the competent authorities to present a resolution for the 2009 through 2011 tax years in the near future. Upon receipt, Tripadvisor will assess the resolution provided by the competent authorities as well as its impact on its existing income tax reserves for all open subsequent years. The outcome of these matters or any other audits could subject Tripadvisor to significant tax liabilities. See note 9 to the accompanying consolidated financial statements for more information.

Tripadvisor is subject to fluctuation in foreign currency exchange rates. Tripadvisor conducts a significant portion of its business outside the U.S. but reports its results in U.S. dollars. As a result, Tripadvisor faces exposure to movements in foreign currency exchange rates including, but not limited to, re-measurement of gains and losses from changes in the value of foreign denominated assets and liabilities; translation gains and losses on foreign subsidiary financial results that are translated into U.S. dollars upon consolidation; and planning risk related to changes in exchange rates between the time it prepares its annual and quarterly forecasts and when actual results occur. For example, in the event that one or more European countries were to replace the Euro with another currency, Tripadvisor's sales into such countries, or into Europe generally, would likely be adversely affected until stable exchange rates are established. Accordingly, fluctuations in foreign currency exchange rates, such as the strengthening of the U.S. dollar against the Euro or the British pound, could adversely affect Tripadvisor's net revenue growth in future periods. In the event of severe volatility in exchange rates, the impact of these exposures can increase and the impact on results of operations can be more pronounced. In addition, the current environment and the increasingly global nature of Tripadvisor's business have made hedging these exposures more complex. Tripadvisor hedges certain short-term foreign currency exposures with the purchase of forward exchange contracts. These forward exchange contracts only help mitigate the impact of changes in foreign currency rates that occur during the term of the related contract period and carry risks of counter-party failure. There can be no assurance that Tripadvisor's forward exchange contracts will have their intended effects.

Risk Factors Relating to our Common Stock and the Securities Market

Our stock price may be disproportionately affected by the results of operations of Tripadvisor and developments in its business. The fair value of our investment in Tripadvisor, on an as-converted basis, was approximately $900 million as of December 31, 2020, which represents a significant portion of our total market value. Since our common stock began trading in 2014, our share price has had a tendency to move in tandem with the share price of Tripadvisor's common stock. As a result, our stock price may be disproportionately affected by the results of operations of Tripadvisor and developments in its business.

It may be difficult for a third party to acquire us, even if doing so may be beneficial to our stockholders.Certain provisions of our certificate of incorporation and bylaws may discourage, delay or prevent a change in control of our company that a stockholder may consider favorable. These provisions include the following:

- authorizing a capital structure with multiple series of common stock: a Series B that entitles the holders to ten votes per share, a Series A that entitles the holders to one vote per share and a Series C that, except as otherwise required by applicable law, entitles the holders to no voting rights;
- authorizing the issuance of "blank check" preferred stock, which could be issued by our board of directors to increase the number of outstanding shares and thwart a takeover attempt;
- classifying our board of directors with staggered three-year terms, which may lengthen the time required to gain control of our board of directors;
- limiting who may call special meetings of stockholders;
- prohibiting stockholder action by written consent, thereby requiring all stockholder actions to be taken at a meeting of the stockholders;
- establishing advance notice requirements for nominations of candidates for election to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings;
- requiring stockholder approval by holders of at least 66 2/3% of our voting power or the approval by at least 75% of our board of directors with respect to certain extraordinary matters, such as a merger or consolidation of our company, a sale of all or substantially all of our assets or an amendment to our certificate of incorporation; and
- the existence of authorized and unissued stock which would allow our board of directors to issue shares to persons friendly to current management, thereby protecting the continuity of its management, or which could be used to dilute the stock ownership of persons seeking to obtain control of us.

Additionally, certain provisions of the Investment Agreement may discourage, delay or prevent a change in control of our company that a stockholder may consider favorable. In particular, if our board of directors approves the initiation of a sale process to effect a change in control of our company or the entry into negotiations with a third party for a change in control, and, at such time, Certares beneficially owns a number of shares of Preferred Stock with an aggregate liquidation value equal to at least the Threshold Amount, the Investment Agreement requires us to provide notice of such intent to Certares, designate a nationally recognized investment bank to act as financial advisor, and provide Certares the opportunity to participate as a potential buyer. In addition, if Certares owns a number of shares of Preferred Stock with an aggregate liquidation value equal to at least the Threshold Amount, subject to certain exceptions, Certares is entitled to certain rights to match offers consisting of at least 90% of cash consideration to acquire us or our Series B common stock owned by Gregory B. Maffei, our Chairman of the Board, President and Chief Executive Officer, as the case may be.

Further, Mr. Maffei beneficially owns shares representing the power to direct approximately 42% of the aggregate voting power in our company, due to his beneficial ownership of approximately 97% of the outstanding shares of our Series B common stock as of January 31, 2021.

Holders of a single series of our common stock may not have any remedies if an action by our directors has an adverse effect on only that series of our common stock. Principles of Delaware law and the provisions of our certificate of incorporation may protect decisions of our board of directors that have a disparate impact upon holders of any single series of our common stock. Under Delaware law, the board of directors has a duty to act with due care and in the best interests of all of our stockholders, including the holders of all series of our common stock. Principles of Delaware law established in cases involving differing treatment of multiple classes or series of stock provide that a board of directors owes an equal duty to all common stockholders regardless of class or series and does not have separate or additional duties to any group of stockholders. As a result, in some circumstances, our directors may be required to make a decision that is viewed as adverse to the holders of one series of our common stock. Under the principles of Delaware law and the business judgment rule, holders may not be able to successfully challenge decisions that they believe have a disparate impact upon the holders of one series of our stock if our board of directors is disinterested and independent with respect to the action taken, is adequately informed with respect to the action taken and acts in good faith and in the honest belief that the board is acting in the best interest of all of our stockholders**.**

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties.

In connection with the TripCo Spin-Off, a wholly owned subsidiary of Liberty Media entered into a facilities sharing agreement with TripCo, pursuant to which TripCo shares office facilities with Liberty Media and related amenities at Liberty Media's corporate headquarters located at 12300 Liberty Boulevard, Englewood, Colorado.

As of December 31, 2020, Tripadvisor does not own any real estate. Tripadvisor leases approximately 280,000 square feet of office space for its corporate headquarters in Needham, Massachusetts. Tripadvisor's headquarters lease has an expiration date of December 2030, with an option to extend the lease term for two consecutive terms of five years each. Tripadvisor also leases an aggregate of approximately 485,000 square feet of office space in approximately 35 other locations across North America, Europe, Asia Pacific and South America, primarily for its sales offices, subsidiary headquarters and international management teams, pursuant to lease agreements. Tripadvisor believes that its current facilities are adequate for its current operations and that additional leased space can be obtained on reasonable terms if needed.

Item 3. Legal Proceedings

Refer to note 14 in the accompanying notes to the consolidated financial statements for information on our legal proceedings.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters of Equity Securities.

Market Information

Our Series A and Series B common stock trade on the Nasdaq Global Select Market under the symbols "LTRPA" and "LTRPB," respectively. Stock price information for securities traded on the Nasdaq Global Select Market can be found on the Nasdaq's website at www.nasdaq.com. The following table sets forth the range of high and low sales prices of shares of our Series B common stock for the years ended December 31, 2020 and 2019. Although our Series B common stock is traded on the Nasdaq Global Select Market, an established published trading market does not exist for the stock, as it is not actively traded.

	Liberty TripAdvisor Holdings, Inc. Series B	
	High	Low
2019		
First quarter	$ 18.29	14.35
Second quarter	$ 14.71	12.44
Third quarter	$ 12.92	9.17
Fourth quarter	$ 9.71	6.72
2020		
First quarter	$ 9.28	2.10
Second quarter	$ 134.00	3.67
Third quarter	$ 74.47	33.00
Fourth quarter	$ 37.92	28.31

Holders

As of January 31, 2021, there were approximately 783 and 42 record holders of our Series A and Series B common stock, respectively. The foregoing numbers of record holders do not include the number of stockholders whose shares are held nominally by banks, brokerage houses or other institutions, but include each such institution as one shareholder.

Dividends

We have not paid any cash dividends on our common stock, and we have no present intention of so doing. Payment of cash dividends, if any, in the future will be determined by our board of directors in light of our earnings, financial condition and other relevant considerations.

Securities Authorized for Issuance Under Equity Compensation Plans

Information required by this item is incorporated by reference to our definitive proxy statement for our 2021 Annual Meeting of stockholders.

Purchases of Equity Securities by the Issuer

There were no repurchases of our common stock during the three months ended December 31, 2020. Our officers and employees surrendered 259 shares of our Series A common stock to pay withholding taxes and other deductions in connection with the vesting of their restricted stock during the three months ended December 31, 2020.

Item 6. Selected Financial Data.

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information concerning our results of operations and financial condition. This discussion should be read in conjunction with our accompanying consolidated financial statements and the notes thereto.

See note 2 in the accompanying consolidated financial statements for an overview of new accounting standards that we have adopted or that we plan to adopt that have had or may have an impact on our financial statements.

Overview

Liberty TripAdvisor Holdings, Inc. (“TripCo” or the “Company”) holds its subsidiary Tripadvisor, Inc. (“Tripadvisor”). As of December 31, 2020, TripCo held an approximate 23% economic interest and 58% voting interest in Tripadvisor.

The financial information represents the historical consolidated results of TripCo and its subsidiaries as discussed in note 1 in the accompanying consolidated financial statements. In the following discussion, TripCo and its subsidiaries are referred to as “TripCo,” “the Company,” “us,” “we” and “our” in the notes to the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements.

Our “Corporate and Other” category includes corporate expenses.

Strategies and Challenges

Executive Summary

Results for TripCo are largely dependent upon the operating performance of Tripadvisor. Therefore, the executive summary below contains the strategies and challenges of Tripadvisor for an understanding of the business objectives of Tripadvisor.

Tripadvisor’s Long-term Growth Strategy

Tripadvisor’s long-term growth strategy aims to increase customer engagement on its platform and drive profitable growth through:

- building products that delight travelers by reducing friction throughout the travel planning and trip-taking journey;
- driving consumer loyalty to Tripadvisor’s platform by offering products and services that increase engagement with Tripadvisor’s platform and result in membership growth, mobile app engagement and repeat usage;
- investing in technology (e.g. machine learning) to further improve the experiences Tripadvisor can deliver to consumers and travel partners on its platform;
- deepening travel partner engagement on Tripadvisor’s platform by expanding the number of products and services offered;
- leveraging its platform’s unique attributes to expand and grow its offerings, such as hotel business to business (“B2B”) services, direct-to-consumer products and services where consumers pay Tripadvisor on a per trip

planned or annual subscription basis, both click-based and display-based media advertising, and experiences and restaurants;

- driving operational efficiencies; and
- opportunistically pursuing strategic acquisitions.

As part of Tripadvisor's long-term growth strategy, it favors continuous product innovation in order to deliver customers more value. In this regard, Tripadvisor beta-launched a direct-to-consumer annual subscription-based offering in December 2020.

Current Trends Affecting Tripadvisor's Business

The online travel industry is large and highly dynamic and competitive. Tripadvisor's overall strategy is to deliver more value to consumers and travel partners in order to generate more monetization on its platform. While Tripadvisor operates with a long-term growth focus, its specific growth objectives and resource allocation strategies can differ in both duration and magnitude within its segments. Descriptions of these dynamics, as well as the current trends affecting its overall business and reportable segments, key drivers of financial results, and uncertainties that may impact Tripadvisor's ability to execute on its objectives and strategies, are below.

The COVID-19 pandemic has caused a significant negative impact on the travel, hospitality, restaurant, and leisure industry and consequently adversely and materially affected Tripadvisor's business, results of operations, liquidity and financial condition during the year ended December 31, 2020. Among other impacts, COVID-19 has negatively impacted global consumer demand and consumers' ability to travel, thereby resulting in many of Tripadvisor's travel partners operating at significantly reduced service levels.

Commencing in late February 2020 and progressively worsening through March 2020, Tripadvisor experienced a significant decline in user demand for its products and services, concurrent with intensifying concerns about COVID-19 on a global basis, in conjunction with widespread travel restrictions imposed by governments and businesses. The adverse impact to Tripadvisor's business from COVID-19 intensified in the second half of March, driven by the pandemic's proliferation and increased governmental restrictions and mandates globally that additionally impacted the travel, hospitality, restaurant and leisure industry and further dampened consumer demand for Tripadvisor's products and services. In the second half of March and throughout April, significant year-over-year revenue declines generally stabilized across Tripadvisor's segments and products which generally continued throughout the second quarter of 2020, and modestly improved during the third quarter of 2020. Tripadvisor's consolidated revenue for the year ended December 31, 2020 was approximately 40% of the prior year's comparable period. In the second half of 2020, Tripadvisor's revenue averaged approximately 35% of the prior year's comparable period, while revenue performance in the months of November and December was approximately 33% of the prior year's comparable periods. This trend compares favorably to the trends observed in months of April 2020 and May 2020, where Tripadvisor's revenue for those months was approximately 10% of the prior year's comparable periods. In addition, traffic trends on Tripadvisor's websites have improved since the significant declines seen in the second half of March and throughout April 2020. In the second half of 2020, monthly unique users on Tripadvisor websites averaged approximately 67% of the prior year's comparable periods, while in April and May of 2020, monthly unique users on Tripadvisor websites were approximately 33% and 45%, respectively, of the prior year's comparable periods, respectively. While Tripadvisor's revenue and traffic trends generally improved since April and May 2020, these trends began to flatten out in September 2020. Beginning in the fourth quarter of 2020, governments again, particularly in Europe, began to impose new restrictions to mitigate the spread of the virus, which negatively impacted these recent trends, as monthly unique users on Tripadvisor websites during the fourth quarter of 2020 declined to approximately 60% of the prior year's comparable period, in comparison to approximately 70% of the prior year's comparable period, during the third quarter of 2020.

Tripadvisor has also incurred significant and unanticipated cancellations by travelers related to future travel, accommodations and tour bookings, which had been reserved by travelers in the pre-COVID-19 timeframe, and included a significant number of bookings recorded as deferred revenue as of December 31, 2019. During the course of 2020, Tripadvisor has worked with travelers and travel partners to address cancellations, re-bookings, and in certain cases it has provided its travel partners extended payment terms, discounts and other incentives.

While we have seen varying degrees of containment of the virus in certain countries and some signs of travel recovery during points in time during 2020, the degree of containment and the recovery in travel has varied region-to-region globally, as well as state-to-state in the U.S. Most notably, a resurgence of COVID-19 has occurred again, after a period of decline, during the fourth quarter of 2020 and the beginning of the first quarter of 2021, followed by the reinstatement of government restrictions and mandates in certain geographies globally and the identification of new variants of the virus. There remains uncertainty around when remaining or reinstated restrictions will be lifted, where additional restrictions may be initiated, or where restrictions that have been previously lifted may be reinstated due to resurgence of the virus, nor is it clear when the short or long-term changes to consumer usage patterns on its platform or travel behavior patterns when travel bans and other government restrictions and mandates are fully lifted, or the timing of widespread distribution and administration of the vaccine globally. Tripadvisor believes the travel industry and its business will continue to be materially and adversely affected while such travel restrictions remain in place and COVID-19 continues to proliferate. Although Tripadvisor cannot predict with certainty the full impact of the COVID-19 pandemic on its full year 2021 financial results, it currently expects that its first quarter 2021 financial results will continue to be negatively impacted by the pandemic to a material degree.

In addition, the ultimate extent of the COVID-19 pandemic's impact on travel, regional and global markets, and overall economic activity remains difficult to predict. Therefore, the ultimate extent and duration of the impact of COVID-19 on Tripadvisor's business, results of operations, liquidity and financial condition remains largely uncertain and is dependent on future developments that cannot be accurately predicted at this time, such as the continued resurgence and severity of the virus, continued transmission rate of COVID-19, the extent and effectiveness of containment actions taken, the timing or extent of widespread distribution and administration of the vaccine, mobility and travel restrictions, and the impact of these and other factors on consumer travel behavior.

In response to the impact of COVID-19, Tripadvisor has taken several steps to further strengthen its financial position and balance sheet, and maintain financial liquidity and flexibility during 2020, including, but not limited to, restructuring activities, reducing its ongoing operating expenses and headcount, additional borrowings of debt, and amendments to Tripadvisor's 2015 Credit Facility, all of which are described in more detail below.

During the first quarter of 2020, Tripadvisor borrowed $700 million under the 2015 Credit Facility (as defined below) as a precautionary measure to reinforce its liquidity position and preserve financial flexibility in light of uncertainty in the global markets resulting from the COVID-19 pandemic. Tripadvisor repaid these borrowings during the third quarter of 2020. In May 2020, Tripadvisor amended its 2015 Credit Facility to, among other things, suspend the leverage ratio covenant on this facility beginning in the second quarter of 2020 and ending prior to September 30, 2021 or such earlier date as elected by Tripadvisor (such period, the "Leverage Covenant Holiday"), add a minimum liquidity covenant to be applicable during the Leverage Covenant Holiday, secure the obligations under the agreement, as well as downsize the capacity of the facility to $1.0 billion from $1.2 billion. In December 2020, Tripadvisor again amended the 2015 Credit Facility, to among other things, continue the suspension of the requirement for quarterly testing of compliance under the leverage ratio covenant until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed $200 million, and (b) the election of Tripadvisor (the "Covenant Changeover Date"), at which time the leverage ratio covenant will be reinstated. At this time, Tripadvisor also downsized the capacity to $500 million from $1.0 billion and extended the maturity date from May 12, 2022 to May 12, 2024. Tripadvisor believes this additional flexibility will be important given its continued limited ability to predict its future financial performance due to the uncertainty associated with COVID-19, as well as consumer behavior, and restrictive measures put in place in response to COVID-19.

In addition, in July 2020, Tripadvisor completed the sale of $500 million aggregate principal amount of Senior Notes in a private offering. The Indenture pursuant to which the Senior Notes were issued provides, among other things, that interest will be payable on the Senior Notes at 7.000% per annum, on January 15 and July 15 of each year, beginning on January 15, 2021, until their maturity date of July 15, 2025. Tripadvisor used the net proceeds received of $490 million, net of deferred financing costs, to repay a portion of its 2015 Credit Facility borrowings.

During the first quarter of 2020, Tripadvisor instituted a cost reduction initiative to preserve cash flows, including targeted workforce reduction measures largely in the Experiences & Dining segment and optimizing and reducing brand advertising as Tripadvisor pivots to leverage newer mediums it believes will be more effective than its historically television-focused campaign.

During the latter part of the first quarter of 2020, and in response to the COVID-19 pandemic, Tripadvisor instituted additional cost reduction measures, including the elimination of the majority of discretionary spending, business travel, non-critical vendor relationships, brand advertising, cessation of nearly all new hiring and contingent staff, reduction of targeted employee benefits, and the furloughing of over 100 employees. On April 28, 2020, management approved and Tripadvisor announced an additional cost reduction initiative in response to the continued economic and financial impacts to Tripadvisor as a result of the COVID-19 pandemic, which included the following:

- Enacting a workforce reduction eliminating more than 900 employees;
- Furloughing additional employees bringing the total furloughed employees during March and April 2020 to approximately 850 employees, primarily in Tripadvisor's European operations at TheFork; and
- Making targeted reductions of Tripadvisor's office lease portfolio, primarily either through subleasing or allowing property leases to expire.

By the end of the third quarter of 2020, a majority of Tripadvisor's previously furloughed employees had returned to their jobs. However, during the fourth quarter of 2020, Tripadvisor again furloughed approximately 400 employees, primarily in its European operations of TheFork. This action taken by Tripadvisor was a direct result of the reinstatement of government restrictions related to restaurants in various countries within Europe, in response to the resurgence of COVID-19 in those markets.

During the year ended December 31, 2020, Tripadvisor incurred total pre-tax restructuring and other related reorganization costs of approximately $41 million as a result of these measures, all of which were paid by Tripadvisor as of December 31, 2020.

In March 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The CARES Act is an emergency economic stimulus package in response to the COVID-19 pandemic, which includes numerous income tax provisions, some of which are effective retroactively. Tripadvisor anticipates that it will benefit from certain of these provisions and has accordingly recorded income tax benefits of $23 million during the year ended December 31, 2020.

In addition, certain other governments have passed legislation to help businesses during the COVID-19 pandemic through loans, wage subsidies, tax relief or other financial aid. Some of these governments have extended or are considering extending these programs. Tripadvisor has participated in several of these programs, including the CARES Act in the U.S., the United Kingdom's job retention scheme, as well as other certain jurisdictions' programs. During the year ended December 31, 2020, Tripadvisor recognized government grants and other assistance benefits of $12 million as a reduction of personnel and overhead costs in the consolidated statements of operations.

Due to the impact of COVID-19 on Tripadvisor's future revenue outlook, TripCo recorded a trademark impairment of $250 million during the three months ended June 30, 2020 related to the hotels, media and platform reporting unit. Based on the quantitative assessment performed during the three months ended June 30, 2020 and the resulting impairment loss recorded, the carrying fair value of the trademark approximates its estimated fair value. Further declines in Tripadvisor's future revenue outlook could result in a decrease in the fair value of the trademark. TripCo will continue to monitor events and circumstances that may affect the fair value or carrying value of Tripadvisor's trademark.

Due to the impact of COVID-19 on Tripadvisor's operating results, which led to a decline in Tripadvisor's stock price, TripCo recorded a goodwill impairment of $279 million during the three months ended June 30, 2020, related to the hotels, media and platform reporting unit. Based on the quantitative assessment performed during the second quarter and the resulting impairment loss recorded, the carrying value of the Hotels, Media and Platform reporting unit approximates its estimated fair value. Declines in the future revenue outlook, cash flows, or other changes in the business, may necessitate future impairments, which could be material. TripCo will continue to monitor Tripadvisor's financial performance, stock price and other events and circumstances that may negatively impact the estimated fair values to determine if future impairment assessments may be necessary.

Tripadvisor's stock price declined in March 2020, which triggered the mandatory prepayment of TripCo's Margin Loan (as defined in note 7 in the accompanying notes to the consolidated financial statements). In order to repay the Margin Loan, TripCo entered into an agreement with Certares LTRIP LLC ("Certares"), with respect to 325,000 shares of TripCo's newly-created 8% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series A Preferred Stock") (see note 10 in the accompanying notes to the consolidated financial statements).

Hotels, Media & Platform Segment

In Tripadvisor's Hotels, Media & Platform segment its strategic objective is to preserve profit and drive increased customer engagement and monetization on the Tripadvisor platform. Tripadvisor seeks to achieve this by delivering consumers compelling products and holistic user experience as well as by offering travel partners a diverse set of advertising opportunities.

For consumers, Tripadvisor tests and implements product enhancements that deliver a more engaging and comprehensive hotel shopping experience. This includes providing rich, immersive content – reviews, photos, videos and ratings, among other contributions – as well as increasing the number of travel partners and properties as well as the available hotel supply on its platform. Tripadvisor believes providing consumers tools to discover, research, price shop and book a comprehensive selection of accommodations, helps increase brand awareness and brand loyalty and, over time, can result in deeper consumer engagement, more qualified leads delivered to travel partners and greater monetization on its platform.

Tripadvisor seeks to monetize its influence through hotel-related product improvements, supply and marketing efforts and customer advertising opportunities. Historically, Tripadvisor has generated a significant amount of hotel shoppers from search engines, such as Google. A hotel shopper is a visitor to Tripadvisor's sites that views either a listing of hotels in a city or a specific hotel page. Tripadvisor's key ongoing objective related to traffic acquisition is to attract or acquire hotel shoppers at or above its desired marketing return on investment targets. Over the long-term, Tripadvisor is focused on driving a greater percentage of its traffic from direct traffic sources, which comes with little to no traffic acquisition costs.

Tripadvisor's business, including the Hotels, Media & Platform segment, has been adversely and materially impacted by the COVID-19 pandemic, which was the primary and material driver of this segment's unfavorable results during the year ended December 31, 2020 as noted in the COVID-19 discussion above. During the third quarter of 2020, Tripadvisor's Hotels, Media & Platform segment demonstrated modest month-over-month performance improvements; however, beginning in the fourth quarter of 2020, governments again, particularly in Europe, began to impose restrictions to mitigate the spread of the virus, which negatively impacted this recent trend, particularly in its European business. In addition, most notably in the pre-COVID time period, Tripadvisor experienced revenue headwinds in its SEO marketing channel, which it believes has been impacted by search engines (primarily Google) increasing the prominence of their own hotel products in search results. Tripadvisor expects this trend may continue.

In Tripadvisor-branded display and platform revenue, Tripadvisor enables travel partners to amplify their brand, generate brand impressions, and potentially drive qualified leads and bookings for their businesses. Historically, Tripadvisor has limited both the type and number of display-based advertising opportunities it makes available to travel partners, particularly on mobile phone, which, in turn, has limited display-based advertising revenue growth. However, Tripadvisor is continuing to work on initiatives to better leverage its audience, content, data, travel influence and platform breadth to open up new media advertising opportunities through a more modern, high-powered advertising suite spanning native, video and programmatic solutions. Tripadvisor intends to broaden its solution to a larger set of advertising travel endemic and non-travel endemic advertising partners, including industries such as airlines and finance.

In addition, Tripadvisor has historically and will continue to focus on initiatives to increase its traffic quality and deepen customer engagement on its platform, including driving membership growth, increasing personalization, and innovating its mobile app experience. Tripadvisor believes improving the user experience on its platform will lead to higher monetization over time. Further, Tripadvisor believes there remains an opportunity to continue to grow its member base, as well as to deepen member engagement by making membership more valued, building communities and leveraging its content to further personalize trip-planning features. As an example, during December 2020, Tripadvisor introduced direct-to-consumer initiatives, which included a beta-launch of an annual subscription-based membership that offers discounts to consumers for hotels and experiences, and also a travel concierge service that connects travelers with a curated community of expert trip designers in local travel destinations.

Experiences & Dining Segment

Tripadvisor's Experiences & Dining offerings contribute to the comprehensive user experience it delivers, which Tripadvisor believes helps to increase awareness of, loyalty to, and engagement with its products, drive more bookings to Experiences & Dining partners and generate greater revenue and increased profitability on its platform. Given the significant market opportunities in these large categories, Tripadvisor expects to continue to invest in building these offerings to drive consumer engagement, bookings and revenue growth for the long-term.

During the year ended December 31, 2020, Tripadvisor's Experiences & Dining segment's financial results were adversely and materially impacted by the COVID-19 pandemic. Restaurants across European markets saw restrictions ease during the second quarter of 2020, which was met with an increase in consumer demand. As a result, in the month of September 2020, TheFork business unit, primarily based in Europe, had largely regained the revenue level of the prior year's comparable period; however, beginning in the fourth quarter of 2020, governments again, particularly in Europe, imposed new restrictions to try to mitigate the resurgence of the virus, which negatively and materially impacted this recent trend. Throughout the pandemic, Tripadvisor has explored new initiatives to delight and engage consumers. For example, Tripadvisor began offering virtual tours to its consumers and beta-launched an annual subscription-based membership, as discussed above, which offers consumers discounts on experience bookings.

In December 2019, TripAdvisor acquired U.K.-based Bookatable, which offers an online restaurant reservation and booking platform. This further strengthened Tripadvisor's position in certain of its existing European markets as well as expands Tripadvisor into new countries for its Dining offering, such as the U.K., Germany, Austria, Finland and Norway. TheFork's online restaurant booking platform, including Bookatable, had approximately 76,000 total bookable restaurants as of December 31, 2020.

Corporate and other

Corporate and other is a combination of the Rentals, Flights & Car, and Cruise businesses. Profits and revenue have declined during the year ended December 31, 2020, primarily due to the COVID-19 pandemic, similar to Tripadvisor's other business units, and to a lesser extent, due to the sale of its SmarterTravel business in the second quarter of 2020. Tripadvisor operates these businesses opportunistically as they complement its overall strategic objectives to deliver more value to consumers and travel partners.

Results of Operations—Consolidated

General. We provide in the tables below information regarding our historical Consolidated Operating Results and Other Income and Expense, as well as information regarding the contribution to those items from our reportable segments.

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Revenue			
Hotels, Media & Platform	$ 361	939	1,001
Experiences & Dining	186	456	372
Corporate and other	57	165	242
Total revenue	604	1,560	1,615
Operating expense, excluding stock-based compensation	230	331	309
SG&A, excluding stock-based compensation	435	799	895
Stock-based compensation	112	131	123
Depreciation and amortization	168	169	160
Restructuring and other related reorganization costs	41	1	—
Impairment of intangible assets	550	288	—
Operating income	(932)	(159)	128
Other income (expense):			
Interest expense	(41)	(22)	(26)
Realized and unrealized gains (losses) on financial instruments, net	(19)	36	(59)
Other, net	(22)	13	5
	(82)	27	(80)
Earnings (loss) before income taxes	(1,014)	(132)	48
Income tax (expense) benefit	152	16	(57)
Net earnings (loss)	$ (862)	(116)	(9)
Adjusted OIBDA	$ (61)	430	416

Revenue. Tripadvisor's Hotels, Media & Platform revenue decreased by $578 million and $62 million for the years ended December 31, 2020 and 2019, respectively, as compared to the corresponding prior year periods. Tripadvisor's Hotels, Media & Platform segment has two revenue sources, as described below: (1) Tripadvisor-branded hotels, which includes Hotel auction and B2B revenue; and (2) Tripadvisor-branded display and platform. The decreases in Hotels, Media & Platform revenue are detailed as follows:

	Years ended December 31,		
	2020	2019	2018
Tripadvisor-branded hotels	$ 292	779	848
Tripadvisor-branded display and platform	69	160	153
Total Hotels, Media & Platform	$ 361	939	1,001

Tripadvisor-branded hotels revenue primarily includes hotel auction revenue, and to a lesser extent, hotel B2B revenue, which includes click-based revenue generated from hotel sponsored placement advertising that enable hotels to enhance their visibility on Tripadvisor hotel pages, and subscription-based advertising services that Tripadvisor offers to travel partners. For the years ended December 31, 2020, 2019 and 2018, 81%, 83% and 85%, respectively, of Tripadvisor's total Hotels, Media & Platform segment revenue was derived from Tripadvisor-branded hotels revenue. Tripadvisor-branded hotels revenue decreased $487 million or 63% during the year ended December 31, 2020 when compared to the same period in 2019. This decrease was primarily driven by reduced consumer demand as a result of COVID-19, concurrent with widespread travel restrictions and service limitations on our travel partners imposed by local and federal governments at various stages during the course of the year in response to the pandemic.

Tripadvisor-branded hotels revenue decreased $69 million or 8% during the year ended December 31, 2019 when compared to the same period in 2018. This decrease was due to factors impacting Tripadvisor's hotel metasearch auction revenue, primarily reduced revenue generated through its SEO marketing channel, which Tripadvisor believes is impacted by search engines (primarily Google) increasing the prominence of their own hotel products in search results. Tripadvisor-branded hotels revenue was also impacted by its progressive optimizations in search engine marketing, or SEM, and other online paid traffic acquisition spend, and to a lesser extent, the general trend of an increasing percentage of hotel shoppers visiting via mobile phones which monetize at a significantly lower rate than hotel shoppers visiting via desktop or tablet. Declines in Tripadvisor-branded hotels was partially offset, to a lesser extent, by growth in hotel sponsored placements revenue.

For the years ended December 31, 2020, 2019, and 2018, 19%, 17%, and 15%, respectively, of Tripadvisor's total Hotels, Media & Platform segment revenue was derived from Tripadvisor-branded display and platform revenue, which consists of revenue from display-based advertising across all its websites. Tripadvisor-branded display and platform revenue decreased $91 million or 57% during the year ended December 31, 2020, when compared to the same period in 2019, primarily driven by a decrease in marketing spend from Tripadvisor's advertisers due to lack of consumer demand resulting from the impact of COVID-19. Tripadvisor-branded display and platform revenue increased $7 million or 5% during the year ended December 31, 2019, when compared to the same period in 2018, primarily due to an increase in pricing, and to a lesser extent, new initiatives launched in the later part of 2019.

For the years ended December 31, 2020, 2019 and 2018, Tripadvisor's Experiences & Dining segment revenue accounted for 31%, 29% and 23%, respectively, of total consolidated revenue. Experiences & Dining segment revenue decreased by $270 million or 59% during the year ended December 31, 2020 when compared to the same period in 2019. Revenue growth in this segment was negatively impacted by a significant reduction in consumer demand as a result of COVID-19, concurrent with many jurisdictions globally adopting laws, rules, regulations or decrees intended to address COVID-19, including implementing various travel restrictions, "shelter in place" or "social distancing" mandates, or restricting access to city centers or popular tourist destinations, restaurants and limiting access to experience offerings in surrounding areas at various stages during the course of the year. Restaurants across many European markets saw restrictions ease during the second quarter of 2020, which was met with an increase in consumer demand. As a result, in the month of September 2020, TheFork business unit had largely regained its revenue level of the prior year's comparable period; however, beginning in the fourth quarter of 2020, governments again, particularly in Europe, began to impose new restrictions to try to mitigate the spread of the virus, which negatively impacted this recent trend. The negative impact of COVID-19 to this segment's revenue was partially offset by incremental revenue of approximately $31 million during the year ended December 31, 2020, related to Tripadvisor's December 2019 acquisitions of Bookatable and SinglePlatform. Experiences & Dining segment revenue increased by $84 million or 23% during the year ended December 31, 2019 when compared to the same period in 2018, primarily driven by growth in both Experiences & Dining bookings, including increased bookings and revenue from Tripadvisor websites, partially offset by adverse changes in foreign currency, which Tripadvisor estimates negatively impacted Experiences & Dining revenue by 4%.

Corporate and other revenue, which includes Rentals revenue, in addition to primarily click-based advertising and display-based advertising revenue from Flights, Cars, and Cruises offerings on Tripadvisor websites, decreased by $108 million or 65% during the year ended December 31, 2020, when compared to the same period in 2019. The decrease was primarily due to decreased consumer demand, similar to Tripadvisor's other businesses, as a result of COVID-19, and subsequent widespread global travel restrictions and service limitations on travel partners imposed by local and federal governments at various stages during the course of the year, and reduced travel partner spend in response to COVID-19 and, to a lesser extent, the sale of Tripadvisor's SmarterTravel business during the second quarter of 2020.

Operating Expense. Operating expense declined $101 million and increased $22 million for the years ended December 31, 2020 and 2019, respectively, compared to the same periods in the prior year. The most significant drivers of operating expense are technology and content costs, which decreased by $62 million during the year ended December 31, 2020 when compared to the same period in 2019, primarily due personnel and overhead costs across Tripadvisor's business as a result of a reduction in headcount driven by cost-reduction measures in response to COVID-19, as well as reductions in personnel costs related to government grants and other assistance benefits received as COVID-19 relief from various governments. Technology and content costs increased $15 million during the year ended December 31, 2019, when compared to the same period in 2018, primarily due to additional headcount in the Experiences & Dining segment to support business growth, partially offset by a decrease of personnel and overhead costs in Corporate and other as a result of strategic personnel re-allocation across the business.

Selling, general and administrative. Selling, general and administrative expense declined $364 million and $96 million for the years ended December 31, 2020 and 2019, respectively, compared to the same periods in the prior year. The most significant driver of selling, general and administrative expense is selling and marketing expenses. These include direct costs, including traffic generation costs from SEM and other online traffic acquisition costs, syndication costs and affiliate marketing commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations. In addition, indirect sales and marketing expense consists of personnel and overhead expenses, including salaries, commissions, benefits, bonuses for sales, sales support, customer support and marketing employees.

Total selling and marketing costs decreased $349 million during the year ended December 31, 2020 when compared to the same period in 2019, primarily due to a decrease in SEM and other online traffic acquisition costs across all segments and businesses and, to a lesser extent, a decrease in television advertising costs in the Hotels, Media & Platform segment, driven by cost reduction measures primarily in response to the financial impact to Tripadvisor and decline in consumer demand caused by COVID-19. In addition, personnel and overhead costs decreased during the year ended December 31, 2020, when compared to the same period in 2019, as a result of a reduction in headcount related to Tripadvisor's cost-reduction measures in response to COVID-19, as well as a reduction in personnel costs related to government grants and other assistance benefits received as COVID-19 relief from various governments.

Total selling and marketing costs decreased $108 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to an overall decrease in SEM and other online traffic acquisition costs, as well as lower television advertising costs, driven by the Hotels, Media & Platform segment and Corporate and other. This decrease was partially offset by an increase in similar marketing expenditures in the Experiences & Dining segment and increased personnel and overhead costs related to additional headcount in the Experiences & Dining segment to support business growth.

Stock-based compensation. Stock based compensation decreased $19 million and increased $8 million for the years ended December 31, 2020 and 2019, respectively, when compared to the same period in the prior year. The decrease in 2020 was due to workforce reductions and the reduction of targeted employee benefits in response to the COVID-19 pandemic, partially offset by a modification that accelerated the vesting schedule of certain awards (see note 12 to the accompanying notes to the consolidated financial statements). The increase in 2019 was due to the continued grants of stock options.

Depreciation and amortization. Depreciation and amortization decreased $1 million during the year ended December 31, 2020 when compared to the same period in 2019, primarily due to the completion of amortization related to certain intangible assets from business acquisitions in previous years, partially offset by increased depreciation related to capitalized software and website development costs.

Depreciation and amortization increased $9 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to incremental amortization for the right-of-use asset related to Tripadvisor's headquarters lease in Needham, Massachusetts (Tripadvisor's "Headquarters Lease") recorded upon adoption of ASC 842 and to a lesser extent increased amortization related to capitalized software and website development costs.

Restructuring and other related reorganization costs. Tripadvisor incurred pre-tax restructuring and other related reorganization costs of $41 million during the year ended December 31, 2020. These costs consist of employee severance and related benefits. In response to COVID-19, and during the second quarter of 2020, Tripadvisor committed to restructuring actions intended to reinforce its financial position, reduce its cost structure, and improve operational efficiencies, resulting in headcount reductions, for which it recognized $32 million in restructuring and other related reorganization costs. In addition, Tripadvisor engaged in a smaller scale restructuring action in the first quarter of 2020 to reduce its cost structure and improve its operational efficiencies, which resulted in headcount reductions for which Tripadvisor recognized $9 million in restructuring and other related reorganization costs.

Impairment of intangible assets. Due to the current and expected impact of COVID-19 on Tripadvisor's operating results, and a sustained decline in Tripadvisor's stock price, impairments of $250 million for trademarks and $297 million for goodwill were recorded during the year ended December 31, 2020. In addition, during the year ended December 31, 2020, Tripadvisor recorded a $3 million impairment of goodwill related to its China business unit. Due to deteriorations in revenue, impairment losses of $288 million were recorded during the year ended December 31, 2019, related to trademarks. The trademarks were related to the Hotels, Media & Platform reporting unit.

Operating Income (Loss). Our consolidated operating income (loss) declined $773 million and $287 million for the years ended December 31, 2020 and 2019, respectively, as compared to the corresponding prior year periods. Operating income was impacted by the above explanations.

Adjusted OIBDA. To provide investors with additional information regarding our financial results, we also disclose Adjusted OIBDA, which is a non-GAAP financial measure. We define Adjusted OIBDA as Operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairment charges. Our chief operating decision maker and management team use this measure of performance in conjunction with other measures to evaluate our business and make decisions about our resources. We believe this is an important indicator of the operational strength and performance of our businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows us to view operating results, perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with U.S. generally accepted accounting principles. The following table provides a reconciliation of Operating income (loss) to Adjusted OIBDA:

	Years ended December 31,		
	2020	**2019**	**2018**
		amounts in millions	
Operating income (loss)	$ (932)	(159)	128
Depreciation and amortization	168	169	160
Stock-based compensation	112	131	123
Impairment of intangible assets	550	288	—
Restructuring and other related reorganization costs	41	1	—
Legal settlement	—	—	5
Adjusted OIBDA	$ (61)	430	416

Adjusted OIBDA is summarized as follows:

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Adjusted OIBDA			
Hotels, Media & Platform	$ 13	378	329
Experiences & Dining	(79)	5	48
Corporate and other	5	47	39
Consolidated TripCo	$ (61)	430	416

Consolidated Adjusted OIBDA decreased $491 million and increased $14 million for the years ended December 31, 2020 and 2019, respectively, as compared to the corresponding prior year periods. Hotels, Media & Platform Adjusted OIBDA decreased $365 million for the year ended December 31, 2020 when compared to the same period in 2019, primarily due to a decrease in revenue, partially offset by reductions in television advertising costs, direct selling and marketing expenses related to SEM, and other online paid traffic acquisition costs in response to a decline in consumer demand related to COVID-19 and, to a lesser extent, a reduction in personnel costs as a result of workforce reductions. Hotels, Media & Platform Adjusted OIBDA increased $49 million for the year ended December 31, 2019 when compared to the same period in 2018, primarily due to reduced direct selling and marketing expenses related to SEM and other online paid traffic acquisition channels, and television advertising, which more than offset the decrease in revenue.

Experiences & Dining Adjusted OIBDA decreased $84 million during the year ended December 31, 2020 when compared to the same period in 2019, primarily due to the decrease in revenue noted above, partially offset by reduced selling and marketing expenses related to SEM and other online paid traffic acquisition costs in response to reduced consumer demand and lack of, or reduced, availability of dine-in restaurants, experiences and tours, at various stages during the course of the year as a result of COVID-19 and, to a lesser extent, decreased direct costs related to credit card payments and other transaction costs directly related to reduced revenue, and a reduction in personnel costs as a result of workforce reductions. Experiences & Dining Adjusted OIBDA decreased $43 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to increased people costs to drive product and supply investments, as well as increased marketing investments to fund long-term growth initiatives, partially offset by an increase in revenue, as noted above.

Corporate and other Adjusted OIBDA decreased $42 million and increased $8 million during the years ended December 31, 2020 and 2019, when compared to the same periods in 2019 and 2018, respectively. The decrease in 2020 was primarily due to the decrease in revenue, partially offset by a reduction in selling and marketing expenses related to SEM and other online paid traffic acquisition costs in response to a decline in consumer demand related to COVID-19, a reduction in personnel costs as a result of workforce reductions and, to a lesser extent, the sale of Tripadvisor's SmarterTravel business during the second quarter of 2020. The increase in 2019 was primarily due to reduced costs related to marketing and operational re-alignments, primarily offset by a decrease in revenue, as described above.Corporate and other Adjusted OIBDA also includes $9 million, $8 million and $5 million of TripCo level selling, general and administrative expenses for the years ended December 31, 2020, 2019 and 2018, respectively.

Other Income and Expense

Components of Other Income (Expense) are presented in the table below.

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Interest expense			
Tripadvisor	$ (35)	(7)	(12)
Corporate and other	(6)	(15)	(14)
Consolidated TripCo	$ (41)	(22)	(26)
Realized and unrealized gains (losses) on financial instruments, net			
Tripadvisor	$ 1	1	(3)
Corporate and other	(20)	35	(56)
Consolidated TripCo	$ (19)	36	(59)
Other, net			
Tripadvisor	$ (17)	13	5
Corporate and other	(5)	—	—
Consolidated TripCo	$ (22)	13	5

Interest expense. Interest expense increased $19 million during the year ended December 31, 2020, when compared to the same period in 2019, primarily due to the issuance of Tripadvisor's Senior Notes in July 2020 and higher average outstanding borrowings from its 2015 Credit Facility during 2020, partially offset by the repayment of the TripCo Margin Loan during the first quarter of 2020. Interest expense decreased $4 million during the year ended December 31, 2019, when compared to the same period in 2018, primarily due to lower finance costs related to Tripadvisor's Headquarters Lease under ASC 842 and no outstanding borrowings on Tripadvisor's 2015 Credit Facility. These decreases at Tripadvisor were partially offset by increased corporate interest expense due to higher outstanding borrowings under the Margin Loan agreement entered into by TripCo's bankruptcy remote wholly-owned subsidiary for the year ended December 31, 2019.

Realized and unrealized gains (losses) on financial instruments, net. Realized and unrealized gains (losses) on financial instruments, net for the year ended December 31, 2020 is primarily comprised of the change in the fair value of the variable prepaid forward (as described in notes 5 and 7 in the accompanying consolidated financial statements). Realized and unrealized gains (losses) on financial instruments, net for the years ended December 31, 2019 and December 31, 2018 was primarily comprised of the change in the fair value of the variable postpaid forward. TripCo unwound the variable postpaid forward during the fourth quarter of 2019.

Other, net. The primary components of other, net are income and interest earned on money market funds and marketable securities offset by net foreign exchange losses. Other, net income decreased $35 million for the year ended December 31, 2020, when compared to the same period in 2019, primarily due to the loss on the sale of certain Tripadvisor businesses, less interest income at Tripadvisor compared to the prior year, and a loss on the early extinguishment of debt due to the mandatory prepayment of the TripCo Margin Loan during the three months ended March 31, 2020, partially offset by gains on foreign currency exchange compared to losses in the prior year. Other, net income increased $8 million for the year ended December 31, 2019, when compared to the same period in 2018, primarily due to an increase in interest income earned from Tripadvisor's money market funds and other investments due to increased average interest rates and increased average invested funds during 2019.

Income taxes. The Company had income tax benefits of $152 million, income tax benefits of $16 million, and income tax expenses of $57 million for the years ended December 31, 2020, 2019 and 2018, respectively.

During 2020, the Company recognized additional tax expense related to the impairment of goodwill that is not deductible for tax purposes.

During 2019, the Company recognized additional tax expense for changes in unrecognized tax benefits and dividends from Tripadvisor not recognized for book purposes, net of a dividends received deduction. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% United States ("U.S.") federal tax rate and federal income tax credits.

During 2018, the Company recognized additional tax expense related to the recognition of deferred tax liabilities for basis differences in the stock of a consolidated subsidiary and changes in unrecognized tax benefits. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate.

Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders. We had net losses attributable to Liberty TripAdvisor Holdings, Inc. shareholders of $238 million, $22 million and $64 million for the years ended December 31, 2020, 2019 and 2018, respectively. The changes in net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders were the result of the above-described fluctuations in our revenue, expenses and other gains and losses.

Liquidity and Capital Resources

As of December 31, 2020, substantially all of our cash and cash equivalents consist of cash on hand in global financial institutions, money market funds and marketable securities, with maturities of 90 days or less at the date purchased.

The following are potential sources of liquidity: available cash balances, proceeds from asset sales, monetization of our investments, outstanding or anticipated debt facilities, debt and equity issuances, and dividend and interest receipts.

As of December 31, 2020, TripCo had a cash balance of $423 million. Approximately $418 million of the cash balance is held at Tripadvisor. Although TripCo has a 58% voting interest in Tripadvisor, Tripadvisor is a separate public company with a significant non-controlling interest, as TripCo has only a 23% economic interest in Tripadvisor. Even though TripCo controls Tripadvisor through its voting interest and board representation, decision making with respect to using Tripadvisor's cash balances must consider Tripadvisor's minority holders. Accordingly, any potential distributions of cash from Tripadvisor to TripCo would generally be on a pro rata basis based on economic ownership interests. Covenants in Tripadvisor's debt instruments also restrict the payment of dividends and cash distributions to stockholders. See note 7 in the accompanying consolidated financial statements.

As of December 31, 2020, approximately $91 million of TripCo cash and cash equivalents is held by Tripadvisor foreign subsidiaries, of which approximately 30% was located in the U.K., with the majority of Tripadvisor's international cash denominated in U.S. dollars, Euros, and, to a lesser extent, British pounds, Australian dollars and other currencies. As of December 31, 2020, Tripadvisor had $494 million of cumulative undistributed earnings in foreign subsidiaries. As a result of the Tax Cuts and Jobs Act of 2017 (the "Tax Act"), foreign earnings may now generally be repatriated back to the U.S. without incurring U.S. federal income tax. As of December 31, 2020, $376 million of Tripadvisor's cumulative undistributed foreign earnings were no longer considered to be indefinitely reinvested. See note 9 in the accompanying consolidated financial statements for additional information.

As of December 31, 2020, Tripadvisor was party to a credit agreement with a group of lenders, initially entered in June 2015 (as amended, the "Credit Agreement"), which, among other things, provides for a $500 million revolving credit facility (the "2015 Credit Facility") with a maturity date of May 12, 2024.

The 2015 Credit Facility requires Tripadvisor to maintain a maximum leverage ratio and contains certain customary affirmative covenants and events of default, including a change of control. Borrowings under the 2015 Credit Facility generally bear interest, at Tripadvisor's option, at a rate per annum equal to either (i) the Eurocurrency Borrowing rate, or the adjusted LIBO rate for the interest period in effect for such borrowing; plus an applicable margin ranging from 1.25% to 2.00% ("Eurocurrency Spread"), based on the Company's leverage ratio; or (ii) the Alternate Base Rate ("ABR") Borrowing, which is the greatest of (a) the Prime Rate in effect on such day, (b) the New York Fed Bank Rate in effect on such day plus 1/2 of 1.00% per annum and (c) the Adjusted LIBO Rate (or LIBO rate multiplied by the Statutory Reserve

Rate) for an interest period of one month plus 1.00%; in addition to an applicable margin ranging from 0.25% to 1.00% (“ABR Spread”), based on the Tripadvisor’s leverage ratio.

However, in May 2020, Tripadvisor amended the 2015 Credit Facility to, among other things, suspend the leverage ratio covenant on this facility beginning in the second quarter of 2020 and ending prior to September 30, 2021 or such earlier date as elected by Tripadvisor, and add a minimum liquidity covenant to be applicable during the Leverage Covenant Holiday, secure the obligations under the agreement, as well as downsize the capacity of the facility to $1.0 billion from $1.2 billion. In December 2020, Tripadvisor again amended the 2015 Credit Facility to, among other things, continue the suspension of the requirement for quarterly testing of compliance with the leverage ratio covenant until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed $200 million, and (b) the election of Tripadvisor. Tripadvisor also downsized the facility’s borrowing capacity to $500 million from $1.0 billion and extended the maturity date of the facility from May 12, 2022 to May 12, 2024. These amendments also limit Tripadvisor from making certain payments and distributions, including share repurchases and dividends during the Leverage Covenant Holiday. During the Leverage Covenant Holiday, any future borrowings under the 2015 Credit Facility will bear interest at LIBOR plus a 2.25% margin with a LIBOR floor of 1% per annum. Tripadvisor is also required to pay a quarterly commitment fee, at an applicable rate of 0.5%, on the daily unused portion of the revolving credit facility for each fiscal quarter during the Leverage Covenant Holiday.

As of December 31, 2020 and December 31, 2019, Tripadvisor was in compliance with its covenants under the 2015 Credit Facility. While there can be no assurance that Tripadvisor will be able to meet the leverage ratio covenant after the Leverage Covenant Holiday expires, based on current projections, Tripadvisor does not believe there is a material risk it will not remain in compliance throughout the next twelve months.

During the first quarter of 2020, Tripadvisor borrowed $700 million under the 2015 Credit Facility. These funds were drawn down as a precautionary measure to reinforce Tripadvisor’s liquidity position and preserve financial flexibility in light of uncertainty in the global markets resulting from the COVID-19 pandemic. Tripadvisor repaid these borrowings in full during the three months ended September 30, 2020.

In July 2020, Tripadvisor completed the sale of $500 million in Senior Notes. The Senior Notes provide, among other things, that interest will be payable on the Senior Notes on January 15 and July 15 of each year, beginning on January 15, 2021, at an interest rate of 7.000% per annum, until their maturity date of July 15, 2025. In July 2020, Tripadvisor used the net proceeds from the Senior Notes, or $490 million, net of approximately $10 million in deferred financing costs, to repay a portion of its outstanding borrowings under the 2015 Credit Facility. The Senior Notes are senior unsecured obligations of Tripadvisor and are guaranteed on a senior unsecured basis by certain domestic subsidiaries. The Senior Notes are not a registered security and there are no plans to register Tripadvisor’s Senior Notes as a security in the future. As a result, Rule 3-10 of Regulation S-X promulgated by the SEC is not applicable and no separate financial statements are required for the guarantor subsidiaries.

On November 1, 2019, Tripadvisor’s Board of Directors declared a special cash dividend of $3.50 per share, or approximately $488 million in the aggregate. The dividend was payable on December 4, 2019 to stockholders of record on November 20, 2019. TripCo received approximately $108 million based on our ownership in Tripadvisor. Tripadvisor funded this special cash dividend with available cash primarily from the U.S. and to a lesser extent from a foreign subsidiary, with no material related income tax impacts.

Historically, Tripadvisor’s operating cash flows have been sufficient to fund its working capital requirements, capital expenditures and long term debt obligations and other financial commitments and are expected to be sufficient in future periods.

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Cash flow information			
Tripadvisor cash provided (used) by operating activities	$ (194)	424	405
Corporate and other cash provided (used) by operating activities	(21)	(33)	(5)
Net cash provided (used) by operating activities	$ (215)	391	400
Tripadvisor cash provided (used) by investing activities	$ (56)	(176)	(49)
Corporate and other cash provided (used) by investing activities	—	—	—
Net cash provided (used) by investing activities	$ (56)	(176)	(49)
Tripadvisor cash provided (used) by financing activities	$ 341	(580)	(358)
Corporate and other cash provided (used) by financing activities	4	38	—
Net cash provided (used) by financing activities	$ 345	(542)	(358)

During the year ended December 31, 2020, TripCo's primary uses of cash were repayments of debt of $1,052 million, which includes repayment of the principal amount of the Margin Loan of $352 million, repurchases of Tripadvisor common stock of $115 million, capital expenditures of $55 million and payment of withholding taxes on net share settlements on equity awards of $21 million. These uses of cash were funded primarily with borrowings of debt of $1,240 million and the issuance of redeemable preferred stock of $325 million (see note 7 and note 10 to the accompanying consolidated financial statements).

During the year ended December 31, 2019, TripCo's primary uses of cash were dividends paid by Tripadvisor to noncontrolling interests of $380 million, debt repayments of $359 million, including $259 million in principal payments on the VPF and $100 million in principal payments on the original margin loans, purchases of marketable securities of $133 million, acquisitions, net of cash acquired of $108 million, capital expenditures of $83 million, share repurchases of $60 million and payment of withholding taxes on net share settlements on equity awards of $29 million. These uses of cash were funded primarily with cash provided by operations, borrowings of debt of $235 million, proceeds from sales and maturities of marketable securities of $150 million and derivative proceeds from counterparties of $71 million.

During the year ended December 31, 2018, TripCo's primary use of cash was net debt repayments of $238 million. This use of cash was funded primarily with available cash, cash provided by operations and approximately $64 million in sales and maturities of short term investments and other marketable securities. These uses of cash were funded primarily with cash provided by operations, proceeds from sales and maturities of short term investments and other marketable securities and borrowings of debt.

The projected use of TripCo's corporate cash will primarily be to pay fees (not expected to exceed $4 million annually) to Liberty Media for providing certain services pursuant to the services agreement and the facilities sharing agreement, payment of dividends on the Series A Preferred Stock (unless added to the liquidation preference or paid in shares of Series A common stock of TripCo), and to pay any other corporate level expenses.

Tripadvisor believes that its available cash and cash equivalents will be sufficient to fund Tripadvisor's foreseeable working capital requirements, capital expenditures, existing business growth initiatives, debt obligations, lease commitments and other financial commitments through at least the next twelve months. Tripadvisor's future capital requirements may also include capital needs for acquisitions, and/or other expenditures in support of its business strategy, and may potentially reduce Tripadvisor's cash balance and/or increase its borrowings under its 2015 Credit Facility or other borrowings. In addition, Tripadvisor's capital requirements may increase due to the impact of the COVID-19 pandemic which has already resulted in reduced revenue and operating cash flows for Tripadvisor, and the extent and duration to which it may continue to impact Tripadvisor's business is unclear. Given the uncertainty in the rapidly changing market and economic conditions related to the COVID-19 pandemic, Tripadvisor will continue to evaluate the nature and extent of the impact to its liquidity and capital requirements, and therefore its capital structure.

On February 18, 2021 the Company entered into a $25 million Senior Secured Revolving Credit Facility (the “Credit Facility”). The Credit Facility matures on the earliest of (i) February 18, 2024, (ii) if the holders of Series A Preferred Stock exercise their put rights (see note 10 to the accompanying consolidated financial statements), the earlier of (a) the date that is 120 days from the date the holders of Series A Preferred Stock exercise their put rights or (b) the date the shares of Series A Preferred Stock are redeemed and (iii) 15 days following the consummation of certain change of control transactions. The Credit Facility will bear interest at LIBOR plus 3.00%. The Credit Facility will be drawn on primarily to cover corporate general and administrative expenses.

As a result of the COVID-19 pandemic, Tripadvisor’s stock price fell sharply in March 2020, which triggered the mandatory prepayments of TripCo’s Margin Loan. In order to repay the Margin Loan, TripCo entered into an agreement with Certares, with respect to 325,000 shares of TripCo’s newly-created Series A Preferred Stock. As discussed in note 10 to the accompanying consolidated financial statements, following March 26, 2021, Certares will have certain put rights to require us to repurchase all of the outstanding shares of Preferred Stock at the Redemption Price for, at our election, cash, shares of Tripadvisor common stock, shares of our Series A or Series C common stock, provided that shares of our Series A or Series Common stock, as the case may be, are listed on a national securities exchange and are actively traded, or any combination of the foregoing, subject to certain limitations. Certares may exercise its put right by delivering notice to us within a certain number of days following our filing of our periodic reports with the SEC, and we will have 180 days from the delivery of such notice to redeem the outstanding Preferred Stock. If we determine not to redeem the Preferred Stock within that 180-day period, we may facilitate the sale of Certares’ Preferred Stock and, if necessary, make Certares whole for any shortfall from the redemption price.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

We have contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business including potential tax obligations associated with certain transactions following the formation of TripCo. Although it is reasonably possible we may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

Information concerning the amount and timing of required payments, both accrued and off-balance sheet, under our contractual obligations, excluding uncertain tax positions as it is undeterminable when payments will be made, is summarized below.

	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
	Payments due by period				
	amounts in millions				
Consolidated contractual obligations					
Finance and operating lease obligations (1)	$ 168	35	54	31	48
Long-term debt (2)	$ 542	—	42	500	—
Expected interest payments on Senior Notes (3)	$ 161	35	71	55	—
Series A Preferred Stock (4)	$ 472	—	—	472	—
Other obligations (5)	$ 31	11	14	5	1
Total	$ 1,374	81	181	1,063	49

(1) Estimated future lease payments for Tripadvisor's Headquarters Lease in Needham, Massachusetts and operating leases, primarily for office space, with non-cancelable lease terms. See note 8 in the accompanying consolidated financial statements for further information.

(2) Amounts (i) are stated at the face amount at maturity of our debt instruments, (ii) do not assume additional borrowings or refinancings of existing debt and (iii) assume interest rates remain at the December 31, 2020 rates.

(3) Expected interest payments on Tripadvisor's Senior Notes are based on a fixed interest rate of 7.0% as of December 31, 2020.

(4) This amount represents the redemption value of the Series A Preferred Stock at December 31, 2020 and assumes that the Series A Preferred Stock will not be redeemed prior to the mandatory redemption date on March 26, 2025.

(5) Includes purchase obligations, expected commitment fee payments on the Tripadvisor 2015 Credit Facility (as defined in note 7 in the accompanying consolidated financial statements) and long term income taxes payable.

Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Listed below are the accounting estimates that we believe are critical to our financial statements due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported.

Recognition and Recoverability of Goodwill, Intangible and Long-lived Assets

We account for acquired businesses using the acquisition method of accounting which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill. We test goodwill for impairment at the reporting unit level (operating segment or one level below an operating segment). Goodwill is allocated to our reporting units at the date the goodwill is initially recorded. Once goodwill has been allocated to the reporting units, it no longer retains its identification with a particular acquisition and becomes identified with the reporting unit in its entirety. Accordingly, the fair value of the reporting unit as a whole is available to support the recoverability of its goodwill.

Our non-financial instrument valuations are primarily comprised of our annual assessment of the recoverability of our goodwill and other nonamortizable intangibles, such as trademarks and our evaluation of the recoverability of our other long-lived assets upon certain triggering events and the initial recognition of such assets through the application of the purchase accounting method. If the carrying value of our definite lived intangible assets and long-lived assets exceeds their undiscounted cash flows, we are required to write the carrying value down to fair value. Any such writedown is included in impairment of long-lived assets in our consolidated statement of operations. A high degree of judgment is required to estimate the fair value of our long-lived assets. We may use quoted market prices, prices for similar assets, present value techniques and other valuation techniques to prepare these estimates. We may need to make estimates of future cash flows and discount rates as well as other assumptions in order to implement these valuation techniques. Due to the high degree of judgment involved in our estimation techniques, any value ultimately derived from our long-lived assets may differ from our estimate of fair value.

During the first quarter of 2019, the composition of our reportable segments was revised. As a result of the change in reporting units, we assessed the recoverability of our goodwill and concluded the estimated fair values were in excess of the carrying values for these reporting units. Therefore, no indications of impairment were identified as a result of these changes in the first quarter of 2019.

As of December 31, 2020, the intangible assets not subject to amortization for each of our significant reportable segments was as follows:

	Goodwill	Trademarks	Total
		amounts in millions	
Hotels, Media & Platform	$ 1,650	732	2,382
Experiences & Dining	362	—	362
Corporate and other	228	—	228
	$ 2,240	732	2,972

We perform our annual assessment of the recoverability of our goodwill and other non-amortizable intangible assets during the fourth quarter, or more frequently, if events and circumstances indicate impairment may have occurred. The accounting guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the quantitative goodwill impairment test. The accounting guidance also allows entities the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period. In evaluating goodwill on a qualitative basis, the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it is more likely than not that an indicated impairment exists for any of our reporting units. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis, the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current and prior year for other purposes. If, based on the qualitative analysis, it is more likely than not that an impairment exists, the Company performs the quantitative impairment test.

During the second quarter of 2020, due to the current and expected impact of COVID-19 on Tripadvisor's operating results, and a sustained decline in Tripadvisor's stock price, impairments of $250 million of trademarks and $279 million of goodwill were recorded, respectively, related to the Hotels, Media & Platform reporting unit. The fair value of the trademarks was determined using the relief from royalty method. The fair value of the reporting unit was determined using a combination of market multiples (market approach) and discounted cash flow (income approach) calculations (Level 3).

Based on the quantitative assessment performed during the second quarter of 2020 and the resulting impairment losses recorded, the estimated fair values of the trademark and Hotels, Media & Platform reporting unit approximate their respective carrying values. Additionally, due to the COVID-19 environment and our inability to predict the expected duration and ultimate severity of the impact of COVID-19, the Company believes its reporting units and trademark are at an elevated risk of impairment in future periods. TripCo will continue to monitor Tripadvisor's financial performance, stock price and other events and circumstances that may negatively impact the estimated fair values to determine if future impairment assessments may be necessary.

During the fourth quarter of 2019, we elected to bypass a qualitative assessment and proceed directly to performing a quantitative impairment test for our trademarks. The fair value of our indefinite-lived trademarks was determined using the relief from royalty method. Due to deteriorating revenue, an impairment loss of $288 million was recorded during the year ended December 31, 2019 related to trademarks, related to the hotels, media & platform reporting unit.

Following the trademark impairment, also during the fourth quarter of 2019, we performed qualitative assessments for our reporting units and performed quantitative assessments for our Rentals and China reporting units and concluded it was not more likely than not that an impairment existed.

Income Taxes

We are required to estimate the amount of tax payable or refundable for the current year and the deferred income tax liabilities and assets for the future tax consequences of events that have been reflected in our financial statements or tax returns for each taxing jurisdiction in which we operate. This process requires our management to make judgments regarding the timing and probability of the ultimate tax impact of the various agreements and transactions that we enter into. Based on these judgments we may record tax reserves or adjustments to valuation allowances on deferred tax assets to reflect the expected realizability of future tax benefits. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdictions in which we operate, our inability to generate sufficient future taxable income or unpredicted results from the final determination of each year's liability by taxing authorities. These changes could have a significant impact on our financial position.

Additionally, Tripadvisor records liabilities to address uncertain tax positions taken in previously filed tax returns or that are expected to be taken in a future tax return. The determination for required liabilities is based upon an analysis of each individual tax position, taking into consideration whether it is more likely than not that the tax position, based on its technical merits, will be sustained upon examination. For those positions for which a conclusion is reached that it is more likely than not it will be sustained, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the taxing authority is recognized. The difference between the amount recognized and the total tax position is recorded as a liability. The ultimate resolution of these tax positions may be greater or less than the liabilities recorded.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risk in the normal course of business due to our ongoing investment and financial activities and the conduct of operations by Tripadvisor in different foreign countries. Market risk refers to the risk of loss arising from adverse changes in stock prices, interest rates and foreign currency exchange rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks.

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include investments in fixed and floating rate debt instruments and borrowings used to maintain liquidity and to fund business operations. The nature and amount of our long-term and short-term debt are expected to vary as a result of future requirements, market conditions and other factors. We expect to manage our exposure to interest rates by maintaining what we believe is an appropriate mix of fixed and variable rate debt. We believe this best protects us from interest rate risk. We expect to achieve this mix by (i) issuing fixed rate debt that we believe has a low stated interest rate and significant term to maturity, (ii) issuing variable rate debt with appropriate maturities and interest rates and (iii) entering into interest rate swap arrangements when we deem appropriate. As of December 31, 2020, our debt is comprised of the following amounts:

	Variable rate debt		Fixed rate debt	
	Principal amount	Weighted avg interest rate	Principal Amount	Weighted avg interest rate
	amounts in millions			
Tripadvisor	$ —	N/A	500	7.0%
TripCo debt	$ —	N/A	41	1.5%

TripCo is exposed to foreign exchange rate fluctuations related primarily to the monetary assets and liabilities and the financial results of Tripadvisor's foreign subsidiaries. Assets and liabilities of foreign subsidiaries for which the functional currency is the local currency are translated into U.S. dollars at period-end exchange rates, and the statements of operations are generally translated at the average exchange rate for the period. Exchange rate fluctuations on translating foreign currency financial statements into U.S. dollars that result in unrealized gains or losses are referred to as translation adjustments. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of stockholders' equity. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses, which are reflected in income as unrealized (based on period-end translations) or realized upon settlement of the transactions. Cash flows from our operations in foreign countries are translated at the average rate for the period. Accordingly, TripCo may experience economic loss and a negative impact on earnings and equity with respect to our holdings solely as a result of foreign currency exchange rate fluctuations.

Item 8. Financial Statements and Supplementary Data.

The consolidated financial statements of Liberty TripAdvisor Holdings, Inc. are filed under this Item, beginning on Page II-28. The financial statement schedules required by Regulation S-X are filed under Item 15 of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

In accordance with Exchange Act Rules 13a-15 and 15d-15, the Company carried out an evaluation, under the supervision and with the participation of management, including its chief executive officer and its principal accounting and financial officer (the "Executives"), of the effectiveness of its disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Executives concluded that the Company's disclosure controls and procedures were effective as of December 31, 2020 to provide reasonable assurance that information required to be disclosed in its reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

See page II-23 for Management’s Report on Internal Control Over Financial Reporting.

See page II-24 for *Report of Independent Registered Public Accounting Firm* for their attestation regarding our internal control over financial reporting.

There has been no change in the Company's internal control over financial reporting that occurred during the three months ended December 31, 2020 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

Item 9B. Other Information.

None.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Liberty TripAdvisor Holdings, Inc.'s (the "Company") management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934, as amended. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

The Company's management assessed the effectiveness of internal control over financial reporting as of December 31, 2020, using the criteria in *Internal Control-Integrated Framework (2013),* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation the Company's management believes that, as of December 31, 2020, its internal control over financial reporting is effective.

The Company's independent registered public accounting firm that audited the consolidated financial statements and related notes in the Annual Report on Form 10-K has issued an audit report on the effectiveness of the Company's internal control over financial reporting. This report appears on page II-24 of this Annual Report on Form 10-K.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty TripAdvisor Holdings, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Liberty TripAdvisor Holdings, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements), and our report dated February 19, 2021 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Denver, Colorado
February 19, 2021

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty TripAdvisor Holdings, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Liberty TripAdvisor Holdings, Inc. and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 19, 2021 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Sufficiency of audit evidence over revenue

As discussed in note 2 to the consolidated financial statements, and disclosed in the consolidated statements of operations, the Company had $604 million in revenue for the year ended December 31, 2020, of which $292 million was hotels related, $69 million was display and platform related, $186 million related to experiences and dining and $57 million of other revenue. Each of these categories of revenue has multiple revenue streams and the Company's processes and information technology (IT) systems differ between each revenue stream.

We identified the evaluation of sufficiency of audit evidence over revenue as a critical audit matter. This matter required especially subjective auditor judgment due to the number of revenue streams and the related IT applications utilized throughout the revenue recognition processes. Subjective auditor judgment was required to evaluate that relevant revenue data was captured and aggregated throughout these various IT applications. This matter also included determining the revenue streams over which procedures would be performed and evaluating the nature and extent of evidence obtained over each revenue stream, both of which included the involvement of IT professionals with specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over revenue. For each revenue stream where procedures were performed:

- We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to accurate recording of amounts.
- For certain revenue streams, we assessed the recorded revenue by selecting a sample of transactions and compared the amounts recognized for consistency with underlying documentation, including evidence of contracts with customers.
- For certain revenue streams, we assessed the recorded revenue by comparing the total cash received during the year to the revenue recognized, including evaluating the relevance and reliability of the inputs to the assessment.

We involved IT professionals with specialized skills and knowledge, who assisted in:

- Testing certain IT applications used by the Company in its revenue recognition processes.
- Testing the transfer of relevant revenue data between certain systems used in the revenue recognition processes.

We evaluated the sufficiency of audit evidence obtained by assessing the results of procedures performed.

Impairment of trademark and goodwill

As discussed in notes 2 and 6 to the consolidated financial statements, the trademark balance as of December 31, 2020 was $732 million, all of which relates to Tripadvisor. Additionally, the Company’s goodwill balance as of December 31, 2020 was $2,240 million, all of which relates to Tripadvisor. The Company performs trademark and goodwill impairment assessments on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a trademark more likely than not exceeds its fair value or the carrying value of a reporting unit more likely than not exceeds its fair value. Due to the current and expected impact of COVID-19 and sustained decline in the Tripadvisor stock price, the Company performed a quantitative impairment assessment of the Tripadvisor trademark and reporting units during the second quarter. As a result of the second quarter impairment assessments, the Company recorded an impairment of the Tripadvisor trademark of $250 million and impairment of the goodwill of $279 million, related to the Hotels, Media & Platform (HM&P) reporting unit.

We identified the evaluation of the Company’s second quarter impairment assessments of the Tripadvisor trademark and goodwill of the Tripadvisor HM&P, Flights & Cars, and Cruises reporting units as a critical audit matter. There was a high degree of subjective auditor judgment in applying and evaluating the results of our audit procedures over the discounted cash flow model used to calculate the fair values of the trademark and the HM&P, Flights & Cars, and Cruises reporting units. Specifically, the forecasted revenue, EBITDA margin, and discount rate assumptions (the key assumptions), which were used to calculate the estimated fair values, involved a higher degree of subjectivity. In addition, these fair values were challenging to test due to the sensitivity of the fair value determinations to potential changes in these assumptions.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to the Company's trademark and goodwill impairment assessment process, including controls related to the determination of the estimated fair value of the trademark and the HM&P, Flights & Cars, and Cruises reporting units and the development of the key assumptions noted above. We evaluated the Company's forecasted revenue and EBITDA margins used for the fair value assessment by comparing them to historical actual results, analysts' forecasted growth rates for the Company, forecasted growth rates in comparable industries, and peer companies' forecasted growth rates. We compared the Company's historical revenue and EBITDA margin forecasts to actual results to assess the Company's ability to accurately forecast. Additionally, we compared management's expected impact of COVID-19 on forecasted revenue and EBITDA margins to publicly available information. We assessed the reasonableness of the discount rate in light of the potential impacts of COVID-19 on the forecasted revenue and EBITDA margins by performing sensitivity analyses. Further, we involved valuation professionals with specialized skill and knowledge, who assisted in evaluating the Company's discount rates by comparing them to discount rate ranges that were independently developed using publicly available market data for comparable entities.

/s/ KPMG LLP

We have served as the Company's auditor since 2014.

Denver, Colorado
February 19, 2021

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Balance Sheets

December 31, 2020 and 2019

	2020	2019
	amounts in millions	
Assets		
Current assets:		
Cash and cash equivalents	$ 423	341
Accounts receivable and contract assets, net of allowance for doubtful accounts of $33 million and $25 million, respectively	83	183
Income taxes receivable (note 9)	50	4
Other current assets	23	29
Total current assets	579	557
Property and equipment, at cost	255	254
Accumulated depreciation	(123)	(99)
	132	155
Intangible assets not subject to amortization (note 6):		
Goodwill	2,240	2,527
Trademarks	732	980
	2,972	3,507
Intangible assets subject to amortization, net (note 6)	202	277
Other assets, at cost, net of accumulated amortization	201	230
Total assets	$ 4,086	4,726

(continued)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Balance Sheets (Continued)

December 31, 2020 and 2019

	2020	2019
	amounts in millions	
Liabilities and Equity		
Current liabilities:		
Deferred merchant and other payables	$ 54	170
Deferred revenue	28	62
Accrued liabilities and other current liabilities	160	205
Total current liabilities	242	437
Long-term debt (note 7)	532	353
Deferred income tax liabilities (note 9)	180	254
Other liabilities	353	381
Total liabilities	1,307	1,425
Redeemable preferred stock, $.01 par value. Authorized shares 50,000,000; issued and outstanding 325,000 shares at December 31, 2020 and 0 at December 31, 2019 (note 10)	472	—
Equity		
Series A common stock, $.01 par value. Authorized 200,000,000 shares; issued and outstanding 72,227,256 at December 31, 2020 and 72,152,848 at December 31, 2019	1	1
Series B common stock, $.01 par value. Authorized 7,500,000 shares; issued and outstanding 2,973,665 at December 31, 2020 and 2,929,401 at December 31, 2019	—	—
Series C common stock, $.01 par value. Authorized 200,000,000 shares; no shares issued	—	—
Additional paid-in capital	257	237
Accumulated other comprehensive earnings (loss), net of taxes	(23)	(29)
Retained earnings (deficit)	(278)	111
Total stockholders' equity	(43)	320
Noncontrolling interests in equity of subsidiaries	2,350	2,981
Total equity	2,307	3,301
Commitments and contingencies (note 14)		
Total liabilities and equity	$ 4,086	4,726

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Operations

Years ended December 31, 2020, 2019 and 2018

	2020		2019	2018
	amounts in millions, except per share amounts			
Total revenue, net		604	1,560	1,615
Operating costs and expenses:				
Operating expense, including stock-based compensation (note 2 and 12)		275	387	361
Selling, general and administrative, including stock-based compensation (note 2 and 12)		502	874	966
Depreciation and amortization		168	169	160
Restructuring and other related reorganization costs		41	1	—
Impairment of intangible assets (note 6)		550	288	—
		1,536	1,719	1,487
Operating income (loss)		(932)	(159)	128
Other income (expense):				
Interest expense		(41)	(22)	(26)
Realized and unrealized gains (losses) on financial instruments, net		(19)	36	(59)
Other, net		(22)	13	5
		(82)	27	(80)
Earnings (loss) before income taxes		(1,014)	(132)	48
Income tax (expense) benefit (note 9)		152	16	(57)
Net earnings (loss)		(862)	(116)	(9)
Less net earnings (loss) attributable to the noncontrolling interests		(624)	(94)	55
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$	(238)	(22)	(64)
Net earnings (loss) available to common shareholders (note 2)	$	(388)	(22)	(64)
Basic net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 2):	$	(5.17)	(0.29)	(0.86)
Diluted net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 2):	$	(5.17)	(0.29)	(0.86)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Comprehensive Earnings (Loss)

Years ended December 31, 2020, 2019 and 2018

	2020	2019	2018
	amounts in millions		
Net earnings (loss)	$ (862)	(116)	(9)
Other comprehensive earnings (loss), net of taxes:			
Foreign currency translation adjustments	27	5	(28)
Reclassification adjustments included in net income (loss)	1	(2)	—
Other comprehensive earnings (loss)	28	3	(28)
Comprehensive earnings (loss)	(834)	(113)	(37)
Less comprehensive earnings (loss) attributable to the noncontrolling interests	(602)	(91)	33
Comprehensive earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$ (232)	(22)	(70)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Cash Flows

Years ended December 31, 2020, 2019 and 2018

	2020	2019	2018
	amounts in millions		
Cash flows from operating activities:			
Net earnings (loss)	$ (862)	(116)	(9)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Depreciation and amortization	168	169	160
Stock-based compensation	112	131	123
Impairment of intangible assets (note 6)	550	288	—
Realized and unrealized (gains) losses on financial instruments, net	19	(36)	59
Deferred income tax expense (benefit)	(73)	(79)	(8)
Other charges (credits), net	21	(18)	10
Changes in operating assets and liabilities			
Current and other assets	74	52	38
Payables and other liabilities	(224)	—	27
Net cash provided (used) by operating activities	(215)	391	400
Cash flows from investing activities:			
Capital expended for property and equipment, including internal-use software and website development	(55)	(83)	(61)
Acquisitions, net of cash acquired (note 3)	(4)	(108)	(24)
Purchases of short term investments and other marketable securities	—	(133)	(16)
Sales and maturities of short term investments and other marketable securities	—	150	64
Other investing activities, net	3	(2)	(12)
Net cash provided (used) by investing activities	(56)	(176)	(49)
Cash flows from financing activities:			
Borrowings of debt	1,240	235	7
Repayments of debt	(1,052)	(359)	(245)
Cash dividend paid by Tripadvisor to noncontrolling interests (note 11)	—	(380)	—
Shares repurchased by subsidiary (note 11)	(115)	(60)	(100)
Payment of withholding taxes on net share settlements of equity awards	(21)	(29)	(26)
Derivative proceeds from counterparties	—	71	—
Issuance of redeemable preferred stock (note 10)	325	—	—
Other financing activities, net	(32)	(20)	6
Net cash provided (used) by financing activities	345	(542)	(358)
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	8	(4)	(16)
Net increase (decrease) in cash, cash equivalents and restricted cash	82	(331)	(23)
Cash, cash equivalents and restricted cash at beginning of period	341	672	695
Cash, cash equivalents and restricted cash at end of period	$ 423	341	672

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Equity

Years ended December 31, 2020, 2019 and 2018

	Stockholders' equity								
	Preferred stock	**Series A**	**Series B**	**Series C**	**Additional paid-in capital**	**Accumulated other comprehensive earnings (loss)**	**Retained earnings (deficit)**	**Noncontrolling interest in equity of subsidiaries**	**Total equity**
	amounts in millions								
Balance at December 31, 2017	$ —	1	—	—	250	(23)	196	3,329	3,753
Net earnings (loss)	—	—	—	—	—	—	(64)	55	(9)
Other comprehensive earnings (loss)	—	—	—	—	—	(6)	—	(22)	(28)
Stock-based compensation	—	—	—	—	35	—	—	101	136
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(26)	—	—	—	(26)
Shares repurchased by subsidiary (note 11)	—	—	—	—	(20)	—	—	(80)	(100)
Other, net	—	—	—	—	(8)	—	1	17	10
Balance at December 31, 2018	—	1	—	—	231	(29)	133	3,400	3,736
Net earnings (loss)	—	—	—	—	—	—	(22)	(94)	(116)
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	3	3
Stock-based compensation	—	—	—	—	37	—	—	109	146
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(29)	—	—	—	(29)
Cash dividends paid by Tripadvisor to noncontrolling interests (note 11)		—	—	—	—	—	—	(380)	(380)
Shares repurchased by subsidiary (note 11)	—	—	—	—	7	—	—	(67)	(60)
Other, net	—	—	—	—	(9)	—	—	10	1
Balance at December 31, 2019	—	1	—	—	237	(29)	111	2,981	3,301
Net earnings (loss)	—	—	—	—	—	—	(238)	(624)	(862)
Other comprehensive earnings (loss)	—	—	—	—	—	6	—	22	28
Stock-based compensation	—	—	—	—	33	—	—	96	129
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(21)	—	—	—	(21)
Shares repurchased by subsidiary (note 11)	—	—	—	—	17	—	—	(132)	(115)
Preferred stock adjustment	—	—	—	—	—	—	(150)	—	(150)
Other, net	—	—	—	—	(9)	—	(1)	7	(3)
Balance at December 31, 2020	$ —	1	—	—	257	(23)	(278)	2,350	2,307

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements

December 31, 2020, 2019 and 2018

(1) Basis of Presentation

Liberty TripAdvisor Holdings, Inc. ("TripCo" or the "Company") was formed in 2013 as a Delaware corporation. TripCo was a subsidiary of Liberty Interactive Corporation (subsequently renamed Qurate Retail, Inc. ("Qurate Retail")) until the completion of its spin-off from Qurate Retail on August 27, 2014 ("TripCo Spin-Off"). TripCo does not have any operations outside of its controlling interest in its subsidiary Tripadvisor, Inc. ("Tripadvisor"). Tripadvisor operates as a stand-alone operating entity. Tripadvisor's financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, traveler hotel and rental stays, and travel activities and experiences taken, compared to the first and fourth quarters, which represent seasonal low points.

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and represent a consolidation of the historical financial information of Tripadvisor (see note 4 for a more detailed discussion of transactions related to Tripadvisor). These financial statements refer to the consolidation of Tripadvisor as "TripCo," "the Company," "us," "we" and "our" in the notes to the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. Additionally, certain prior period amounts have been reclassified for comparability with the current period presentation.

Description of Business

Tripadvisor is a leading online travel company and its mission is to help people around the world plan, book and experience the perfect trip. Tripadvisor operates a global travel guidance platform that connects the world's largest audience of prospective travelers with travel partners through rich content, price comparison tools and online reservations and related services for destinations, accommodations, travel activities and experiences, and restaurants.

Under its flagship brand, Tripadvisor, it launched www.Tripadvisor.com in the United States in 2000. Since then, Tripadvisor has launched localized versions of the Tripadvisor website in 48 markets and 28 languages worldwide. In addition to the flagship Tripadvisor brand, Tripadvisor owns and operates a portfolio of travel media brands and businesses, operating under various websites, connected by the common goal of providing consumers the most comprehensive travel-planning and trip-taking resources in the travel industry.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China, and on March 11, 2020 was declared a global pandemic. Tripadvisor and the Company continue to be subject to risks and uncertainties as a result of the COVID-19 pandemic. COVID-19 has caused material and adverse declines in consumer demand within the travel, hospitality, restaurant and leisure industry. The pandemic's proliferation, concurrent with travel bans, varying levels of governmental restrictions and mandates globally, to limit the spread of the virus, has dampened consumer demand for Tripadvisor's products and services, and impacted consumer sentiment and discretionary spending patterns, all of which have adversely and materially impacted Tripadvisor's results of operations, liquidity and financial condition during the year ended December 31, 2020. In addition, given the volatility in global markets and economies, and the financial difficulties faced by many of Tripadvisor's travel suppliers and restaurant customers, Tripadvisor has materially increased its provision for expected credit losses (also referred to as provision for bad debt or provision for uncollectible accounts) on its accounts receivable. Moreover, Tripadvisor may continue to incur higher than normal cash outlays to refund consumers for cancellations of prepaid bookings. Any increase in Tripadvisor's provision for expected credit losses and cash outlays to consumers would also have a corresponding adverse effect on Tripadvisor's results of operations and related cash flows.

While we have seen varying degrees of containment of the virus in certain countries and some signs of travel recovery, the degree of containment and the recovery in travel has varied region-to-region globally, as well as state-to-state in the U.S., and there have been instances where cases of COVID-19 have started to increase again after a period of decline, as well as the identification of new variants of the virus. Tripadvisor does not have visibility into when remaining bans will be lifted, where additional bans may be initiated, or where bans that have been previously lifted will be reinstated due to resurgence of the virus, nor does it have forward-looking visibility into the short or long-term changes to consumer usage patterns on its platform or travel behavior patterns when travel bans and other government restrictions and mandates are fully lifted. Therefore, the ultimate extent of the impact of the COVID-19 pandemic on Tripadvisor's business, results of operations, liquidity and financial condition remains highly uncertain and difficult to predict, as the response to the pandemic continues to be ongoing and shifting, and the ultimate duration and severity of the pandemic remains uncertain and unpredictable. However, Tripadvisor continues to believe the travel, hospitality, restaurant and leisure industry, and consequently its business, will continue to be adversely and materially affected while the pandemic continues to proliferate and travel bans and other government restrictions and mandates continue to remain in place or be reinstated, all of which negatively impact consumer demand, sentiment and discretionary spending patterns.

Furthermore, capital markets and economies worldwide have also been negatively impacted by the COVID-19 pandemic to varying degrees, and it is possible that it could result in a protracted local and/or global economic recession. Such economic disruption could also have a material adverse effect on Tripadvisor's business as consumers reduce their discretionary spending. Policymakers around the globe have responded with fiscal policy actions to support certain areas of the travel industry and economy as a whole. The continued magnitude and ultimate overall effectiveness of these actions remain uncertain.

In response to the impact of COVID-19, Tripadvisor has taken several steps to further strengthen its financial position and balance sheet, and maintain financial liquidity and flexibility, including but not limited to, restructuring activities, primarily by significantly reducing its ongoing operating expenses and headcount, borrowing $700 million from its 2015 Credit Facility (as defined in note 7) in the first quarter of 2020 (subsequently repaid during the third quarter of 2020), amendments to its 2015 Credit Facility, which includes short-term financial covenant relief and the extension of the maturity date from May 12, 2022 to May 12, 2024, and raising additional financing through the issuance of $500 million in Senior Notes (as defined in note 7) in July 2020, all of which are described in more detail in note 7.

In March 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), an emergency economic stimulus package in response to the COVID-19 pandemic, which includes numerous income tax provisions, some of which are effective retroactively. As a result of the CARES Act, Tripadvisor has recorded an income tax benefit of $ 23 million during the year ended December 31, 2020.

In addition, certain other governments have passed legislation to help businesses during the COVID-19 pandemic through loans, wage subsidies, tax relief or other financial aid. Some of these governments have extended or are considering extending these programs. Tripadvisor has participated in several of these programs, including the CARES Act in the U.S., the United Kingdom's job retention scheme, as well as other certain jurisdictions' programs. In addition, in certain countries, such as within the European Union, Singapore, Australia, and other jurisdictions, Tripadvisor is also participating in programs where government assistance is in the form of wage subsidies and reductions in wage-related employer taxes paid by Tripadvisor. During the year ended December 31, 2020, Tripadvisor recognized government grants and other assistance benefits of $12 million, of which $10 million in cash has been received as of December 31, 2020. These amounts are recorded as a reduction of personnel and overhead costs in the consolidated statements of operations. As of December 31, 2020, Tripadvisor has recorded a receivable of $2 million, included in other current assets in the consolidated balance sheet, for payments expected to be received in 2021, related to qualified payroll tax credits under the CARES Act.

Consumers' travel expenditures have historically followed a seasonal pattern. Correspondingly, travel partners' advertising investments, and therefore Tripadvisor's revenue and profits, have also historically followed a seasonal pattern. Tripadvisor's financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, traveler hotel and rental stays, and travel activities and experiences taken, compared to the first and fourth quarters, which represent seasonal low points. However, due to the impact of COVID-19 on Tripadvisor's business, it did not experience its typical seasonal pattern for revenue and profit during the year ended December 31, 2020. In addition, cash outflows to travel suppliers related to deferred merchant payables significantly exceeded cash received from travelers during the year ended December 31, 2020, primarily reflecting the decline in consumer demand for Tripadvisor's products and an increase in reservation cancellations related to COVID-19. These factors contributed significantly to unfavorable working capital trends and material negative operating cash flow during the year ended December 31, 2020, most notably occurring during the first half of 2020 when Tripadvisor typically generates significant positive cash flow. It is difficult to forecast the seasonality for fiscal year 2021, given the uncertainty related to the ultimate extent and duration of the economic and consumer impact from COVID-19, the widespread availability and distribution of the vaccine, and the shape and timing of a recovery. In addition, significant shifts in Tripadvisor's business mix or adverse economic conditions could result in future seasonal patterns that are different from historical trends.

On March 26, 2020, TripCo issued and sold 325,000 shares of TripCo's newly-created 8% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series A Preferred Stock") for a purchase price of $1,000 per share. See further discussion about the Series A Preferred Stock in note 10.

Spin-Off of TripCo from Qurate Retail

The TripCo Spin-Off was completed on August 27, 2014. Following the TripCo Spin-Off, Qurate Retail and TripCo operate as separate, publicly traded companies, and neither has any stock ownership, beneficial or otherwise, in the other. In connection with the TripCo Spin-Off, TripCo entered into certain agreements, including the services agreement, the facilities sharing agreement and the tax sharing agreement, with Qurate Retail and/or Liberty Media Corporation ("Liberty Media") (or certain of their subsidiaries) in order to govern certain of the ongoing relationships between the companies after the TripCo Spin-Off and to provide for an orderly transition.

Pursuant to the services agreement (except as described below in respect to Gregory B. Maffei), Liberty Media provides TripCo with general and administrative services including legal, tax, accounting, treasury and investor relations support. Liberty TripCo reimburses Liberty Media for direct, out-of-pocket expenses incurred by Liberty Media in providing these services and TripCo pays a services fee to Liberty Media under the services agreement that is subject to adjustment semi-annually, as necessary.

In December 2019, TripCo entered into an amendment to the services agreement with Liberty Media in connection with Liberty Media's entry into a new employment arrangement with Gregory B. Maffei, TripCo's Chairman, President and Chief Executive Officer. Under the amended services agreement, components of his compensation would either be paid directly to him by each of TripCo, Liberty Broadband Corporation, GCI Liberty, Inc. and Qurate Retail (collectively, the "Service Companies") or reimbursed to Liberty Media, in each case, based on allocations among Liberty Media and the Service Companies set forth in the amended services agreement, currently set at 5% for the Company but subject to adjustment on an annual basis upon the occurrence of certain events. The amended services agreement between Liberty Media and Mr. Maffei provides for a five year employment term which began on January 1, 2020 and ends December 31, 2024, with an aggregate annual base salary of $3 million (with no contracted increase), an aggregate one-time cash commitment bonus of $5 million (paid in December 2019), an aggregate annual target cash performance bonus of $17 million, aggregate annual equity awards of $17.5 million and aggregate equity awards granted in connection with his entry into his new agreement of $90 million (the "upfront awards"). A portion of the grants made to our CEO in the year ended December 31, 2020 related to our company's allocable portion of these upfront awards.

Under the facilities sharing agreement, TripCo shares office space with Liberty Media and related amenities at Liberty Media's corporate headquarters in Englewood, Colorado.

Under these agreements, approximately $4 million, $4 million and $3 million were reimbursable to Liberty Media for the years ended December 31, 2020, 2019, and 2018, respectively.

(2) Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments, generally including money market funds, term deposits and marketable securities, with maturities of three months or less at the time of acquisition.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recognized when the right to consideration becomes unconditional and are recorded net of an allowance for credit losses. Such allowance aggregated $33 million and $25 million at December 31, 2020 and 2019, respectively. Tripadvisor records accounts receivable at the invoiced amount, and its customer invoices are generally due 30 days from the time of invoicing. Collateral is not required for accounts receivable. Tripadvisor historically recorded an allowance for doubtful accounts using the incurred loss model. Upon adoption of Accounting Standards Codification Topic 326 – *Financial Instruments – Credit Losses* ("ASC 326"), Tripadvisor transitioned to the "expected credit loss" methodology in estimating its allowance for credit losses which was adopted on January 1, 2020.

Investments

All marketable securities held by the Company are carried at fair value, generally based on quoted market prices. Fair values are determined for each individual security in the investment portfolio. Unrealized gains and losses, net of taxes, arising from changes in fair value are reported in accumulated other comprehensive income (loss) as a component of equity.

For those investments in which the Company has the ability to exercise significant influence, the equity method of accounting is used. Under this method, the investment, originally recorded at cost, is adjusted to recognize the Company's share of net earnings or losses of the affiliate as they occur rather than as dividends or other distributions are received. Losses are limited to the extent of the Company's investment in, advances to and commitments for the investee. In the event the Company is unable to obtain accurate financial information from an equity affiliate in a timely manner, the Company records its share of earnings or losses on a lag.

For those equity securities without readily determinable values, the Company elected the measurement alternative (defined as the cost of the security, adjusted for changes in fair value when there are observable prices, less impairments).

The classification of investments is determined at the time of purchase and reevaluated at each balance sheet date. We invest in highly-rated securities, and our investment policy limits the amount of credit exposure to any one issuer, industry group and currency. The policy requires investments to be investment grade, with the primary objective of minimizing the potential risk of principal loss and providing liquidity of investments sufficient to meet our operating and capital spending requirements and debt repayments.

Marketable securities are classified as either short-term or long-term based on each instrument's underlying contractual maturity date and as to whether and when we intend to sell a particular security prior to its maturity date. Marketable securities with maturities greater than 90 days at the date of purchase and 12 months or less remaining at the balance sheet date will be classified as short-term and marketable securities with maturities greater than 12 months from the balance sheet date will generally be classified as long-term. We classify our marketable equity securities, limited to money market funds and mutual funds, as either a cash equivalent, short-term or long-term based on the nature of each security and its availability for use in current operations.

Realized gains and losses on the sale of securities are determined by specific identification of each security's cost basis. We may sell certain of our marketable securities prior to their stated maturities for strategic reasons including, but not limited to, anticipation of credit deterioration and liquidity and duration management. The weighted average maturity of our total invested cash shall not exceed 18 months, and no security shall have a final maturity date greater than three years.

Derivative Instruments

All of the Company's derivatives, whether designated in hedging relationships or not, are recorded on the balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative are recorded in other comprehensive earnings and are recognized in the statement of operations when the hedged item affects earnings. Ineffective portions of changes in the fair value of cash flow hedges are recognized in earnings. If the derivative is not designated as a hedge, changes in the fair value of the derivative are recognized in earnings. None of the Company's derivatives are currently designated as hedges.

The fair value of certain of the Company's derivative instruments are estimated using the Black-Scholes-Merton model. The Black-Scholes-Merton model incorporates a number of variables in determining such fair values, including expected volatility of the underlying security and an appropriate discount rate. The Company obtains volatility rates from pricing services based on the expected volatility of the underlying security over the remaining term of the derivative instrument. A discount rate is obtained at the inception of the derivative instrument and updated each reporting period, based on the Company's estimate of the discount rate at which it could currently settle the derivative instrument. The Company considered its own credit risk as well as the credit risk of its counterparties in estimating the discount rate. Management judgment is required in estimating the Black-Scholes-Merton model variables.

Property and Equipment

Property and equipment consists of the following (amounts in millions):

	December 31,	
	2020	2019
Finance lease right-of-use asset	114	114
Leasehold improvements	49	49
Computer equipment and purchased software	71	70
Furniture, office equipment and other	21	21
Total property and equipment	$ 255	254

Property and equipment is recorded at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is three to five years for computer equipment and furniture, office equipment and other. Leasehold improvements are depreciated using the straight-line method, over the shorter of the estimated useful life of the improvement or the remaining term of the lease.

Leases

The Company, through its consolidated companies, leases facilities in several countries around the world and certain equipment under non-cancelable lease agreements. Refer to note 8 for a discussion on accounting for leases and other financial disclosures.

Intangible Assets

Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment upon certain triggering events. Goodwill and other intangible assets with indefinite useful lives (collectively, "indefinite lived intangible assets") are not amortized, but instead are tested for impairment at least annually. Our annual impairment assessment of our indefinite-lived intangible assets is performed during the fourth quarter of each year.

The accounting guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the quantitative goodwill impairment test. The accounting guidance also allows entities the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period.

In evaluating goodwill on a qualitative basis, the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it was more likely than not that an indicated impairment exists for any of our reporting units. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis, the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current year and prior year for other purposes. If, based on the qualitative analysis, it is more likely than not that an impairment exists, the Company performs the quantitative impairment test.

The quantitative goodwill impairment test compares the estimated fair value of a reporting unit to its carrying value. Developing estimates of fair value requires significant judgments, including making assumptions about appropriate discount rates, perpetual growth rates, relevant comparable market multiples, public trading prices and the amount and timing of expected future cash flows. The cash flows employed in TripCo's valuation analyses, where applicable, are based on management's best estimates considering current marketplace factors and risks as well as assumptions of growth rates in future years. There can be no assurance that actual results will approximate these forecasts.

The accounting guidance also permits entities to first perform a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset, other than goodwill, is impaired. The accounting guidance also allows entities the option to bypass the qualitative assessment for any indefinite-lived intangible asset in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period. If the qualitative assessment supports that it is more likely than not that the carrying value of the Company’s indefinite-lived intangible assets, other than goodwill, exceeds its fair value, then a quantitative assessment is performed. If the carrying value of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. See note 6 for discussion of goodwill and trademark impairments.

Websites and Internal Use Software Development Costs

Certain costs incurred during the application development stage related to the development of websites and internal use software are capitalized and included in other intangible assets subject to amortization. Capitalized costs include internal and external costs, if direct and incremental, and deemed by management to be significant. Costs related to the planning and post-implementation phases of software and website development are expensed as these costs are incurred. Maintenance and enhancement costs (including those costs in the post-implementation stages) are typically expensed as incurred, unless such costs relate to substantial upgrades and enhancements to the website or software resulting in added functionality, in which case the costs are capitalized.

Impairment of Long-lived Assets

The Company periodically reviews the carrying amounts of its property and equipment and its intangible assets (other than goodwill and indefinite-lived intangibles) to determine whether current events or circumstances indicate that such carrying amounts may not be recoverable. If the carrying amount of the asset group is greater than the expected undiscounted cash flows to be generated by such asset group, including its ultimate disposition, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset groups exceeds their fair value. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows using an appropriate discount rate. Considerable management judgment is necessary to estimate the fair value of asset groups. Accordingly, actual results could vary significantly from such estimates. Asset groups to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

Noncontrolling Interests

Noncontrolling interest relates to the equity ownership interest in Tripadvisor that the Company does not own. The Company reports noncontrolling interests of consolidated companies within equity in the consolidated balance sheets and the amount of net income attributable to the parent and to the noncontrolling interest is presented in the consolidated statements of operations. Also, changes in ownership interests in consolidated companies in which the Company maintains a controlling interest are recorded in equity.

Foreign Currency Translation and Transaction Gains and Losses

The functional currency of the Company is the United States ("U.S.") dollar. The functional currency of the Company's foreign operations generally is the applicable local currency for each foreign subsidiary. Assets and liabilities of foreign subsidiaries are translated at the spot rate in effect at the applicable reporting date, and the consolidated statements of operations are translated at the average exchange rates in effect during the applicable period. The resulting unrealized cumulative translation adjustment, net of applicable income taxes, is recorded as a component of accumulated other comprehensive earnings (loss) in equity.

Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses which are reflected in the accompanying consolidated statements of operations and comprehensive earnings (loss) as unrealized (based on the applicable period-end exchange rate) or realized upon settlement of the transactions.

Accordingly, we have recorded foreign currency exchange gains of $4 million and losses of $3 million and $6 million for the years ended December 31, 2020, 2019, and 2018, respectively, in other, net on our consolidated statements of operations.

Revenue Recognition

Tripadvisor generates all of its revenue from contracts with customers. It recognizes revenue when it satisfies a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that it expects to receive in exchange for those services. When Tripadvisor acts as an agent in the transaction, it recognizes revenue for only its commission on the arrangement. Tripadvisor determines revenue recognition through the following steps:

(1) Identification of the contract, or contracts, with a customer
(2) Identification of the performance obligations in the contract
(3) Determination of the transaction price
(4) Allocation of the transaction price to the performance obligations in the contract
(5) Recognition of revenue when, or as, Tripadvisor satisfies a performance obligation

At contract inception, Tripadvisor assesses the services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a service (or bundle of services) that is distinct. To identify the performance obligations, Tripadvisor considers all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. There was no significant revenue recognized in the years ended December 31, 2020 and 2019 related to performance obligations satisfied in prior periods. Tripadvisor has applied a practical expedient and does not disclose the value of unsatisfied performance obligations that have an original expected duration of less than one year, and Tripadvisor does not have any material unsatisfied performance obligations over one year. The value related to Tripadvisor's remaining or partially satisfied performance obligations relates to subscription services that are satisfied over time or services that are recognized at a point in time, but not yet achieved. The timing of services, invoicing and payments do not include a significant financing component. Tripadvisor's customer invoices are generally due 30 days from the time of invoicing.

Tripadvisor recognizes an asset for the incremental costs of obtaining a contract with a customer if it expects the benefit of those costs to be longer than one year. Although the substantial majority of its contract costs have an amortization period of less than one year, Tripadvisor has determined contract costs arising from certain sales incentives have an amortization period in excess of one year given the high likelihood of contract renewal. Sales incentives are not paid upon renewal of these contracts and therefore are not commensurate with the initial sales incentive costs. As of both December 31, 2020 and 2019, there were $4 million of unamortized contract costs in other assets, at cost, net of accumulated amortization in the consolidated balance sheet. These contract costs are amortized on a straight-line basis over the estimated customer life, which is based on historical customer retention rates. Amortization expense recorded to selling, general and administrative expense during both the years ended December 31, 2020 and 2019, were $1 million, and not material for the year ended December 31, 2018. Tripadvisor assesses such assets for impairment when events or circumstances indicate that the carrying amount may not be recoverable.

The recognition of revenue may require the application of judgment related to the determination of the performance obligations, the timing of when the performance obligations are satisfied and other areas. The determination of Tripadvisor's performance obligations does not require significant judgment given that it generally does not provide multiple services to a customer in a transaction, and the point in which control is transferred to the customer is readily determinable. In instances where Tripadvisor recognizes revenue over time, it generally has either a subscription service that is recognized over time on a straight-line basis using the time-elapsed output method, or based on other output measures that provide a faithful depiction of the transfer of Tripadvisor's services. When an estimate for cancellations is included in the transaction price, the estimate is based on historical cancellation rates and current trends. There have been no significant adjustments to Tripadvisor's cancellation estimates and cancellation estimates are not significant. Taxes assessed by a government authority that are both imposed on and concurrent with a specific revenue–producing transaction, that are collected by Tripadvisor from a customer, are reported on a net basis, or in other words, excluded from revenue on its consolidated financial statements. The application of Tripadvisor's revenue recognition policies and a description of the principal activities from which it generates revenue, are presented below.

Hotels, Media & Platform Segment

Tripadvisor-branded Hotels Revenue. Tripadvisor's largest source of Hotels, Media & Platform segment revenue is generated from click-based advertising on Tripadvisor-branded websites, which is primarily comprised of contextually-relevant booking links to its travel partners' websites. Click-based advertising is generally priced on a cost-per-click, or "CPC," basis, with payments from travel partners determined by the number of travelers who click on a link multiplied by the CPC rate for each specific click as determined in a dynamic, competitive auction process.

In addition, Tripadvisor offers subscription-based advertising to hotels, owners of B&Bs and other specialty lodging properties. Subscription-based advertising services are predominantly sold for a flat fee for a contracted period of time of one year or less and revenue is recognized on a straight-line basis over the period of the subscription service as efforts are expended evenly throughout the contract period.

Tripadvisor also generates revenue from its cost-per-action, or "CPA" model, which consists of contextually-relevant booking links to its travel partners' websites which are advertised on its platform. Tripadvisor earns a commission from its travel partners, based on a pre-determined contractual commission rate, for each traveler who clicks to and books a hotel reservation on the travel partners' website, which results in a traveler stay. CPA revenue is billable only upon the completion of each traveler's stay resulting from a hotel reservation. The travel partners provide the service to the travelers and Tripadvisor acts as an agent under ASC 606 – *Revenue from Contracts with Customers* ("ASC 606"). Tripadvisor's performance obligation is complete at the time of the hotel reservation booking, and the commission earned is recognized upon booking, as Tripadvisor has no post-booking service obligations. Tripadvisor recognizes this revenue net of an estimate of the impact of cancellations, which are not significant, using historical cancellation rates and current trends. Contract assets are recognized at the time of booking for commissions that are billable at the time of stay. To a lesser extent, Tripadvisor also offers travel partners the opportunity to advertise and promote their business through hotel sponsored placements on Tripadvisor's websites. This service is generally priced on a CPC basis, with payments from travel partners determined by the number of travelers who click on the sponsored link multiplied by the CPC rate for each specific click. CPC rates for hotel sponsored placements that its travel partners pay are generally based on bids submitted as part of an auction by Tripadvisor's travel partners. When a CPC bid is submitted, the travel partner agrees to pay Tripadvisor the bid amount each time a traveler clicks on a link to its travel partner's websites. Bids can be submitted periodically – as often as daily – on a property-by-property basis. Tripadvisor records this click-based advertising revenue as the click occurs and traveler leads are sent to the travel partner as its performance obligation is fulfilled at that time. Hotel sponsored placements revenue is generally billed to Tripadvisor's travel partners on a monthly basis consistent with the timing of the service.

Tripadvisor-branded Display and Platform Revenue. Tripadvisor offers travel partners the ability to promote their brands through display-based advertising placements on Tripadvisor's websites across all of its segments and business units. Tripadvisor display-based advertising clients are predominantly direct suppliers of hotels, airlines and cruises, as well as destination marketing organizations. Tripadvisor also sells display-based advertising to online travel agencies and other travel related businesses, as well as advertisers from non-travel categories. Display-based advertising is sold predominantly on a cost per thousand impressions basis.

Experiences & Dining Segment

Tripadvisor provides information and services that allow consumers to research and book tours, activities and experiences in popular travel destinations primarily through Viator, Tripadvisor's dedicated Experiences offering, and on the Tripadvisor website and mobile apps. Tripadvisor generates commissions for each booking transaction it facilitates through its online reservation system.

Tripadvisor also provides information and services for consumers to research and book restaurant reservations in popular travel destinations through its dedicated restaurant reservations offering, TheFork, and on Tripadvisor-branded websites and mobile apps. Tripadvisor primarily generates transaction fees (or per seated diner fees) that are paid by Tripadvisor's restaurant customers for diners seated primarily from bookings through TheFork's online reservation system.

Other

Tripadvisor provides information and services that allow travelers to research and book vacation and short-term rental properties. The Rentals offering generates revenue primarily by offering individual property owners and managers the ability to list their properties on Tripadvisor's websites and mobile apps thereby connecting with travelers through a free-to-list, commission-based option or, to a lesser extent, by an annual subscription-based fee structure. Tripadvisor earns commissions associated with rental transactions through its free-to-list model from both the traveler, and the property owner or manager.

In addition, Other also includes revenue generated from flights, cruises, and car offerings on Tripadvisor-branded websites and its portfolio of travel media brands, which primarily includes click-based advertising and display-based advertising revenue.

Practical Expedients and Exemptions

Tripadvisor expenses costs to obtain a contract as incurred, such as sales incentives, when the amortization period would have been one year or less.

Tripadvisor does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which it recognizes revenue at the amount to which it has the right to invoice for services performed.

Disaggregation of Revenue

Tripadvisor disaggregates revenue from contracts with customers into major products/revenue sources. Tripadvisor has determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Revenue is recognized primarily at a point in time for all reported segments.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

	Years ended December 31, 2020	2019	2018
		amounts in millions	
Hotels, Media & Platform			
Tripadvisor-branded hotels	$ 292	779	848
Tripadvisor-branded display and platform	69	160	153
Total Hotels, Media & Platform	361	939	1,001
Experiences & Dining	186	456	372
Corporate and other	57	165	242
Total Revenue	$ 604	1,560	1,615

The following table provides information about the opening and closing balances of accounts receivable and contract assets from contracts with customers (in millions):

	December 31, 2020	December 31, 2019
Accounts receivable	$ 70	176
Contract assets	13	7
Total	$ 83	183

Accounts receivable are recognized when the right to consideration becomes unconditional. Contract assets are rights to consideration in exchange for services that Tripadvisor has transferred to a customer when that right is conditional on something other than the passage of time, such as commission payments that are contingent upon the completion of the service by the principal in the transaction. The difference between the opening and closing balances of Tripadvisor's contract assets primarily results from the timing difference between when Tripadvisor satisfies its performance obligations and the time when the principal completes the service in the transaction.

During the year ended December 31, 2020, Tripadvisor recorded approximately $6 million of incremental allowance for expected credit losses on accounts receivable and contract assets, when compared to the same period in 2019, primarily due to the impact of COVID-19. Actual future bad debt could differ materially from this estimate resulting from changes in Tripadvisor's assumptions of the duration and ultimate severity of the impact of the COVID-19 pandemic.

Contract liabilities generally include payments received in advance of performance under the contract, and are realized as revenue as the performance obligation to the customer is satisfied, which Tripadvisor presents as deferred revenue on its consolidated balance sheets. As of January 1, 2020 and 2019, Tripadvisor had $62 million and $63 million, respectively, recorded as deferred revenue on its consolidated balance sheet, of which $51 million and $61 million, respectively, was recognized into revenue and $11 million and $2 million was refunded due to cancellations by travelers during the years ended December 31, 2020 and 2019.

There were no significant changes in contract assets or deferred revenue during the years ended December 31, 2020 and 2019, related to business combinations, impairments, cumulative catch-ups or other material adjustments. However, to the extent the COVID-19 pandemic continues, Tripadvisor may incur additional significant and unanticipated cancellations by consumers related to future travel, accommodations and tour bookings, which have been reserved by travelers and recorded as deferred revenue on our consolidated balance sheet as of December 31, 2020.

Operating Expense

Operating expenses consist primarily of certain technology and content expenses, including personnel and overhead expenses which include salaries, benefits and bonuses for salaried employees and contractors engaged in the design, development, testing content support and maintenance of Tripadvisor's websites and mobile apps. Operating expense also includes, to a lesser extent, costs of services which are expenses that are closely correlated or directly related to service revenue generated, including credit card and other booking transaction payment fees, data center costs, costs associated with prepaid tour tickets, ad serving fees, flight search fees and other transactions. Other costs include licensing, maintenance expense, computer supplies, telecom costs, content translation and localization costs and consulting costs.

General and Administrative

General and administrative expenses consist primarily of personnel and related overhead costs, including personnel engaged in leadership, finance, legal and human resource functions as well as professional service fees and other fees including audit, legal, tax and accounting, and other costs including bad debt expense and non-income taxes, such as sales, use and other non-income related taxes.

Selling and Marketing

Selling and marketing expenses primarily consist of direct costs, including traffic generation costs from search engine marketing, or SEM, and other online traffic acquisition costs, syndication costs and affiliate program commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations. In addition, our indirect sales and marketing expense consists of personnel and overhead expenses, including salaries, commissions, benefits, and bonuses for sales, sales support, customer support and marketing employees.

Tripadvisor incurs advertising expense consisting of traffic generation costs from SEM and other online traffic costs, affiliate program commissions, display advertising, social media, other online and offline (primarily television) advertising expense, and promotions and public relations to promote its brands. Costs associated with communicating the advertisements are expensed in the period in which the advertisement takes place. Production costs associated with advertisements are expensed in the period in which the advertisement first takes place.

Stock-Based Compensation

As more fully described in note 12, TripCo grants to its directors, employees and employees of its subsidiaries restricted stock and options (collectively, "Awards") to purchase shares of TripCo common stock. TripCo measures the cost of employee services received in exchange for an equity classified Award (such as stock options and restricted stock) based on the grant-date fair value of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). TripCo measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and remeasures the fair value of the Award at each reporting date. Certain outstanding awards that were previously granted by Qurate Retail were assumed by TripCo upon the completion of the TripCo Spin-Off. Additionally, Tripadvisor is a consolidated company and has issued stock-based compensation to its employees related to its common stock. The consolidated statements of operations include stock-based compensation related to TripCo Awards and Tripadvisor equity awards.

Included in the accompanying consolidated statements of operations are the following amounts of stock-based compensation for the years ended December 31, 2020, 2019 and 2018 (amounts in millions):

	December 31,		
	2020	2019	2018
Operating expense	$ 45	56	52
Selling, general and administrative	67	75	71
	$ 112	131	123

During the years ended December 31, 2020, 2019 and 2018, Tripadvisor capitalized $15 million, $19 million and $13 million, respectively, of stock-based compensation expense as internal-use software and website development costs.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying value amounts and income tax bases of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards. The deferred tax assets and liabilities are calculated using enacted income tax rates in effect for each taxing jurisdiction in which the Company operates for the year in which those temporary differences are expected to be recovered or settled. Net deferred tax assets are then reduced by a valuation allowance if the Company believes it more likely than not that such net deferred tax assets will not be realized. We consider all relevant factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience by jurisdiction, expectations of future taxable income, and the carryforward periods available to us for tax reporting purposes, as well as assessing available tax planning strategies. The effect on deferred tax assets and liabilities of an enacted change in tax rates is recognized in income in the period that includes the enactment date. Due to inherent complexities arising from the nature of our businesses, future changes in income tax law, tax sharing agreements or variances between our actual and anticipated operating results, we make certain judgments and estimates. Therefore, actual income taxes could materially vary from these estimates.

When the tax law requires interest to be paid on an underpayment of income taxes, the Company recognizes interest expense from the first period the interest would begin accruing according to the relevant tax law. Such interest expense is included in income tax (expense) benefit in the accompanying consolidated statements of operations. Any accrual of penalties related to underpayment of income taxes on uncertain tax positions is included in income tax (expense) benefit in the accompanying consolidated statements of operations.

We recognize in our consolidated financial statements the impact of a tax position, if that position is more likely than not to be sustained upon an examination, based on the technical merits of the position.

Deferred Merchant Payables

In Tripadvisor's Experiences and Rentals free-to-list offerings, Tripadvisor generally receives cash from travelers at the time of booking and records these amounts, net of Tripadvisor's commissions, on its consolidated balance sheets as deferred merchant payables. Tripadvisor pays the suppliers, generally the third-party experience providers and vacation rental owners, after the travelers' use. Therefore, it receives cash from the traveler prior to paying the suppliers and this operating cycle represents a working capital source or use of cash to Tripadvisor. Tripadvisor's deferred merchant payables balance was $36 million and $159 million for the years ended December 31, 2020 and 2019, respectively.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

Certain Risks and Concentrations

In addition to the impact of COVID-19 outlined in note 1, the Tripadvisor business is subject to certain risks and concentrations, including a concentration related to dependence on relationships with its customers. For the years ended December 31, 2020, 2019 and 2018, Tripadvisor's two most significant travel partners, Expedia Group Inc. ("Expedia") and Booking Holdings Inc., which each accounted for 10% or more of Tripadvisor's consolidated revenue and combined accounted for approximately 25%, 33% and 37%, respectively, of its total revenue.

Contingent Liabilities

Periodically, the Company reviews the status of all significant outstanding matters to assess any potential financial exposure. When (i) it is probable that an asset has been impaired or a liability has been incurred and (ii) the amount of the loss can be reasonably estimated, we record the estimated loss in our consolidated statements of operations. The Company provides disclosure in the notes to the consolidated financial statements for loss contingencies that do not meet both these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the consolidated financial statements. Significant judgment is required to determine the probability that a liability has been incurred and whether such liability is reasonably estimable. Accruals are based on the best information available at the time which can be highly subjective. The final outcome of these matters could vary significantly from the amounts included in the accompanying consolidated financial statements.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of net income (loss), cumulative foreign currency translation adjustments, and unrealized gains and losses on available-for-sale securities, net of tax.

Earnings (Loss) per Common Share (EPS)

Basic earnings (loss) per common share ("EPS") is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding for the period. Diluted EPS presents the dilutive effect on a per share basis of potential common shares as if they had been converted at the beginning of the periods presented. Excluded from EPS for the year ended December 31, 2020, are 1 million potential common shares because their inclusion would be antidilutive, and excluded from EPS for the years ended December 31, 2019 and 2018 are 2 million potential common shares because their inclusion would be antidilutive.Also excluded from EPS for the year ended December 31, 2020, because their inclusion would be antidilutive, were 13 million shares that are contingently issuable at the Company's election pursuant to an exercise of the Put Option (defined and described in note 10), which were calculated in accordance with the terms of the Certificate of Designations for the Series A Preferred Stock as if the Put Option had been exercised at December 31, 2020.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

	Years ended December 31, 2020 (a)	2019	2018
	in millions		
Numerator			
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$ (238)	(22)	(64)
Less: Preferred stock carrying value adjustment and transaction costs	150	NA	NA
Net earnings (loss) available to common shareholders	$ (388)	(22)	(64)
Denominator			
Basic EPS	75	75	74
Potentially dilutive shares	1	—	—
Diluted EPS	76	75	74

(a) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported since the result would be antidilutive.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company considers (i) recoverability and recognition of goodwill, intangible and long-lived assets and (ii) accounting for income taxes to be its most significant estimates.

The COVID-19 pandemic has created and may continue to create significant uncertainty in macroeconomic conditions, which may cause further business disruptions and continue to adversely and materially impact our results of operations. As a result, some of our estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, our estimates may change materially in future periods.

(3) Supplemental Disclosures to Consolidated Statements of Cash Flows

	Years ended December 31, 2020	2019	2018
	amounts in millions		
Acquisitions, net of cash acquired:			
Intangibles not subject to amortization	$ 8	85	12
Intangibles subject to amortization	—	26	14
Fair value of other assets acquired	(3)	5	—
Net liabilities assumed	—	(8)	—
Deferred tax assets (liabilities)	(1)	—	(2)
Acquisitions, net of cash acquired	$ 4	108	24
Equity method investment acquired for non-cash consideration	$ —	41	—
Cash paid for interest	$ 24	28	8
Cash paid for income taxes	$ 3	47	53

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

(4) Acquisitions

Acquisitions

Tripadvisor had no material acquisitions during the year ended December 31, 2020. During the year ended December 31, 2019, Tripadvisor completed three acquisitions of businesses aggregating total purchase price consideration of $109 million. Tripadvisor acquired 100% ownership of the following: SinglePlatform, a leading online content management and syndication platform company based in the U.S.; BookaTable, an online restaurant reservation and booking platform company based in the U.K.; and Restorando, an online restaurant reservation and booking platform company based in Argentina. Tripadvisor paid cash consideration of $107 million, net of $2 million of cash acquired.

During the year ended December 31, 2018, Tripadvisor acquiredone business for a purchase price and net cash consideration of $23 million.

The following table presents the final purchase price allocations for the 2019 and 2018 acquisitions as recorded on our consolidated balance sheet:

	Years ended December 31,	
	2019	2018
	amounts in millions	
Goodwill (1)	$ 88	11
Intangible assets	26	14
Net tangible assets (liabilities)	(5)	—
Deferred tax liabilities, net	—	(2)
Total purchase price consideration	$ 109	23

(1) Goodwill of $53 million is not deductible for tax purposes.

Intangible assets acquired during 2019 were comprised of trademarks of $2 million, customer lists and supplier relationships of $10 million, subscriber relationships of $6 million and technology and other of $8 million. The overall weighted-average life of the intangible assets acquired in the purchase of these businesses was 6 years, and will be amortized on a straight-line basis over the estimated useful lives from acquisition date.

Intangible assets acquired during 2018 were comprised of supplier relationships of $6 million and technology and other of $8 million. The overall weighted-average life of the intangible assets acquired in the purchase of this business was 8 years, and will be amortized on a straight-line basis over the estimated useful lives from acquisition date.

(5) Assets and Liabilities Measured at Fair Value

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs, other than quoted market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The Company does not have any recurring assets or liabilities measured at fair value that would be considered Level 3.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

The Company's assets and liabilities measured at fair value are as follows:

	December 31, 2020			December 31, 2019		
Description	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**
			amounts in millions			
Cash equivalents	$ 4	4	—	22	22	—
Variable prepaid forward	$ 14	—	14	NA	NA	NA

On June 6, 2016, TripCo entered into a variable postpaid forward transaction (the "VPF") with a financial institution with respect to 7 million Tripadvisor common shares held by the Company. TripCo unwound and terminated the VPF during the fourth quarter of 2019. The proceeds from the unwind of the VPF, together with additional borrowings under the Margin Loan (defined in note 7) and a special dividend from Tripadvisor, were used to pay all outstanding borrowings against the VPF, which aggregated $270 million, including accrued interest (see note 7). Changes in the fair value of the VPF were recognized in realized and unrealized gains (losses) on financial instruments in the consolidated statements of operations.

On March 9, 2020, TripSPV, a wholly owned subsidiary of the Company, entered into a variable prepaid forward transaction (the "New VPF") with a financial institution with respect to 2.4 million shares of Tripadvisor common stock held by the Company with a forward floor price of $17.25 per share and a forward cap price of $26.84 per share. Pursuant to the terms of the New VPF, TripSPV received a prepayment of $34 million on March 17, 2020 (see note 7). The liability associated with this instrument is included in other liabilities in the accompanying consolidated balance sheets. Changes in the fair value of the New VPF are recognized in realized and unrealized gains (losses) on financial instruments in the consolidated statements of operations.

The fair value of Level 2 cash equivalents and marketable securities were obtained from pricing sources for identical or comparable instruments, rather than direct observations of quoted prices in active markets. Marketable securities are included in other current assets in the accompanying consolidated balance sheets. The fair value of Level 2 derivative assets were derived from a Black-Scholes-Merton model using observable market data as the significant inputs.

Other Financial Instruments

Other financial instruments not measured at fair value on a recurring basis include trade receivables, trade payables, accrued and other current liabilities, current portion of debt and long-term debt. With the exception of debt, the carrying amount approximates fair value due to the short maturity of these instruments as reported on our consolidated balance sheets. The carrying value of a portion of our debt bears interest at a variable rate and therefore is also considered to approximate fair value. See note 7 for a description of the fair value of the Company's fixed rate debt.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

(6) Goodwill and Other Intangible Assets

Goodwill and Indefinite Lived Intangible Assets

Changes in the carrying amount of goodwill are as follows:

	Tripadvisor	Hotels, Media & Platform	Experiences & Dining	Corporate and other	Total
			(in millions)		
Balance at January 1, 2019	$ 2,443	-	-	-	2,443
Allocation to new segments (1)	(2,443)	1,923	250	270	-
Acquisition (2)	-	-	85	-	85
Other (3)	-	-	(2)	1	(1)
Balance at December 31, 2019	$ -	1,923	333	271	2,527
Allocation to new segments (4)	-	6	-	(6)	-
Impairments (5)	-	(279)	-	(21)	(300)
Dispositions (6)	-	-	-	(18)	(18)
Other (7)	-	-	29	2	31
Balance at December 31, 2020	$ -	1,650	362	228	2,240

(1) The Company changed its reportable segments in the first quarter of 2019.
(2) Additions to goodwill relate to Tripadvisor's acquisitions (see note 4).
(3) Other changes are primarily due to foreign currency translation on goodwill.
(4) Re-allocation of goodwill as a result of changes to reporting units related to Tripadvisor internal restructuring.
(5) TripCo recorded an $18 million goodwill impairment related to a business that was sold in June 2020, and an additional $3 million goodwill impairment during the third quarter of 2020 as a result of strategic decisions made regarding Tripadvisor's China business. See discussion of the Hotels, Media & Platform reporting unit impairment below.
(6) Dispositions relates to the sale of the aforementioned Tripadvisor business.
(7) Other changes primarily relate to immaterial acquisitions and foreign currency translation on goodwill.

As presented in the accompanying consolidated balance sheets, trademarks are the other significant indefinite lived intangible asset. See the disclosure below for information related to the 2020 and 2019 impairments of the Company's trademarks. Other fluctuations in the trademark balance from the prior year were due to the change in foreign exchange rates.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

Intangible Assets subject to amortization

Intangible assets subject to amortization are comprised of the following:

	December 31, 2020				December 31, 2019		
	Weighted Average Remaining Useful Life	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	in years			amounts in millions			
Customer relationships	1	$ 1,059	(992)	67	1,036	(910)	126
Other	3	589	(454)	135	552	(401)	151
Total		$ 1,648	(1,446)	202	1,588	(1,311)	277

Intangible assets are being amortized generally on an accelerated basis as reflected in amortization expense and in the future amortization table below.

Amortization expense was $136 million, $139 million and $137 million for the years ended December 31, 2020, 2019 and 2018, respectively.

The estimated future amortization expense for the next five years related to intangible assets with definite lives as of December 31, 2020, assuming no subsequent impairment of the underlying assets, is as follows (amounts in millions):

2021	$ 80
2022	$ 35
2023	$ 31
2024	$ 28
2025	$ 25

Impairments

Due to the current and expected impact of COVID-19 on Tripadvisor's operating results, and a sustained decline in Tripadvisor's stock price, impairments of $250 million of trademarks and $279 million of goodwill were recorded during the year ended December 31, 2020, respectively, related to the Hotels, Media & Platform reporting unit. The fair value of the trademarks was determined using the relief from royalty method. The fair value of the reporting unit was determined using a combination of market multiples (market approach) and discounted cash flow (income approach) calculations (Level 3).

Based on the quantitative assessment performed during the second quarter of 2020 and the resulting impairment losses recorded, the estimated fair values of the trademark and Hotels, Media & Platform reporting unit approximate their respective carrying values. Additionally, due to the COVID-19 environment and our inability to predict the expected duration and ultimate severity of the impact of COVID-19, the Company believes its reporting units and trademark are at an elevated risk of impairment in future periods. TripCo will continue to monitor Tripadvisor's financial performance, stock price and other events and circumstances that may negatively impact the estimated fair values to determine if future impairment assessments may be necessary.

Due to deteriorations in revenue, impairment losses of $288 million were recorded during the year ended December 31, 2019 related to trademarks. The trademarks were related to the hotels, media & platform reporting unit in 2019. The fair value of the trademarks was determined using the relief from royalty method.

As of December 31, 2020, accumulated goodwill impairment losses for Tripadvisor totaled $1,571 million.

(7) Debt

Outstanding debt at December 31, 2020 and 2019 is summarized as follows:

	December 31, 2020	December 31, 2019
	amounts in millions	
TripCo margin loan	$ —	355
TripCo variable prepaid forward	41	—
Tripadvisor 2015 Credit Facility	—	—
Tripadvisor Senior Notes	500	—
Deferred financing costs	(9)	(2)
Total consolidated TripCo debt	$ 532	353
Less debt classified as current	—	—
Total long-term debt	$ 532	353

TripCo Debt

In connection with the VPF transaction entered into on June 6, 2016, as described in note 5, TripCo borrowed $259 million against the VPF on June 23, 2016. TripCo unwound and terminated the VPF during the fourth quarter of 2019. The proceeds from the VPF, together with additional borrowings under the Margin Loan (defined below) and a special dividend from Tripadvisor were used to pay all outstanding borrowings against the VPF, which aggregated $270 million, including accrued interest.

On June 23, 2016, TripCo amended the terms of two margin loan agreements with respect to borrowings of $200 million. On November 7, 2017, pursuant to another amendment to the margin loan agreements, interest on the margin loans accrued at a rate of 2.4% plus LIBOR per year. During June of 2019, the outstanding borrowings of $200 million in principal and $22 million of paid in kind interest were repaid with proceeds from the Margin Loan (defined below).

On June 10, 2019, a wholly owned subsidiary of TripCo ("TripSPV") entered into a margin loan agreement which included borrowings of $225 million under a term loan and an additional $25 million available under a delayed draw term loan (collectively, the "Margin Loan"). On November 13, 2019, TripSPV borrowed $15 million under the delayed draw term loan. Pursuant to an amendment to the Margin Loan on November 19, 2019, TripSPV borrowed an additional $75 million under the term loan. In addition, availability under the delayed draw term loan was limited to the $15 million already outstanding. Also pursuant to the November 19, 2019 amendment, on December 20, 2019, TripSPV borrowed an additional $33 million under the term loan.

On March 10, 2020, TripSPV amended the Margin Loan agreement, which, among other things, modified the margin call thresholds which would require mandatory prepayment of the Margin Loan.

On March 12, 2020, the closing share price of Tripadvisor common stock price fell below the minimum value and triggered the mandatory prepayment of all amounts outstanding under the Margin Loan. In connection with the New

VPF entered into on March 9, 2020, as described in note 5, TripCo received a prepayment of $34 million on March 17, 2020. The term of the New VPF is three years. At maturity, the accreted loan amount due will be approximately $42 million. As of December 31, 2020, 2.4 million shares of Tripadvisor common stock, with a value of approximately $69 million, were pledged as collateral pursuant to the New VPF contract.

On March 26, 2020, the proceeds from the New VPF, proceeds from the Series A Preferred Stock (described and defined in note 10) issuance, and cash on hand were used to pay all amounts outstanding under the Margin Loan, which aggregated $363 million, including accrued interest.

During the year ended December 31, 2019, TripCo recorded $6 million of non-cash interest related to the Margin Loan.

On February 18, 2021 the Company entered into a $25 million Senior Secured Revolving Credit Facility (the "Credit Facility"). The Credit Facility matures on the earliest of (i) February 18, 2024, (ii) if the holders of Series A Preferred Stock exercise their put rights (see note 10), the earlier of (a) the date that is 120 days from the date the holders of Series A Preferred Stock exercise their put rights or (b) the date the shares of Series A Preferred Stock are redeemed and (iii) 15 days following the consummation of certain change of control transactions. The Credit Facility will bear interest at LIBOR plus 3.00%. The Credit Facility will be drawn on primarily to cover corporate general and administrative expenses.

Tripadvisor 2015 Credit Facility

In June 2015, Tripadvisor entered into a five-year credit agreement, with a group of lenders (as amended, the "Credit Agreement"), which, among other things, provided for a $1 billion unsecured revolving credit facility (the "2015 Credit Facility"). In May 2017, the 2015 Credit Facility was amended to increase the aggregate amount of revolving loan commitments available to $1.2 billion and extend the maturity date from June 26, 2020 to May 12, 2020. On May 5, 2020, Tripadvisor amended the 2015 Credit Facility to, among other things, suspend the leverage ratio covenant on this facility beginning in the second quarter of 2020 and ending prior to September 30, 2021 (or such earlier date as elected by Tripadvisor), and replacing it with a minimum liquidity covenant (the "Leverage Covenant Holiday"), that requires Tripadvisor to maintain $150 million of unrestricted cash, cash equivalents and short-term investments less deferred merchant payables plus available revolver capacity, secured the obligations under the agreement, as well as decrease the aggregate amount of revolving loan commitments available to $1.0 billion from $1.2 billion.

On December 17, 2020, Tripadvisor amended the 2015 Credit Facility to, among other things, continue the suspension of the requirement for quarterly testing of compliance with the leverage ratio covenant until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed $200 million, and (b) the election of Tripadvisor (the "Covenant Changeover Date"), at which time the leverage ratio covenant will be reinstated. The amendment also decreased the aggregate amount of revolving loan commitments available to $500 million from $1.0 billion and extended the maturity date of the 2015 Credit Facility from May 12, 2022 to May 12, 2024.

As of both December 31, 2020 and December 31, 2019 Tripadvisor had no outstanding borrowings under the 2015 Credit Facility. During the first quarter of 2020, Tripadvisor borrowed $700 million under the 2015 Credit Facility. These funds were drawn down as a precautionary measure to reinforce Tripadvisor's liquidity position and preserve financial flexibility in light of uncertainty in the global markets resulting from COVID-19. Tripadvisor repaid these borrowings in full during the third quarter of 2020. During the timeframe for which the leverage ratio covenant is suspended, any outstanding or future borrowings under the 2015 Credit Facility will bear interest at LIBOR plus a 2.25% margin with a LIBOR floor of 1% per annum. Tripadvisor is also required to pay a quarterly commitment fee, at an applicable rate of 0.5%, on the daily unused portion of the revolving credit facility for each fiscal quarter during the Leverage Covenant Holiday and also additional fees in connection with the issuance of letters of credit. Tripadvisor may borrow from the 2015 Credit Facility in U.S. dollars, Euros and British pounds. In addition, the 2015 Credit Facility includes $15 million of borrowing capacity available for letters of credit and $40 million for Swing Line borrowings on same-day notice. As of December 31, 2020 and 2019, Tripadvisor had issued $3 million of outstanding letters of credit under the 2015 Credit Facility.

Tripadvisor recorded interest and commitment fees on its 2015 Credit Facility of $10 million, $2 million and $3 million for the years ended December 31, 2020, 2019 and 2018, respectively, to interest expense on the consolidated statements of operations. In connection with the amendments to Tripadvisor's 2015 Credit Facility in 2020, Tripadvisor incurred additional lender fees and debt financing costs totaling $7 million, which were capitalized as deferred financing costs and recorded to other long-term assets on the consolidated balance sheet, while $2 million of previously deferred financing costs related to the 2015 Credit Facility were immediately recognized to interest expense on the consolidated statement of operations for the year ended December 31, 2020. As of December 31, 2020, Tripadvisor had $5 million remaining in deferred financing costs in connection with the 2015 Credit Facility. These costs will be amortized over the remaining term of the 2015 Credit Facility, using the effective interest rate method, and recorded to interest expense on the consolidated statements of operations.

There is no specific repayment date prior to the maturity date for any borrowings under the Credit Agreement. Tripadvisor may voluntarily repay any outstanding borrowing under the 2015 Credit Facility at any time without premium or penalty, other than customary breakage costs with respect to Eurocurrency loans. Additionally, Tripadvisor believes that the likelihood of the lender exercising any subjective acceleration rights, which would permit the lenders to accelerate repayment of any outstanding borrowings, is remote. As such, Tripadvisor classifies any borrowings under this facility as long-term debt. The Credit Agreement contains a number of covenants that, among other things, restrict Tripadvisor's ability to: incur additional indebtedness, create liens, enter into sale and leaseback transactions, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions, make investments, loans or advances, prepay certain subordinated indebtedness, make certain acquisitions, engage in certain transactions with affiliates, amend material agreements governing certain subordinated indebtedness, and change its fiscal year. The Credit Agreement also limits Tripadvisor from repurchasing shares of its common stock, and paying dividends, among other restrictions, during the Leverage Covenant Holiday. In addition, to secure the obligations under the Credit Agreement, Tripadvisor and certain subsidiaries have granted security interests and liens in and on, substantially all of their assets, as well as pledged shares of certain of Tripadvisor's subsidiaries. The Credit Agreement also contains certain customary affirmative covenants and events of default, including a change of control. If an event of default occurs, the lenders under the Credit Agreement will be entitled to take various actions, including the acceleration of all amounts due under the 2015 Credit Facility.

Tripadvisor Senior Notes

On July 9, 2020, Tripadvisor completed the sale of $500 million aggregate principal amount of 7.000% senior notes due July 15, 2025 (the "Senior Notes") pursuant to a purchase agreement, dated July 7, 2020, among Tripadvisor, the guarantors party thereto (the "Guarantors") and the initial purchasers party thereto in a private offering. The Senior Notes were issued pursuant to an indenture, dated July 9, 2020 (the "Indenture"), among Tripadvisor, the Guarantors and the trustee. The Indenture provides, among other things, that interest will be payable on the Senior Notes on January 15 and July 15 of each year, beginning on January 15, 2021, until their maturity date of July 15, 2025. The Senior Notes are senior unsecured obligations of Tripadvisor and are guaranteed on a senior unsecured basis by certain domestic subsidiaries.

Tripadvisor has the option to redeem all or a portion of the Senior Notes at any time on or after July 15, 2022 at the redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any. Tripadvisor may also redeem all or any portion of the Senior Notes at any time prior to July 15, 2022, at a price equal to 100% of the aggregate principal amount thereof plus a make-whole premium and accrued and unpaid interest, if any. In addition, before July 15, 2022, Tripadvisor may redeem up to 40% of the aggregate principal amount of the Senior Notes with the net proceeds of certain equity offerings at the redemption price set forth in the Indenture, provided that certain conditions are met. Subject to certain limitations, in the event of a Change of Control Triggering Event (as defined in the Indenture), Tripadvisor will be required to make an offer to purchase the Senior Notes at a price equal to 101% of the aggregate principal amount of the Senior Notes repurchased, plus accrued and unpaid interest, if any, to the date of repurchase. These features have been evaluated as embedded derivatives under GAAP, however, Tripadvisor has concluded they do not meet the requirements to be accounted for separately.

In the third quarter of 2020, Tripadvisor used all proceeds from the Senior Notes to repay a portion of its 2015 Credit Facility outstanding borrowings. The deferred financing costs will be amortized over the remaining term of the Senior Notes, using the effective interest rate method, and recorded to interest expense on the consolidated statements of operations.

The Indenture contains covenants that, among other things and subject to certain exceptions and qualifications, restrict the ability of Tripadvisor and the ability of certain of its subsidiaries to incur or guarantee additional indebtedness or issue disqualified stock or certain preferred stock; pay dividends and make other distributions or repurchase stock; make certain investments; create or incur liens; sell assets; create restrictions affecting the ability of restricted subsidiaries to make distributions, loans or advances or transfer assets to Tripadvisor or the restricted subsidiaries; enter into certain transactions with Tripadvisor's affiliates; designate restricted subsidiaries as unrestricted subsidiaries; and merge, consolidate or transfer or sell all or substantially all of Tripadvisor's assets.

Fair Value

As of December 31, 2020, Tripadvisor estimated the fair value of its outstanding Senior Notes to be approximately $542 million and considered the Senior Notes to be a "Level 2" fair value measurement. The estimated fair value of the Senior Notes was based on recently reported market transactions and prices for identical or similar financial instruments obtained from a third-party pricing source.

Due to the primarily variable rate nature, TripCo believes that the carrying amount of its debt approximated fair value at December 31, 2020 and 2019.

Debt Covenants

As of December 31, 2020, Tripadvisor was in compliance with its debt covenants.

(8) Leases

Effective January 1, 2019, the Company adopted Accounting Standards Codification Topic 842 ("ASC 842"), and elected the transition method that allows for a cumulative-effect adjustment in the period of adoption. ASC 842 requires a company to recognize lease assets and lease liabilities arising from operating leases in the statement of financial position. Additionally, the criteria for classifying a lease as a finance lease versus an operating lease are substantially the same as the previous guidance. Results for reporting periods beginning after January 1, 2019 are presented under ASC 842, while prior period amounts were not adjusted and continue to be reported under the accounting standards in effect for those periods.

We elected the following practical expedients available in transition upon adoption of ASC 842 and accounting policy updates: 1) the "practical expedients package of three", which allows us to not reassess the following as of the adoption date: a) whether any expired or existing contracts are or contain a lease, b) the lease classification of any expired or existing leases; and c) the accounting treatment for initial direct costs for existing leases; 2) the "short-term lease recognition exemption", which allows entities to forego recognition of right-of-use ("ROU") assets and lease liabilities for leases with a lease term of twelve months or less and which also do not include an option to renew the lease term that the entity is reasonably certain to exercise; 3) elect by asset class as an accounting policy, to combine lease and non-lease components as a single component and subsequently account for the combined single component as the lease component; and 4) apply the portfolio approach to similar types of leases where the Company does not reasonably expect the outcome to differ materially from applying the new guidance to individual leases.

Tripadvisor's lease contracts contain both lease and non-lease components. Tripadvisor accounts separately for the lease and non-lease components of its office space leases and certain other leases, such as data center leases. However, for certain categories of equipment leases, such as network equipment and others, Tripadvisor accounts for the lease and non-lease components as a single lease component. Additionally, for certain equipment leases that have similar characteristics, Tripadvisor applies a portfolio approach to effectively account for operating lease ROU assets and lease liabilities, hence Tripadvisor does not expect the outcome to differ materially from applying the new guidance to individual leases.

Operating Leases

Tripadvisor leases office space in a number of countries around the world generally under non-cancelable lease agreements. Tripadvisor's office space leases, exclusive of its Headquarters Lease, are operating leases. Operating lease ROU assets and liabilities are recognized at the lease commencement date, or the date the lessor makes the leased asset available for use, based on the present value of the lease payments over the lease term using Tripadvisor's estimated incremental borrowing rate.

Tripadvisor's office space operating leases expire at various dates with the latest maturity in June 2027. Certain leases include options to extend the lease term for up to 6 years and/or terminate the leases within 1 year, which Tripadvisor includes in the lease terms if it is reasonably certain to exercise these options.

Tripadvisor also establishes assets and liabilities for the present value of estimated future costs to return certain of its leased facilities to their original condition for asset retirement obligations. Such assets are depreciated over the lease period into operating expense, and the recorded liabilities are accreted to the future value of the estimated restoration costs and are included in other liabilities on the consolidated balance sheet. Tripadvisor's asset retirement obligations were not material as of December 31, 2020 and December 31, 2019.

Finance Lease

In June 2013, Tripadvisor entered into its Headquarters Lease of an approximately 280,000 square foot rental building in Needham, Massachusetts, for an initial term of 15 years and 7 months or through December 2030. Tripadvisor also has an option to extend the term of the Headquarters Lease for two consecutive terms of five years each. Tripadvisor's Headquarters Lease was accounted for as a finance lease upon the adoption of ASC 842 on January 1, 2019.

Finance lease ROU assets and finance lease liabilities are recognized at the lease commencement date or the date the lessor makes the leased asset available for use. Finance lease ROU assets are generally amortized on a straight-line basis over the lease term, and the carrying amount of the finance lease liabilities are (1) accreted to reflect interest using the incremental borrowing rate if the rate implicit in the lease is not readily determinable, and (2) reduced to reflect lease payments made during the period. Amortization expense for finance lease ROU assets and interest accretion on finance lease liabilities are recorded to depreciation and interest expense, respectively, in the consolidated statements of operations.

The components of lease expense during the years ended December 31, 2020 and December 31, 2019 were as follows:

	Year ended December 31, 2020	Year ended December 31, 2019
	in millions	
Operating lease cost (1)	$ 28	24
Finance lease cost:		
Amortization of right-of-use assets (2)	$ 10	9
Interest on lease liabilities (3)	4	4
Total finance lease cost	$ 14	13
Sublease income (1)	(3)	(3)
Total lease cost, net	$ 39	34

(1) Included in operating expense, including stock-based compensation in the consolidated statement of operations.
(2) Included in depreciation expense in the consolidated statement of operations.
(3) Included in interest expense in the consolidated statement of operations.

Prior to the adoption of ASC 842, rental expense under lease agreements amounted to $17 million for the year ended December 31, 2018.

Supplemental balance sheet information related to leases is as follows:

	December 31, 2020	December 31, 2019
	in millions	
Operating leases:		
Operating lease right-of-use assets (1)	$ 54	74
Current operating lease liabilities (2)	$ 21	20
Operating lease liabilities (3)	46	64
Total operating lease liabilities	$ 67	84
Finance Lease:		
Finance lease right-of-use assets (4)	$ 95	105
Current finance lease liabilities (2)	$ 5	5
Finance lease liabilities (3)	71	78
Total finance lease liabilities	$ 76	83

(1) Included in other assets, at cost, net of accumulated amortization in the consolidated balance sheet.
(2) Included in accrued liabilities and other current liabilities in the consolidated balance sheet.
(3) Included in other liabilities in the consolidated balance sheet.
(4) Included in property and equipment, net in the consolidated balance sheet.

Additional information related to leases is as follows for the periods presented:

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

	Year ended	
	December 31, 2020	December 31, 2019
	in millions	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$ 26	26
Operating cash outflows from finance lease	$ 4	4
Financing cash outflows from finance lease	$ 6	5
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	$ 4	106
Finance lease	$ —	88

	As of	
	December 31, 2020	December 31, 2019
Weighted-average remaining lease term		
Operating leases	3.7 years	4.4 years
Finance lease	10.0 years	11.0 years
Weighted-average discount rate		
Operating leases	3.99%	4.11%
Finance lease	4.49%	4.49%

Future lease payments under non-cancellable leases as of December 31, 2020 were as follows:

	Operating Leases	Finance Lease
	in millions	
2021	$ 25	10
2022	21	10
2023	13	10
2024	8	10
2025	3	10
Thereafter	2	46
Total future lease payments	$ 72	96
Less: imputed interest	(5)	(20)
Total	$ 67	76

As of December 31, 2020, we did not have any additional operating or finance leases that have not yet commenced but that create significant rights and obligations.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

(9) Income Taxes

Income tax benefit (expense) consists of:

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Current:			
Federal	$ 73	(31)	(39)
State and local	3	(6)	(12)
Foreign	3	(26)	(14)
	$ 79	(63)	(65)
Deferred:			
Federal	$ 37	27	14
State and local	28	20	(5)
Foreign	8	32	(1)
	73	79	8
Income tax benefit (expense)	$ 152	16	(57)

The following table presents a summary of our domestic and foreign earnings (losses) from continuing operations before income taxes:

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Domestic	$ (855)	(178)	3
Foreign	(159)	46	45
Total	$ (1,014)	(132)	48

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

Income tax benefit (expense) differs from the amounts computed by applying the U.S. federal income tax rate of 21% as a result of the following:

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Computed expected tax benefits (expense)	$ 213	28	(10)
State and local taxes, net of federal income taxes	26	2	(14)
Foreign taxes, net of foreign tax credits	3	13	11
Taxable dividend net of dividends received deduction	—	(13)	—
Basis difference in consolidated subsidiary	(1)	22	(17)
Change in valuation allowance	(40)	(11)	(4)
Change in unrecognized tax benefits	(4)	(25)	(12)
Federal tax credits	9	11	9
Stock-based compensation	(14)	(4)	(8)
Impairment of nondeductible goodwill	(65)	—	—
Rate differential on U.S. net operating loss carryback	23	—	—
Other	2	(7)	(12)
Income tax (expense) benefit	$ 152	16	(57)

During 2020, the Company recognized additional tax expense related to the impairment of goodwill that is not deductible for tax purposes.

During 2019, the Company recognized additional tax expense for changes in unrecognized tax benefits and dividends from Tripadvisor not recognized for book purposes, net of a dividends received deduction. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate and federal income tax credits.

During 2018, the Company recognized additional tax expense related to the recognition of deferred tax liabilities for basis differences in the stock of a consolidated subsidiary and changes in unrecognized tax benefits. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate.

The CARES Act made tax law changes to provide financial relief to companies as a result of the business impacts of COVID-19. Key income tax provisions of the CARES Act include changes in net operating loss (“NOL”) carryback and carryforward rules, increase of the net interest expense deduction limit, and immediate write-off of qualified improvement property. The CARES Act allows us to carryback Tripadvisor’s U.S. federal NOLs incurred in 2020, generating an expected U.S. benefit of $76 million, of which $48 million will be refunded. This refund is recorded in income taxes receivable on our consolidated balance sheet as of December 31, 2020 and is expected to be received during 2021. Tripadvisor also reduced its long-term transition tax payable related to the 2017 Tax Cuts and Jobs Act by $28 million as a result of the NOL carryback.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

The tax effects of temporary differences and tax attributes that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are presented below:

	December 31, 2020	December 31, 2019
	amounts in millions	
Deferred tax assets:		
Tax loss and credit carryforwards	$ 141	89
Stock-based compensation	38	53
Lease financing obligation	23	24
Other	(16)	(23)
Total deferred tax assets	186	143
Less: valuation allowance	(122)	(80)
Net deferred tax assets	64	63
Deferred tax liabilities:		
Intangible assets	(231)	(297)
Investments	(13)	(17)
Other	4	3
Total deferred tax liabilities	(240)	(311)
Net deferred tax liability	$ (176)	(248)

During the year ended December 31, 2020, there was a $40 million increase in the Company's valuation allowance that affected tax expense and a $2 million increase related to the impact of foreign exchange rates.

As a result of the Tax Cuts and Jobs Act of 2017, foreign earnings may now generally be repatriated back to the U.S. without incurring U.S. federal income tax. Historically, Tripadvisor had asserted its intention to indefinitely reinvest the cumulative undistributed earnings of its foreign subsidiaries. In response to increased cash requirements in the U.S. related to Tripadvisor's declaration of a special cash dividend and other strategic initiatives during the fourth quarter of 2019, Tripadvisor determined it no longer considers all foreign earnings to be indefinitely reinvested. As of December 31, 2020, $376 million of Tripadvisor's cumulative undistributed foreign earnings were no longer considered to be indefinitely reinvested. Tripadvisor intends to indefinitely reinvest $118 million of these foreign earnings in its non-U.S. subsidiaries, which determination of any related unrecognized deferred income tax liability is not practicable.

At December 31, 2020, the Company has a deferred tax asset of $141 million for federal, state, and foreign NOLs, interest expense carryforwards and tax credit carryforwards. Of this amount, $119 million is recorded at Tripadvisor. If not utilized to reduce income tax liabilities at Tripadvisor in future periods, these loss carryforwards and tax credits will expire at various times between 2021 and 2036. The remaining deferred tax asset of $22 million relates to federal and state NOL carryforwards and interest expense carryforwards recorded at TripCo. If not utilized to reduce income tax liabilities at TripCo in future periods, $17.1 million of these NOL carryforwards will expire at various times between 2023 and 2037. The remaining $4.9 million of NOLs and interest expense carryforwards may be carried forward indefinitely. These carryforwards recorded at Tripadvisor and TripCo are expected to be utilized prior to expiration, except for $122 million of NOLs, interest expense carryforwards, and tax credit carryforwards, which based on current projections may expire unused.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

A reconciliation of unrecognized tax benefits is as follows (amounts in millions):

	Years ended December 31,		
	2020	**2019**	**2018**
Balance at beginning of year	$ 140	136	123
Additions based on tax positions related to the current year	3	11	11
Additions for tax positions of prior years	1	1	2
Reductions for tax positions of prior years	—	(8)	—
Balance at end of year	$ 144	140	136

As of December 31, 2020, 2019 and 2018, the Company had recorded tax reserves of $144 million, $140 million and $136 million, respectively, related to unrecognized tax benefits for uncertain tax positions, which are classified as long-term and included in other long-term liabilities on the consolidated balance sheets. Prior to the acquisition of a controlling interest in Tripadvisor in December 2012, the Company did not have any unrecognized tax benefits for uncertain tax positions. If the unrecognized tax benefits were to be recognized for financial statement purposes, approximately $74 million, $82 million and $87 million for the years ended December 31, 2020, 2019 and 2018, respectively, would be reflected in the Company's tax expense and affect its effective tax rate. The Company's estimate of its unrecognized tax benefits related to uncertain tax positions requires a high degree of judgment. The Company anticipates that the liability for unrecognized tax benefits could decrease by up to $4 million within the next twelve months due to the settlement of examinations of issues with tax authorities.

As of December 31, 2020 and 2019, the Company had recorded approximately $35 million and $29 million, respectively, of accrued interest and penalties related to uncertain tax positions.

As of December 31, 2020, TripCo's tax years prior to 2017 are closed for federal income tax purposes, and the Internal Revenue Service ("IRS") has completed its examination of TripCo's 2017 and 2018 tax years. Because TripCo's ownership of Tripadvisor is less than the required 80%, Tripadvisor does not consolidate with TripCo for federal income tax purposes.

Prior to December 2011, Tripadvisor was included in the consolidated federal income tax returns filed by Expedia. Expedia's 2009, 2010 and short-period 2011 tax years are currently being audited by the IRS. Tripadvisor and Expedia are parties to a tax sharing agreement whereby Tripadvisor is generally required to indemnify Expedia for any taxes resulting from the Expedia spin-off (and any related interest, penalties, legal and professional fees, and all costs and damages associated with related stockholder litigation or controversies) to the extent such amounts resulted from (i) any act or failure to act by Tripadvisor described in the covenants in the tax sharing agreement, (ii) any acquisition of Tripadvisor's equity securities or assets or those of a member of its group, or (iii) any failure of the representations with respect to Tripadvisor or any member of its group to be true or any breach by Tripadvisor or any member of its group of any covenant, in each case, which is contained in the separation documents or in the documents relating to the IRS private letter ruling and/or the opinion of counsel.

Tripadvisor is undergoing an audit by the IRS for the short-period 2011, 2012-2016, and 2018 tax years and is also under an employment tax audit by the IRS for the 2015 through 2017 tax years. Various states are currently examining Tripadvisor's prior year's state income tax returns. Tripadvisor is no longer subject to tax examinations by tax authorities for years prior to 2009. As of December 31, 2020, no material assessments have resulted, except as noted below.

In January 2017 and April 2019, as part of Expedia's IRS audit, Tripadvisor received Notices of Proposed Adjustment from the IRS for the 2009, 2010 and 2011 tax years. Subsequently, in September 2019, as part of Tripadvisor's standalone audit, Tripadvisor received Notices of Proposed Adjustment from the IRS for the 2012 and 2013 tax years, and in August 2020, Tripadvisor received Notices of Proposed Adjustment from the IRS for the 2014, 2015 and 2016 tax years. These proposed adjustments are related to certain transfer pricing arrangements with Tripadvisor's foreign subsidiaries, and would result in an increase to Tripadvisor's worldwide income tax expense in an estimated range of $95 million to $105 million at the close of the audit if the IRS prevails, which includes $20 million to $30 million related to the 2009 through 2011 pre Expedia spin-off tax years. The estimated range takes in consideration competent authority relief and transition tax regulations, and is exclusive of deferred tax consequences and interest expense, which would be significant. Tripadvisor disagrees with the proposed adjustments and intends to defend its position through applicable administrative and, if necessary, judicial remedies. Tripadvisor's policy is to review and update tax reserves as facts and circumstances change. Based on Tripadvisor's interpretation of the regulations and available case law, it believes the position taken with regard to transfer pricing with its foreign subsidiaries is sustainable. In addition to the risk of additional tax for 2009 through 2016 years, Tripadvisor would be subject to significant additional tax liabilities. Tripadvisor has requested competent authority assistance under the Mutual Agreement Procedure for tax years 2009 through 2013. Tripadvisor expects the competent authorities to present a resolution for the 2009 through 2011 tax years in the near future. Upon receipt, Tripadvisor will assess the resolution provided by the competent authorities as well as its impact on its existing income tax reserves for all open subsequent years.

In January 2021, Tripadvisor received an issue closure notice relating to adjustments for 2012 through 2016 tax years from HM Revenue & Customs ("HMRC"). These proposed adjustments are related to certain transfer pricing arrangements with Tripadvisor's foreign subsidiaries and would result in an increase to its worldwide income tax expense in an estimated range of $45 million to $55 million, exclusive of interest expense, at the close of the audit if HMRC prevails. Tripadvisor disagrees with the proposed adjustments and intends to defend its position through applicable administrative and, if necessary, judicial remedies. Tripadvisor's policy is to review and update tax reserves as facts and circumstances change. Based on its interpretation of the regulations and available case law, Tripadvisor believes the position it has taken with regard to transfer pricing with its foreign subsidiaries is sustainable.

(10) Redeemable Preferred Stock

On March 15, 2020, TripCo and Gregory B. Maffei entered into an Investment Agreement (the "Investment Agreement") with Certares Holdings LLC, Certares Holdings (Blockable) LLC and Certares Holdings (Optional) LLC with respect to an investment in TripCo's Series A Preferred Stock, which was later assigned to Certares LTRIP LLC ("Certares" or the "Purchaser"). Pursuant to the assigned Investment Agreement, on March 26, 2020, TripCo issued 325,000 shares of Series A Preferred Stock to Certares for a purchase price of $1,000 per share.

Priority

The Series A Preferred Stock ranks senior to the shares of common stock of TripCo, with respect to dividend rights, rights of redemption and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of TripCo. The Series A Preferred Stock has a liquidation value equal to the sum of (i) $ 1,000, plus (ii) all unpaid dividends (whether or not declared) accrued with respect to such share.

Voting and Convertibility

Holders of Series A Preferred Stock are not entitled to any voting powers, except as otherwise specified in the Certificate of Designations or as required by Delaware law. Shares of Series A Preferred Stock are not convertible into TripCo common stock.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

Dividends

Dividends on each share of Series A Preferred Stock accrue on a daily basis at a rate of8.00% of the liquidation value and are payable annually, commencing after March 26, 2020. Dividends on each share of Series A Preferred Stock may be paid, at TripCo's election, in cash, shares of the Company's Series A common stock ("LTRPA"), or, at the election of the Purchaser, shares of the Company's Series C common stock ("LTRPK"), provided, in each case, such shares are listed on a national securities exchange and are actively traded (such LTRPK shares, together with the LTRPA shares, the "Eligible Common Stock"), or a combination of cash and Eligible Common Stock. If a dividend is not declared and paid on the dividend payment date, the dividend amount will be added to the then-applicable liquidation price of the Series A Preferred Stock.

Redemption

The Company is required to redeem for cash shares of Series A Preferred Stock on the earlier of (i) the first business day after the fifth anniversary of March 26, 2020, or (ii) subject to certain exceptions, a change in control of TripCo. The "Redemption Price" in a mandatory redemption or the exercise of a holder's put right will equal the greater of (i) the sum of the liquidation value on the redemption date, plus all unpaid dividends accrued since the last dividend date, and (ii) the product of the (x) initial liquidation value, multiplied by (y) an accretion factor (determined based on a formula set forth in the Certificate of Designations for the Series A Preferred Stock) with respect to the Tripadvisor Common Stock, less (z) the aggregate amount of all dividends paid in cash or shares of Eligible Common Stock from March 26, 2020 through the applicable redemption date.

Put Right

Following March 26, 2021, the Purchaser will have the right to cause TripCo to redeem all of the outstanding shares of Series A Preferred Stock at the Redemption Price for, at the election of TripCo, cash, shares of Eligible Common Stock, shares of Tripadvisor Common Stock or any combination of the foregoing, subject to certain limitations (the "Put Option"). The Purchaser may exercise its put right by delivering notice to TripCo within a certain number of days following the filing by TripCo of its periodic reports with the SEC, and TripCo will have 180 days from the delivery of such notice to redeem the outstanding Series A Preferred Stock. If TripCo determines not to redeem the Series A Preferred Stock within that 180-day period, TripCo may facilitate the sale of the Series A Preferred Stock and, if necessary, make the Purchaser whole for any shortfall from the redemption price. The Company evaluated the Put Option as an embedded derivative and determined it is not required to be bifurcated.

Recognition

As the Series A Preferred Stock is redeemable and the redemption triggers are outside of TripCo's control, the Company is required to classify the shares outside of permanent equity. The Company will calculate the carrying value of the Series A Preferred Stock pursuant to the Redemption Price calculation, and any changes in the carrying value of the Series A Preferred Stock will be recorded directly to retained earnings, or to additional paid-in capital in the absence of retained earnings. The Company must adjust net earnings for the change in the carrying value of the Series A Preferred Stock to determine the net earnings attributable to common shareholders to be used in the calculation of EPS. For the year ended December 31, 2020, the adjustment for the Redemption Price, including transaction costs, was approximately $150 million.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

(11) Stockholders' Equity

Common Stock

Series A common stock entitles the holders to one vote per share, Series B common stock entitles the holders to ten votes per share and Series C common stock, except as otherwise required by applicable law, entitles the holder to no voting rights. All series of TripCo common stock participate on an equal basis with respect to dividends and distributions.

Subsidiary Purchases of Common Stock

On January 31, 2018, Tripadvisor's Board of Directors authorized repurchases of up to $250 million of its shares of common stock under a share repurchase program. This share repurchase program has no expiration date but may be suspended or terminated by Tripadvisor's Board of Directors at any time. During the year ended December 31, 2018, Tripadvisor repurchased 2,582,198 shares of its outstanding common stock for $100 million in the aggregate.

On November 1, 2019, Tripadvisor's Board of Directors authorized the repurchase of an additional $100 million in shares of its common stock under its existing share repurchase program, which increased the amount available under this share repurchase program to $250 million. During the year ended December 31, 2019, Tripadvisor repurchased 2,059,846 shares of its outstanding common stock for $60 million in the aggregate. As of December 31, 2019, Tripadvisor had approximately $190 million remaining available to repurchase shares of its common stock under this share repurchase program.

During the year ended December 31, 2020, Tripadvisor repurchased 4,707,450 shares of its outstanding stock for $115 million in the aggregate. As of December 31, 2020, Tripadvisor had approximately $75 million remaining available to repurchase shares of its common stock under this share repurchase program. While Tripadvisor's Board of Directors has not suspended or terminated its share repurchase program, the terms of the Credit Agreement currently limit Tripadvisor from engaging in share repurchases during the Leverage Covenant Holiday and the terms of its Indenture impose certain limitations and restrictions on share repurchases. Refer to note 7 for further information about the Credit Agreement and the Indenture.

Subsidiary Dividends

On November 1, 2019, Tripadvisor's Board of Directors declared a special cash dividend of $3.50 per share, or approximately $488 million in the aggregate. The dividend was payable on December 4, 2019 to stockholders of record on November 20, 2019. TripCo's share of the dividend was $108 million based on our ownership in Tripadvisor. During the years ended December 31, 2020 and 2018, Tripadvisor's Board of Directors did not declare any dividends on its common stock.

Any determination by Tripadvisor to pay dividends in the future will be at the discretion of Tripadvisor's Board of Directors and will depend on its results of operations, earnings, capital requirements, financial condition, future prospects, contractual restrictions and other factors deemed relevant by Tripadvisor's Board of Directors. Tripadvisor's ability to pay dividends is also limited by the terms of the Credit Agreement during the Leverage Covenant Holiday. In connection with the declaration of such dividends, Tripadvisor's non-vested RSUs are entitled to dividend equivalents, which will be payable to the holder subject to, and only upon vesting of, the underlying awards. Tripadvisor's outstanding stock options are not entitled to dividend or dividend equivalents.

(12) Stock-Based Compensation

TripCo Incentive Plans

TripCo has granted to certain of its directors and employees restricted stock units ("RSUs") and stock options to purchase shares of TripCo common stock (collectively, "Awards"). TripCo measures the cost of employee services received in exchange for an equity classified Award based on the grant-date fair value ("GDFV") of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). The Company measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and re-measures the fair value of the Award at each reporting date.

Pursuant to the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, the Company may grant Awards in respect of a maximum of 5.0 million shares of TripCo common stock. Awards generally vest over 1-5 years and have a term of 7-10 years. TripCo issues new shares upon exercise of equity awards.

TripCo – Grants

During the years ended December 31, 2020 and 2019, TripCo granted573 thousand and 27 thousand options, respectively, to purchase shares of Series B TripCo common stock to our CEO. Such options had a GDFV of $2.41 per share and $6.41 per share, respectively, at the time they were granted. The 2020 options vested immediately upon grant, and the 2019 options vested on December 31, 2019. Also during the years ended December 31, 2020 and 2019, TripCo granted 242 thousand and 35 thousand performance-based RSUs, respectively, of Series B TripCo common stock to our CEO. The performance-based RSUs had a GDFV of $3.08 per share and $14.17 per share, respectively, at the time they were granted. The performance-based RSUs cliff vest one year from the month of grant, subject to the satisfaction of certain performance objectives. Performance objectives, which are subjective, are considered in determining the timing and amount of the compensation expense recognized. When the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The probability of satisfying the performance objectives is assessed at the end of each reporting period. During the year ended December 31, 2020, TripCo granted 30 thousand time-based RSUs of Series B TripCo common stock to our CEO which had a GDFV of $4.76 per share and cliff vested on December 10, 2020. This RSU grant was issued in lieu of our CEO receiving 50% of his remaining base salary for the last three quarters of calendar year 2020, and he waived his right to receive the other 50%, in each case, in light of the ongoing financial impact of COVID-19. In addition, during the years ended December 31, 2020 and 2019, TripCo granted 1 million and 320 thousand time-based RSUs, respectively, of Series B TripCo common stock to our CEO. These time-based RSUs cliff vest on December 7, 2024 and December 15, 2023, respectively, and represent two upfront grants related to the CEO's new employment agreement. See discussion in note 1 regarding the new compensation agreement with TripCo's CEO.

During the years ended December 31, 2020 and 2019, TripCo granted to its employees499 thousand and 73 thousand options, respectively, to purchase shares of Series A TripCo common stock. Such options had a weighted average GDFV of $ 2.58 per share and $3.53 per share, respectively, and vest between two and five years.

During the years ended December 31, 2020, 2019 and 2018, TripCo granted148 thousand, 79 thousand and 59 thousand options, respectively, to purchase shares of Series A TripCo common stock to its non-employee directors. Such options had a weighted average GDFV of $2.76, $3.42 and $8.83 per share, respectively, and cliff vest over a 1-year vesting period.

There were no exercises, forfeitures or cancellations of Series B TripCo common stock during the year ended December 31, 2020.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

The Company has calculated the GDFV for all of its equity classified awards and any subsequent re-measurement of its liability classified awards using the Black-Scholes-Merton Model. The Company estimates the expected term of the Awards based on historical exercise and forfeiture data. For grants made in 2020, 2019 and 2018, the range of expected terms was 4.8 years to 6.3 years. The volatility used in the calculation for Awards is based on the historical volatility of TripCo common stock. For grants made in 2020, 2019 and 2018, the range of volatilities was 49.5% to 82.1%. The Company uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject options.

TripCo - Outstanding Awards

The following tables present the number and weighted average exercise price ("WAEP") of Awards to purchase TripCo common stock granted to certain officers, employees and directors of the Company, as well as the weighted average remaining life and aggregate intrinsic value of the Awards.

	Series A	WAEP	Weighted average remaining contractual life	Aggregate intrinsic value
	in thousands		in years	in millions
Outstanding at January 1, 2020	717	$ 13.65		
Granted	647	$ 4.12		
Exercised	—	$ —		
Forfeited/Cancelled	(278)	$ 14.42		
Outstanding at December 31, 2020	1,086	$ 7.78	5.8	$ —
Exercisable at December 31, 2020	367	$ 14.37	4.0	$ —

	Series B	WAEP	Weighted average remaining contractual life	Aggregate intrinsic value
	in thousands		in years	in millions
Outstanding at January 1, 2020	1,824	$ 27.63		
Granted	573	$ 3.76		
Exercised	—	$ —		
Forfeited/Cancelled	—	$ —		
Outstanding at December 31, 2020	2,397	$ 21.93	4.7	$ 18
Exercisable at December 31, 2020	2,397	$ 21.93	4.7	$ 18

As of December 31, 2020, the total unrecognized compensation cost related to unvested equity Awards was $3.6 million. Such amount will be recognized in the Company's statements of operations over a weighted average period of approximately two years.

As of December 31, 2020, TripCo reserved 3.5 million shares of Series A and Series B TripCo common stock for issuance under exercise privileges of outstanding stock Awards.

TripCo - Exercises

The aggregate intrinsic value of all TripCo options exercised during the year ended December 31, 2018 was $117 thousand. No TripCo options were exercised in 2020 or 2019.

TripCo — Restricted Stock and Restricted Stock Units

The aggregate fair value of all restricted stock and restricted stock units of TripCo common stock that vested during the years ended December 31, 2020, 2019 and 2018 was $554 thousand, $159 thousand and $9 thousand, respectively.

As of December 31, 2020, TripCo had approximately 1.8 million unvested restricted stock and restricted stock units of Series A and Series B TripCo common stock held by certain directors, officers and employees of the Company with a weighted average GDFV of $4.64 per share.

Tripadvisor Equity Grant Awards

On June 21, 2018, Tripadvisor's stockholders approved the 2018 Stock and Annual Incentive Plan (the "2018 Plan") primarily for the purpose of providing sufficient reserves of shares of Tripadvisor's common stock to ensure its ability to continue to provide new hires, employees and management with equity incentives. The number of shares reserved and available for issuance under the 2018 Plan is 6,000,000 plus the number of shares available for issuance (and not subject to outstanding awards) under the Amended and Restated 2011 Stock and Annual Incentive Plan (the "2011 Plan"), as of the effective date of the 2018 Plan and no additional awards will be granted under the 2011 Plan. The 2018 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, RSUs, and other stock-based awards to Tripadvisor's directors, officers, employees and consultants. Grants were valued using a volatility of 43.4% and the applicable risk free rate for an expected term of 5.3 years for the year ended December 31, 2020, volatility of 42.1% and the applicable risk free rate for an expected term of 5.2 years for the year ended December 31, 2019 and a volatility of 41.9% and the applicable risk free rate for an expected term of 5.5 years for the year ended December 31, 2018.

Performance-based stock options and RSUs vest upon achievement of certain Tripadvisor company-based performance conditions and a requisite service period. On the date of grant, the fair value of stock options is calculated using a Black-Scholes-Merton model, which incorporates assumptions to value stock-based awards, including the risk-free rate of return, expected volatility, expected term and expected dividend yield. If, upon grant, Tripadvisor assesses the achievement of performance targets as probable, compensation expense is recorded for the awards over the estimated performance period on a straight-line basis. At each reporting period, the probability of achieving the performance targets and the performance period required to meet those targets is assessed. To the extent actual results or updated estimates differ from Tripadvisor's estimates, the cumulative effect on current and prior periods of those changes will be recorded in the period estimates are revised, or the change in estimate will be applied prospectively depending on whether the change affects the estimate of total compensation cost to be recognized or merely affects the period over which compensation cost is to be recognized.

The following table presents the number, WAEP and aggregate intrinsic value of stock options to purchase Tripadvisor common stock granted under their 2011 Plan and 2018 Plan:

	Number of Options in thousands	WAEP	Weighted Average Remaining Contractual Life in years	Aggregate Intrinsic Value in millions
Outstanding at January 1, 2020	6,017	$ 50.27		
Granted	1,106	$ 25.23		
Exercised	(4)	$ 22.94		
Cancelled or expired	(1,504)	$ 46.72		
Outstanding at December 31, 2020	5,615	$ 46.31	5.3	$ 3
Exercisable at December 31, 2020	3,293	$ 55.87	3.4	$ —

The weighted average GDFV of service based stock options under their 2011 Plan and 2018 Plan was $10.08 for the year ended December 31, 2020. These stock options generally have a term of ten years from the date of grant and typically vest equally over a four year requisite service period. As of December 31, 2020, the total number of shares reserved for future stock-based awards under the 2018 Plan is approximately 8.4 million shares. Tripadvisor related stock-based compensation for the year ended December 31, 2020 was approximately $109 million. As of December 31, 2020, the total unrecognized compensation cost related to unvested Tripadvisor stock options was approximately $18 million and will be recognized over a weighted average period of approximately 1.7 years.

On May 27, 2020 and July 15, 2020, Tripadvisor's Compensation Committee of its Board of Directors, approved modifications to the Company's annual RSU and stock option grants, respectively, issued to its employees in the first quarter of 2020. Such modifications reduced the original grant-date vesting period from four years to two years. Tripadvisor estimates these modifications resulted in the acceleration and recognition of an additional $17 million of stock-based compensation expense during the year ended December 31, 2020, given the modified vesting term. There was no change to the original fair value of the impacted RSUs or stock options as a result of this modification.

Restricted Stock Units and Market-based Restricted Stock Units

RSUs are stock awards that are granted to employees entitling the holder to shares of Tripadvisor common stock as the award vests. RSUs are measured at fair value based on the quoted price of Tripadvisor common stock at the date of grant. The fair value of RSUs is amortized as stock-based compensation expense over the vesting term on a straight-line basis, with the amount of compensation expense recognized at any date at least equaling the portion of the GDFV of the award that is vested at that date.

Tripadvisor issues market-based performance restricted stock units ("MSUs"), which vest upon achievement of specified levels of market conditions. The fair value of the MSUs is estimated at the date of grant using a Monte-Carlo simulation model. The probabilities of the actual number of market-based performance units expected to vest and resultant actual number of shares of Tripadvisor common stock expected to be awarded are reflected in the grant date fair values; therefore, the compensation expense for these awards will be recognized assuming the requisite service period is rendered and are not adjusted based on the actual number of awards that ultimately vest.

During the year ended December 31, 2020, Tripadvisor granted approximately 7 million units, vested and released approximately 3 million units, and had cancellations of approximately 4 million units, which included primarily service-based RSUs and market-based MSUs under the 2018 Plan. The RSUs' fair value was measured based on the quoted price of Tripadvisor common stock at the date of grant. As the MSUs provide for vesting based upon Tripadvisor's total shareholder return, or "TSR," performance, the potential outcomes of future stock prices and TSR of Tripadvisor and the Nasdaq Composite Total Return Index, was used to calculate the GDFV of these awards. The weighted average GDFV for RSUs and MSUs granted, vested and released, and cancelled during 2020 was $24.49 per share, $43.48 per share, and $36.40 per share, respectively. As of December 31, 2020, the total unrecognized compensation cost related to 8 million unvested Tripadvisor RSUs and MSUs outstanding was approximately $160 million which will be recognized over the remaining vesting term of approximately 1.7 years.

(13) Employee Benefit Plans

Tripadvisor sponsors a 401(k) plan and makes matching contributions to the plans based on a percentage of the amount contributed by employees. Employer cash contributions related to Tripadvisor were $11 million, $14 million and $13 million for the years ended December 31, 2020, 2019 and 2018, respectively.

(14) Commitments and Contingencies

Off-Balance Sheet Arrangements

TripCo did not have any other off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Company's financial condition, results of operations, liquidity, capital expenditures or capital resources.

Litigation

In the ordinary course of business, the Company and its subsidiaries are parties to legal proceedings and claims arising out of our operations. These matters may relate to claims involving patent and intellectual property rights (including alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition and consumer matters), defamation and other claims. Although it is reasonably possible that the Company may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

(15) Segment Information

TripCo, through its ownership interests in Tripadvisor, is primarily engaged in the online commerce industries. TripCo identifies its reportable segments as (A) those operating segments that represent 10% or more of its consolidated annual revenue, annual adjusted operating income before depreciation and amortization ("Adjusted OIBDA") or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of TripCo's annual pre-tax earnings.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

TripCo evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue, Adjusted OIBDA, gross margin, and revenue or sales per customer equivalent. In addition, TripCo reviews nonfinancial measures such as unique website visitors, conversion rates and active customers, as appropriate.

We have identified the following as reportable segments:

- Hotels, Media & Platform – includes the following revenue sources: (1) Tripadvisor-branded hotels revenue – primarily consisting of hotel auction revenue, subscription-based advertising, CPA revenue and hotel sponsored placements revenue; and (2) Tripadvisor-branded display and platform revenue – consisting of display-based advertising revenue. All direct general and administrative costs are included in the applicable business, however, all corporate general and administrative costs are included in the Hotels, Media & Platform reportable segment. In addition, the Hotels, Media & Platform reportable segment includes all Tripadvisor-related brand advertising expenses (primarily television advertising), technical infrastructure and other costs supporting the Tripadvisor platform.

- Experiences & Dining – Tripadvisor provides information and services for consumers to research, book and experience activities and attractions in popular travel destinations primarily through Viator, Tripadvisor's dedicated Experiences business, and on Tripadvisor's website and mobile apps. Tripadvisor generates commissions for each booking transaction it facilitates through its online reservation system. Tripadvisor also provides information and services for consumers to research and book restaurants in popular travel destinations through its dedicated restaurant reservations business, TheFork, and on Tripadvisor-branded websites and mobile apps.

Performance Measures

For segment reporting purposes, TripCo defines Adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses (excluding stock-based compensation), adjusted for specifically identified non-recurring transactions. TripCo believes this measure is an important indicator of the operational strength and performance of its businesses, by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results, and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. This measure of performance excludes depreciation and amortization, equity settled liabilities (including stock-based compensation), separately reported litigation settlements and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. TripCo generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

Revenue and Adjusted OIBDA are summarized as follows:

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

	Years ended December 31,					
	2020		2019		2018	
	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA
	amounts in millions					
Hotels, Media & Platform	$ 361	13	939	378	1,001	329
Experiences & Dining	186	(79)	456	5	372	48
Corporate and other	57	5	165	47	242	39
Consolidated TripCo	$ 604	(61)	1,560	430	1,615	416

In addition, we do not report assets, capital expenditures and related depreciation expense by segment as our CODM does not use this information to evaluate operating segments. Accordingly, we do not regularly provide such information by segment to our CODM.

Revenue by Geographic Area

The Company measures its geographic revenue information based on the physical location of the Tripadvisor subsidiary which generates the revenue, which is consistent with the measurement of long-lived physical assets, or property and equipment, net.

	December 31,		
	2020	2019	2018
	amounts in millions		
United States	$ 302	821	835
United Kingdom	169	466	508
Other countries	133	273	272
Consolidated TripCo	$ 604	1,560	1,615

Long-lived Assets by Geographic Area

	December 31,	
	2020	2019
	amounts in millions	
United States	$ 118	137
Other countries	14	18
Consolidated TripCo	$ 132	155

LIBERTY TRIPADVISOR HOLDINGS, INC.

Notes to Consolidated Financial Statements (Continued)

December 31, 2020, 2019 and 2018

The following table provides a reconciliation of Adjusted OIBDA to operating income and earnings (loss) before income taxes:

	Years ended December 31,		
	2020	2019	2018
	amounts in millions		
Adjusted OIBDA	$ (61)	430	416
Restructuring and related reorganization costs	(41)	(1)	—
Legal settlement	—	—	(5)
Stock-based compensation	(112)	(131)	(123)
Depreciation and amortization	(168)	(169)	(160)
Impairment of intangible assets	(550)	(288)	—
Operating income (loss)	(932)	(159)	128
Interest expense	(41)	(22)	(26)
Realized and unrealized gains (losses) on financial instruments, net	(19)	36	(59)
Other, net	(22)	13	5
Earnings (loss) before income taxes	$ (1,014)	(132)	48

PART III

The following required information is incorporated by reference to our definitive proxy statement for our 2021 Annual Meeting of Stockholders presently scheduled to be held in the second quarter of 2021:

Item 10.	Directors, Executive Officers and Corporate Governance
Item 11.	Executive Compensation
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters
Item 13.	Certain Relationships and Related Transactions, and Director Independence
Item 14.	Principal Accountant Fees and Services

We expect to file our definitive proxy statement for our 2021 Annual Meeting of Shareholders with the Securities and Exchange Commission on or before April 30, 2021.

PART IV.

Item 15. Exhibits and Financial Statement Schedules.

(a)(1) *Financial Statements*

Included in Part II of this report:

Liberty TripAdvisor Holdings, Inc.:

(a)(2) *Financial Statement Schedules*

(i) All schedules have been omitted because they are not applicable, not material or the required information is set forth in the financial statements or notes thereto.

(a)(3) *Exhibits*

Listed below are the exhibits which are filed as a part of this Report (according to the number assigned to them in Item 601 of Regulation S-K):

3 -Articles of Incorporation and Bylaws:

3.1 Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on September 3, 2014 (File No. 001-36603).

3.2 Amended and Restated Bylaws of Liberty TripAdvisor Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 13, 2015 (File No. 001-36603)).

3.3 Certificate of Designations of 8% Series A Cumulative Redeemable Preferred Stock of Liberty TripAdvisor Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 23, 2020 (File No. 001-36603)).

4 -Instruments Defining the Rights of Securities Holders, including Indentures:

4.1 Specimen Certificate for shares of Series A Common Stock, par value $.01 per share, of the Registrant (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on May 6, 2014 (File No. 333-195705) (the "S-1")).

4.2 Specimen Certificate for shares of Series B Common Stock, par value $.01 per share, of the Registrant (incorporated by reference to Exhibit 4.2 to the S-1).

4.3 Investment Agreement, dated as of March 15, 2020, by and among Liberty TripAdvisor Holdings, Inc., the investors listed in Schedule I thereto, and solely for the purposes of certain provisions therein, Gregory B. Maffei. (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 16, 2020 (File No. 001-366303) (the "March 2020 8-K")).

4.4	Form of Registration Rights Agreement between Liberty TripAdvisor Holdings, Inc., Certares Holdings LLC, Certares Holdings (Blockable) LLC and Certares Holdings (Optional) LLC (incorporated by reference to Exhibit 4.2 to the March 2020 8-K).
4.5	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 incorporated by reference to Exhibit 4.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission on February 19, 2020 (File. No. 001-36603) (the "2019 Form 10-K")).
10 -Material Contracts:	
10.1+	Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015) (incorporated by reference to Annex A to the Registrant's Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 22, 2015 (File No. 001-36603)).
10.2+	Liberty TripAdvisor Holdings, Inc. Transitional Stock Adjustment Plan (incorporated by reference to Exhibit 99.1 to the Registrant's Registration Statement on Form S-8 filed with the Securities and Exchange Commission on September 9, 2014 (File No. 333-198649)).
10.3+	Non-Qualified Stock Option Agreement under the Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan for Gregory B. Maffei, effective December 21, 2014 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 filed with the Securities and Exchange Commission on August 13, 2015 (File No. 001-36603)).
10.4	Aircraft Time Sharing Agreements, dated as of November 6, 2015, by and between Liberty Media Corporation and Liberty TripAdvisor Holdings, Inc. (incorporated by reference to Exhibit 10.9 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 18, 2016 (File No. 001-36603) (the "2015 Form 10-K")).
10.5	Governance Agreement, by and among Tripadvisor, Inc. Liberty Interactive Corporation and Barry Diller, dated as of December 20, 2011 (incorporated by reference to Exhibit 99.2 to Qurate Retail, Inc.'s Schedule 13D in respect of common stock of Tripadvisor, Inc. filed with the Securities and Exchange Commission on December 30, 2011 (File No. 005-86536)).
10.6	Assignment and Assumption of Governance Agreement, made as of August 12, 2014, by and among Liberty TripAdvisor Holdings, Inc., Liberty Interactive Corporation and Tripadvisor, Inc. (incorporated by reference to Exhibit 7(b) to the Registrant's Schedule 13D in respect of common stock of Tripadvisor, filed with the Securities and Exchange Commission on August 29, 2014 (File No. 005-86536)).
10.7	Tax Sharing Agreement, by and between Tripadvisor, Inc. and Expedia, Inc., dated as of December 20, 2011 (incorporated by reference to Exhibit No. 10.2 to Tripadvisor's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2011 (File No. 001-35362)).
10.8	Credit Agreement dated as of June 26, 2015 by and among Tripadvisor, Inc., Tripadvisor Holdings, LLC, Tripadvisor LLC, JPMorgan Chase Bank, N.A., as Administrative Agent; J.P. Morgan Europe Limited, as London Agent; Morgan Stanley Bank, N.A.; Bank of America, N.A.; BNP Paribas; SunTrust Bank; Wells Fargo Bank, National Association; Royal Bank of Canada; Barclays Bank PLC; U.S. Bank National Association; Citibank, N.A.; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Goldman Sachs Bank USA; and Deutsche Bank AG New York Branch (incorporated by reference to Exhibit 10.1 to Tripadvisor's Current Report on Form 8-K, filed with the Securities and Exchange Commission on June 30, 2015 (File No. 001-35362)).
10.9	First Amendment, dated as of May 12, 2017, by and among Tripadvisor, Inc., Tripadvisor Holdings, LLC, Tripadvisor LLC, the other Subsidiary Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and J.P. Morgan Europe Limited, as London agent (incorporated by reference to Exhibit 10.1 to Tripadvisor's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 15, 2017 (File No. 001-35362).
10.10	Second Amendment, dated as of May 5, 2020, by and among Tripadvisor, Inc., TripAdvisor Holdings, LLC, Tripadvisor LLC, the other Borrowers party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and London Agent, BofA Securities, Inc., BMO Capital Markets Corp., BNP Paribas Securities Corp., SunTrust Robinson Humphrey, Inc., and U.S. Bank National Association, as Joint Lead Arrangers and Joint Bookrunners; Bank of America, N.A., BMO Capital

	Markets Corp., BNP Paribas Securities Corp., SunTrust Robinson Humphrey, Inc. and U.S. Bank National Association, as Co-Syndication Agents; and Barclays Bank PLC, Morgan Stanley Senior Funding, Inc. and Wells Fargo Bank, National Association, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 to the Tripadvisor, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 7, 2020 (File No. 001-35362)).
10.11	Third Amendment, dated as of December 17, 2020, by and among Tripadvisor, Inc., Tripadvisor Holdings, LLC, Tripadvisor LLC, the other Borrowers party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and London Agent, BofA Securities, Inc., BMO Capital Markets Corp., BNP Paribas Securities Corp., Truist Securities, Inc., and U.S. Bank National Association, as Joint Lead Arrangers and Joint Bookrunners; Bank of America, N.A., BMO Capital Markets Corp., BNP Paribas Securities Corp., Truist Securities, Inc. and U.S. Bank National Association, as Co-Syndication Agents; and Barclays Bank PLC, Morgan Stanley Senior Funding, Inc. and Wells Fargo Bank, National Association, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 to Tripadvisor's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 22, 2020 (File No. 001-35362)).
10.12	Corporate Headquarters Lease with Normandy Gap-V Needham Building 3, LLC, as landlord, dated as of June 20, 2013 (incorporated by reference to Exhibit 10.1 to Tripadvisor's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, filed with the Securities and Exchange Commission on July 24, 2013 (File No. 001-35362) (the "Tripadvisor 10-Q")).
10.13	Guaranty dated June 20, 2013 by Tripadvisor, Inc. for the benefit of Normandy Gap-V Needham Building 3, LLC, as landlord (incorporated by reference to Exhibit 10.2 to the Tripadvisor 10-Q).
10.14	Form of Tripadvisor Media Group Master Advertising Insertion Order (incorporated by reference to Exhibit 10.23 to Tripadvisor's Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission on February 21, 2018 (File No. 001-35362)).
10.15+	Form of Non-Qualified Stock Option Agreement under the Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015) (incorporated by reference to Exhibit 10.23 to the 2015 Form 10-K).
10.16+	Form of Restricted Stock Award Agreement under Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015) (incorporated by reference to Exhibit 10.24 to the 2015 Form 10-K).
10.17+	Amendment, dated March 14, 2018, of certain Liberty TripAdvisor Holdings, Inc. incentive plans (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 filed with the Securities and Exchange Commission on May 9, 2018 (File No. 001-36603)).
10.18	Form of Amended and Restated Indemnification Agreement between the Registrant and its executive officers/directors (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019 filed on May 7, 2019 (File No. 001-36603)).
10.19+	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Annex A to the Registrant's Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 18, 2019 (File No. 001-36603)).
10.20+	Form of Non-Qualified Stock Option Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.18 to the 2019 Form 10-K).
10.21+	Form of Performance-based Restricted Stock Units Award Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.19 to the 2019 Form 10-K).
10.22+	Services Agreement, dated as of August 27, 2014, by and between Liberty Media Corporation and Liberty TripAdvisor Holdings, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on September 3, 2014 (File No. 001-36603)).

10.23+	Form of First Amendment to Services Agreement, effective as of December 13, 2019, between Liberty Media Corporation and Qurate Retail, Inc., Liberty Broadband Corporation, GCI Liberty, Inc. and Liberty TripAdvisor Holdings, Inc. (incorporated by reference to Exhibit 10.21 to the 2019 Form 10-K).
10.24+	Executive Employment Agreement, dated effective as of December 13, 2019, between Liberty Media Corporation and Gregory B. Maffei (incorporated by reference to Exhibit 10.1 to Liberty Media Corporations' Current Report on Form 8-K filed with the Securities and Exchange Commission on December 19, 2019 (File No. 001-357047)).
10.25+	Form of Annual Option Award Agreement between the Registrant and Gregory B. Maffei under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report filed with the Securities and Exchange Commission on December 19, 2019 (File No. 001-36603) (the "December 2019 8-K")).
10.26+	Form of Annual Performance-based Restricted Stock Unit Award Agreement between the Registrant and Gregory B. Maffei under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.4 to the December 2019 8-K).
10.27+	Form of Upfront Award Agreement between the Registrant and Gregory B. Maffei under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.5 to the December 2019 8-K).
10.28	Indenture, dated July 9, 2020, among Tripadvisor, Inc. and the guarantors party thereto and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to Tripadvisor's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 9, 2020 (File No. 001-35362) (the "July 2020 8-K")).
10.29	Form of Senior Note (included in Exhibit 10.28) (incorporated by reference to Exhibit 4.1 to the July 2020 8-K).
10.30+	Form of Nonqualified Stock Option Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time, for certain officers.*
10.31+	Form of Nonqualified Stock Option Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time, for Nonemployee Directors.*
10.32+	Form of Restricted Stock Units Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time, for Nonemployee Directors.*
21	Subsidiaries of Liberty TripAdvisor Holdings, Inc.*
23.1	Consent of KPMG LLP.*
31.1	Rule 13a-14(a)/15d -14(a) Certification.*
31.2	Rule 13a-14(a)/15d -14(a) Certification.*
32	Section 1350 Certification.**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Definition Document.*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).*

* Filed herewith.
** Furnished herewith
\+ This document has been identified as a management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary.

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Date: February 19, 2021	By: /s/ GREGORY B. MAFFEI Gregory B. Maffei *Chairman, President and Chief Executive Officer*
Date: February 19, 2021	By: /s/ BRIAN J. WENDLING Brian J. Wendling *Senior Vice President and Chief Financial Officer* *(Principal Financial Officer and Principal Accounting Officer)*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/s/Gregory B. Maffei Gregory B. Maffei	Chairman of the Board, President and Chief Executive Officer	February 19, 2021
/s/Brian J. Wendling Brian J. Wendling	Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 19, 2021
/s/Michael J. Malone Michael J. Malone	Director	February 19, 2021
/s/Chris Mueller Chris Mueller	Director	February 19, 2021
/s/ M. Gregory O'Hara M. Gregory O'Hara	Director	February 19, 2021
/s/Larry E. Romrell Larry E. Romrell	Director	February 19, 2021
/s/Albert E. Rosenthaler Albert E. Rosenthaler	Director	February 19, 2021
/s/J. David Wargo J. David Wargo	Director	February 19, 2021

Exhibit 10.30

NONQUALIFIED STOCK OPTION AGREEMENT

THIS NONQUALIFIED STOCK OPTION AGREEMENT (this "Agreement") is made and effective as of the date specified in Schedule I hereto (the "Grant Date"), by and between the issuer specified in Schedule I hereto (the "Company") and you.

The Company has adopted the incentive plan that governs the Options specified in Schedule I hereto (as has been or may hereafter be amended, the "Plan"), a copy of which is attached via a link at the end of this online Agreement as Exhibit A and, by this reference, made a part hereof. Capitalized terms used and not otherwise defined in this Agreement will have the meanings ascribed to them in the Plan.

Pursuant to the Plan, the Plan Administrator has determined that it would be in the interest of the Company and its stockholders to grant you an Award of Options, subject to the conditions and restrictions set forth in this Agreement and in the Plan, in order to provide you with additional remuneration for services rendered, to encourage you to remain in the service or employ of the Company or its Subsidiaries and to increase your personal interest in the continued success and progress of the Company.

The Company and you therefore agree as follows:

1. Definitions. The following terms, when used in this Agreement, have the following meanings, except as otherwise defined in Schedule I hereto:

"Agreement" has the meaning specified in the preamble to this Agreement.

"Business Day" means any day on which stock exchanges in the United States are open for trading.

"Cause" has the meaning specified as "cause" in Section 10.2(b) of the Plan.

"Close of Business" means, on any day, 4:00 p.m., New York, New York time.

"Common Stock" has the meaning specified in Schedule I hereto.

"Company" has the meaning specified in the preamble to this Agreement.

"Confidential Information" has the meaning specified in Section 11 (Confidential Information).

"Disability" has the meaning specified as "Disability" in Section 2.1 of the Plan.

"Employment Termination Date" means the date of termination of your employment with the Company or a Subsidiary, as applicable.

"Exercise Notice" has the meaning specified in Section 4(i)(1) (Manner of Exercise).

"Forfeitable Benefits" has the meaning specified in Section 29 (Forfeiture for Misconduct and Repayment of Certain Amounts).

“Grant Date” has the meaning specified in the preamble to this Agreement.

“Misstatement Period” has the meaning specified in Section 29 (Forfeiture for Misconduct and Repayment of Certain Amounts).

“Option(s)” has the meaning specified in Section 2 (Award).

“Option Exercise Price” means, with respect to each type of Common Stock for which Options are granted hereunder, the amount specified in Schedule I hereto as the Option Exercise Price for such Common Stock.

“Option Termination Date” has the meaning specified in Schedule I hereto.

“Plan” has the meaning specified in the preamble to this Agreement.

“Plan Administrator” has the meaning specified in Section 13 (Plan Administrator).

“Required Withholding Amount” has the meaning specified in Section 5 (Mandatory Withholding for Taxes).

“Section 409A” has the meaning specified in Section 28 (Code Section 409A).

“Year of Continuous Service” means a consecutive 12-month period, measured by your hire date (as determined by the Company) and the anniversaries of that date, during which you are employed by the Company or a Subsidiary (or an applicable predecessor of the Company) without interruption. If you were employed by a Subsidiary at the time of such Subsidiary’s acquisition by the Company, your employment with the Subsidiary prior to the acquisition date will be included in determining your Years of Continuous Service unless the Plan Administrator, in its sole discretion, determines that such prior employment will be excluded.

2. Award. In consideration of your covenants and promises herein, the Company hereby awards to you as of the Grant Date nonqualified Options to purchase from the Company at the applicable Option Exercise Price the number and type of shares of Common Stock authorized by the Plan Administrator and set forth in the notice of online grant delivered to you pursuant to the Company’s online grant and administration program, subject to the conditions and restrictions set forth in this Agreement and in the Plan (the “Options”).

3. Vesting. Unless otherwise determined by the Plan Administrator in its sole discretion, the Options will vest and become exercisable in accordance with the General Vesting provisions specified in Schedule I hereto, subject to your continuous employment with the Company or a Subsidiary from the Grant Date through the applicable vesting dates. Notwithstanding the foregoing, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto:

(a) *Termination for any Reason Other than Disability, Death or for Cause*. All unvested Options will be forfeited on the Employment Termination Date if your employment terminates for any reason other than by reason of your Disability (when Cause does not then exist) or your death, or for Cause.

(b) *Disability and Death* . All Options will vest and become exercisable on the Employment Termination Date if (i) your employment terminates by reason of your Disability (when Cause does not then exist) or (ii) you die while employed by the Company or a Subsidiary.

(c) *Termination for Cause*. All vested and unvested Options will be forfeited on the Employment Termination Date if your employment with the Company or a Subsidiary is terminated for Cause.

(d) *Approved Transaction, Board Change or Control Purchase* . The Options may become vested and exercisable in accordance with Section 10.1(b) of the Plan in the event of an Approved Transaction, Board Change or Control Purchase following the Grant Date.

(e) *Miscellaneous*.

(i) Rounding. Any fractional portions of an Option that do not vest because of rounding down will vest and become exercisable on the earliest succeeding vesting date on which the cumulative fractional portions of such Options equals or exceeds one whole Option, with any excess fractional portions remaining subject to future vesting accordingly.

(ii) Qualifying Service. For purposes of this Agreement, continuous employment means the absence of any interruption or termination of employment or service as an employee, officer or consultant of or to the Company or a Subsidiary, as applicable, and references to termination of employment (or similar references) shall include termination of employment or service as an employee, officer or consultant of or to the Company or a Subsidiary, as applicable. Unless the Plan Administrator otherwise determines in its sole discretion, a change of your employment or service from the Company to a Subsidiary or from a Subsidiary to the Company or another Subsidiary will not be considered a termination of your employment for purposes of this Agreement if such change of employment or service is made at the request or with the express consent of the Company. Unless the Plan Administrator otherwise determines in its sole discretion, however, any such change of employment or service that is not made at the request or with the express consent of the Company will be a termination of your employment within the meaning of this Agreement.

4. Manner of Exercise. You may exercise the Options that vest and become exercisable, in whole or in part, at any time and from time to time, except as otherwise provided herein. Options will be considered exercised (as to the number and type of Options specified in the Exercise Notice defined below in subclause (i)(1) of this Section 4) on the latest of (a) the date of exercise designated in the Exercise Notice, (b) if the date so designated is not a Business Day, the first Business Day following such date or (c) the earliest Business Day by which:

(i) the Company has received all of the following:

(1) written or electronic notice, in such form as the Plan Administrator may require, containing such representations and warranties as the Plan Administrator may require and designating, among other things, the date of

exercise and the number and type of shares of Common Stock to be purchased by exercise of the Options (the "Exercise Notice");

(2) payment of the applicable Option Exercise Price for each share of Common Stock to be purchased by exercise in any (or a combination) of the following forms: (A) cash, (B) check, or (C) at the option of the Company, the delivery of irrevocable instructions via the Company's online grant and administration program for the Company to withhold the number of shares of Common Stock (valued at the Fair Market Value of such Common Stock on the date of exercise) required to pay such Option Exercise Price (and, if applicable, the Required Withholding Amount as described in Section 5 (Mandatory Withholding for Taxes)) that would otherwise be delivered by the Company to you upon exercise of the Options; and

(3) any other documentation that the Plan Administrator may reasonably require; and

(ii) you have satisfied any other conditions established or adopted by the Plan Administrator from time to time, as contemplated by Section 3.3 of the Plan, with respect to the exercise of Options.

5. Mandatory Withholding for Taxes . You acknowledge and agree that the Company will deduct from the shares of Common Stock otherwise payable or deliverable upon exercise of any Options that number of shares of the applicable Common Stock (valued at the Fair Market Value of such Common Stock on the date of exercise) that is equal to the amount of all national, federal, state and other local or governmental taxes and social security costs and charges or similar contributions (wheresoever arising) required to be withheld by the Company or any Subsidiary of the Company upon such exercise, as determined by the Company (the "Required Withholding Amount"), unless provisions to pay such Required Withholding Amount have been made to the satisfaction of the Company. For the avoidance of doubt, the Company may allow for tax withholding in respect of the exercise of any Options up to the maximum withholding rate applicable to you.

6. Payment or Delivery by the Company. As soon as practicable after receipt of all items referred to in Section 4 (Manner of Exercise), subject to (a) the withholding referred to in Section 5 (Mandatory Withholding for Taxes), (b) Section 12 (Right of Offset), and (c) Section 17 (Amendment), and except as otherwise provided herein as may be determined by the Plan Administrator, the Company will cause to be issued and transferred to a brokerage account, or registered through the Company's stock transfer agent for your benefit, book-entry transfers registered in your name for that number and type of shares of Common Stock purchased by exercise of the Options. Any delivery of securities will be deemed effected for all purposes when (i) in the case of a book-entry transfer, at the time the Company's stock transfer agent initiates the transfer of such securities to a brokerage account through the Company's stock transfer agent for your benefit or (ii) the Plan Administrator has made or caused to be made such other arrangements for the delivery of such securities as the Plan Administrator deems reasonable. Securities representing Common Stock purchased by exercise of the Options may be registered only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Options have been transferred in accordance with Section 10.6 of the Plan and Section 8 below (Nontransferability).

7. **Expiration** . The Options will terminate automatically and without further notice on the Option Termination Date or, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto, effective as of the following times, if earlier:

(a) *Unvested Options* . With respect to those Options which are then unexercisable (after taking into account any applicable accelerated or continued vesting treatment), the Close of Business on the Employment Termination Date.

(b) *Vested Options* . With respect to those Options which are then exercisable (after taking into account any applicable accelerated or continued vesting treatment):

(i) *Termination for any Reason Other than Disability, Death or for Cause.* In the event of termination of your employment for any reason other than your Disability (when Cause does not then exist), your death, or for Cause, at the Close of Business on the last day of the period beginning on the Employment Termination Date and ending 90 days thereafter; provided, however, that if you die during such period, such Options will terminate at the Close of Business on the last day of the one-year period beginning on the date of your death;

(ii) *Disability*. In the event of termination of your employment with the Company or a Subsidiary by reason of your Disability (when Cause does not then exist), at the Close of Business on the last day of the one-year period beginning on the Employment Termination Date; provided, however, that if you die during such period, such Options will terminate at the Close of Business on the last day of the one-year period beginning on the date of your death; or

(iii) *Death.* In the event of your death, at the Close of Business on the last day of the one-year period beginning on the date of your death.

(c) *Termination for Cause.* With respect to all your then outstanding Options, whether exercisable or unexercisable, the date upon which your employment with the Company or a Subsidiary is terminated for Cause.

Notwithstanding any period of time referenced in this Section 7 or Schedule I hereto or any other provision of this Agreement that may be construed to the contrary, the Options will in any event terminate at the Close of Business on the Option Termination Date. Notwithstanding anything herein or the Plan to the contrary, if the Options would otherwise expire when trading in the Common Stock is prohibited by law or the Company's insider trading policy pursuant to an event-specific occurrence (as determined by the Company), then the Options shall instead expire on the 30th day after the expiration of such prohibition.

8. **Nontransferability**. Options are not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a Domestic Relations Order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Plan Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom Options are transferred in accordance with the provisions of the preceding sentence shall take such Options subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you.

Options are exercisable only by you (or, during your lifetime, by your court appointed legal representative) or a person to whom the Options have been transferred in accordance with this Section 8 and Section 10.6 of the Plan.

9. No Stockholder Rights. Prior to the exercise of Options in accordance with the terms and conditions set forth in this Agreement, you will not be deemed for any purpose to be, or to have any of the rights of, a stockholder of the Company with respect to any shares of Common Stock represented by the Options, nor will the existence of this Agreement affect in any way the right or power of the Company or its stockholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 10.16 of the Plan.

10. Adjustments. The Options will be subject to adjustment (including, without limitation, as to the Option Exercise Price) in such manner as the Plan Administrator, in its sole discretion, deems equitable and appropriate in connection with the occurrence of any of the events described in Section 4.2 of the Plan following the Grant Date.

11. Confidential Information. During your employment or service with the Company or a Subsidiary, you will acquire, receive, and/or develop Confidential Information (as defined below) in the course of performing your job duties or services. You will not, during or after your employment or service with the Company or a Subsidiary, without the prior express written consent of the Company, directly or indirectly use or divulge, disclose or make available or accessible any Confidential Information to any person, firm, partnership, corporation, trust or any other entity or third party other than when required to do so in good faith to perform your duties and responsibilities to the Company and provided that nothing herein shall be interpreted as preventing you from (a) doing so when required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power, (b) doing so when necessary to prosecute your rights against the Company or its Subsidiaries or to defend yourself against any allegations, or (c) communicating with, filing a charge with, reporting possible violations of federal law or regulation to, or participating in an investigation or proceeding conducted by, a government agency, including providing documents or other information to such agency without notice to the Company. You will also proffer to the Company, any time upon request by the Company or upon termination, to be provided no later than the effective date of any termination of your employment or engagement with the Company for any reason, and without retaining any copies, notes or excerpts thereof, all memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information that are in your actual or constructive possession or which are subject to your control at such time (other than contracts between you and the Company, pay stubs, benefits information, and copies of documents or information that you require in order to prepare your taxes). At the time of termination or otherwise upon request by the Company, you agree to permanently delete Confidential Information from all of your personal electronic devices and provide certification to the Company that you are in compliance with this sentence. For purposes of this Agreement, "Confidential Information" will mean all information respecting the business and activities of the Company or any Subsidiary, including, without limitation, the clients, customers, suppliers, employees, consultants, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, know-how, processes, practices, approaches, projections, forecasts, formats, systems, trade secrets, data gathering methods and/or strategies of the Company or any Subsidiary. Notwithstanding the immediately preceding sentence, Confidential Information will not include any information that is, or becomes, generally available to the public (unless such availability occurs as a result of your breach of any of your obligations under this Section 11). If you are in breach of any of the provisions of this Section 11 or if any such breach is threatened by you, in addition to and without limiting or waiving any other rights or remedies available to the Company at law or in equity, the Company shall be entitled to immediate injunctive relief in any court, domestic or foreign, having the capacity to grant such relief, without the necessity of posting a bond, to restrain any such breach or threatened breach and to enforce the provisions of this Section 11. You agree that there is no adequate remedy at law for any such breach or threatened breach and, if any action or proceeding is brought seeking injunctive relief, you will not use as a defense thereto that there is an adequate remedy at law.

12. Right of Offset. You hereby agree that the Company shall have the right to offset against its obligation to deliver shares of Common Stock, cash or other property under this Agreement to the extent that it does not constitute "non-qualified deferred compensation" pursuant to Section 409A, any outstanding amounts of whatever nature that you then owe to the Company or a Subsidiary.

13. Plan Administrator. For purposes of this Agreement, the term "Plan Administrator" means the Compensation Committee of the Board of Directors of the Company or any different committee appointed by the Board of Directors as described more fully in Section 3.1 of the Plan.

14. Restrictions Imposed by Law. Without limiting the generality of Section 10.8 of the Plan, you will not exercise the Options, and the Company will not be obligated to make any cash payment or issue or cause to be issued any shares of Common Stock, if counsel to the Company determines that such exercise, payment or issuance would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which shares of Common Stock are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the exercise of the Options or the resulting payment of cash or issuance of shares of Common Stock to comply with any such law, rule, regulation or agreement. Any certificates representing any such securities issued or delivered under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

15. Tax Representations. You hereby acknowledge that the Company has advised you that you should consult with your own tax advisors regarding the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. You hereby represent to the Company that you are not relying on any statements or representations of the Company, its Affiliates or any of their respective agents with respect to the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. If, in connection with the Award, the Company is required to withhold any amounts by reason of any national, federal, state and other local or governmental tax or social security costs and charges or similar contributions (wheresoever arising), such withholding shall be effected in accordance with Section 10.9 of the Plan and Section 5 (Mandatory Withholding for Taxes).

16. Notice . Unless the Company notifies you in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address specified for the Company in Schedule I hereto. Any notice or other communication to you with respect to this Agreement will be provided to you electronically pursuant to the online grant and administration program or via email, unless the Company elects to notify you in writing, which will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

17. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Plan Administrator as contemplated by Section 10.7(b) of the Plan. Without limiting the generality of the foregoing, without your consent:

(a) this Agreement may be amended or supplemented from time to time as approved by the Plan Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's stockholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Award evidenced hereby (other than if immaterial) or (iii) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and

(b) subject to any required action by the Board of Directors or the stockholders of the Company, the Options granted under this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Options (other than if immaterial) to the extent then exercisable.

18. Employment. Nothing contained in the Plan or this Agreement, and no action of the Company or the Plan Administrator with respect thereto, will confer or be construed to confer on you any right to continue in the employ or service of the Company or any Subsidiary or interfere in any way with the right of the Company or any employing Subsidiary to terminate your employment or service at any time, with or without Cause, subject to the provisions of any employment or consulting agreement between you and the Company or any Subsidiary.

19. Nonalienation of Benefits . Except as provided in Section 8 (Nontransferability) and Section 12 (Right of Offset), (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

20. No Effect on Other Benefits. Any payments made pursuant to this Agreement will not be counted as compensation for purposes of any other employee benefit plan, program or agreement sponsored, maintained or contributed to by the Company or a Subsidiary unless expressly provided for in such employee benefit plan, program, agreement, or arrangement.

21. Governing Law; Venue . This Agreement will be governed by, and construed in accordance with, the internal laws of the State designated in Section 10.13 of the Plan. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado and in the State of Delaware in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

22. **Waiver**. No waiver by the Company at any time of any breach by you of, or compliance with, any term or condition of this Agreement or the Plan to be performed by you shall be deemed a waiver of the same term or condition, or of any similar or any dissimilar term or condition, whether at the same time or at any prior or subsequent time.

23. **Severability**. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any term or condition hereof shall not affect the validity or enforceability of the other terms and conditions set forth herein.

24. **Construction**. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules attached hereto, including the Plan. All references to "Sections" in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Plan Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. **Rules by Plan Administrator**. The Plan Administrator, in its discretion and as contemplated by Section 3.3 of the Plan, may adopt rules and regulations it deems consistent with the terms of the Plan and as necessary or advisable in its operation and administration of the Plan and this Award. You acknowledge and agree that your rights and the obligations of the Company hereunder, including with respect to any exercise of the Options, will be subject to any further conditions and such reasonable rules and regulations as the Plan Administrator may adopt from time to time.

26. **Entire Agreement**. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and you regarding the Award. You and the Company hereby declare and represent that no promise or agreement not expressed herein has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between you and the Company regarding the Award. Subject to the restrictions set forth in Sections 8 (Nontransferability) and 19 (Nonalienation of Benefits), this Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

27. **Acknowledgment**. You will signify acceptance of the terms and conditions of this Agreement by acknowledging the acceptance of this Agreement via the procedures described in the online grant and administration program utilized by the Company. By your electronic acknowledgment of the Options, you are acknowledging the terms and conditions of the Award set forth in this Agreement as though you and the Company had signed an original copy of the Agreement.

28. **Code Section 409A** . The Awards made hereunder are intended to be "stock rights" exempt from Section 409A and this Agreement shall be interpreted and administered accordingly. Notwithstanding the foregoing, to the extent that Section 409A of the Code or the related regulations and Treasury pronouncements ("Section 409A") are applicable to you in connection with the Award, this Award is subject to the provisions of Section 10.17 of the Plan regarding Section 409A and each payment under this Agreement shall be treated as a separate payment under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the Award or the Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the Award or the Plan. If this Agreement fails to meet the requirements of Section 409A, neither the Company nor any of its Affiliates shall have any liability for any tax, penalty or interest imposed on you by Section 409A, and you shall have no recourse against the Company or any of its Affiliate for payment of any such tax, penalty or interest imposed by Section 409A.

29. Forfeiture for Misconduct and Repayment of Certain Amounts. If (a) a material restatement of any financial statement of the Company (including any consolidated financial statement of the Company and its consolidated Subsidiaries) is required and (b) in the reasonable judgment of the Plan Administrator, (i) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (ii) such noncompliance is a result of misconduct on your part, you will repay to the Company Forfeitable Benefits you received during the Misstatement Period in such amount as the Plan Administrator may reasonably determine, taking into account, in addition to any other factors deemed relevant by the Plan Administrator, the extent to which the market value of Common Stock during the Misstatement Period was affected by the error(s) giving rise to the need for such restatement. "Forfeitable Benefits" means (A) any and all cash and/or shares of Common Stock you received (I) upon the exercise during the Misstatement Period of any Options and SARs you held or (II) upon the payment during the Misstatement Period of any Cash Award or Performance Award you held, the value of which is determined in whole or in part with reference to the value of Common Stock, and (B) any proceeds you received from the sale, exchange, transfer or other disposition during the Misstatement Period of any shares of Common Stock you received upon the exercise, vesting or payment during the Misstatement Period of any Award you held. By way of clarification, "Forfeitable Benefits" will not include any shares of Common Stock you received upon vesting of any Restricted Stock Units during the Misstatement Period that are not sold, exchanged, transferred or otherwise disposed of during the Misstatement Period. "Misstatement Period" means the 12-month period beginning on the date of the first public issuance or the filing with the Securities and Exchange Commission, whichever occurs earlier, of the financial statement requiring restatement. Further, in the event that the Plan Administrator, in its reasonable judgment, determines that you breached Section 11 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement, the Plan Administrator may require you to forfeit, return or repay to the Company (X) all or any portion of the Options, whether exercisable or unexercisable, that remain outstanding, and any and all rights with respect to any such Options, (Y) any shares of Common Stock received upon the exercise of any Options during the 12-month period prior to such breach or any time after such breach occurs and (Z) any proceeds realized on the sale of any shares of Common Stock received upon the exercise of any Options during the 12-month period prior to such breach or any time after such breach occurs. For the avoidance of doubt, any such forfeiture, return or repayment will not limit, restrict or otherwise affect your continuing obligations under Section 11 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement, or the Company's right to seek injunctive relief or any other relief in the event of your breach of Section 11 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement.

30. Changes to Forfeiture Provisions and Policies. Please note Section 29 (Forfeiture for Misconduct and Repayment of Certain Amounts), which reflects an important policy of the Company. The Plan Administrator has determined that Awards made under the Plan (including the Award represented by this Agreement) are subject to forfeiture and recoupment in certain circumstances. By accepting this Award, you agree that the Plan Administrator may change the Forfeiture section of any or all of the grant agreements (including this Agreement) from time to time without your further consent to reflect changes in law, government regulation, stock exchange listing requirements or Company policy.

31. Additional Conditions and Restrictions. You may be subject to additional conditions and restrictions. If a Schedule II is attached hereto, the additional conditions and restrictions specified therein are considered part of this Agreement.

32. Administrative Blackouts. In addition to its other powers under the Plan, the Plan Administrator has the authority to suspend (a) the exercise of Options and (b) any other transactions under the Plan as it deems necessary or appropriate for administrative reasons.

33. Stock Ownership Guidelines. This Award may be subject to any applicable stock ownership guidelines adopted by the Company, as amended or superseded from time to time.

34. Company Information. You can access the Company's most recent annual, quarterly and current reports as filed with the Securities and Exchange Commission on the Company's website specified in Schedule I hereto. Please refer to these reports as well as the Company's future filings with the Securities and Exchange Commission (also available on the Company's website) for important information regarding the Company and its Common Stock.

*****

Schedule I
to
Nonqualified Stock Option Agreement
[Insert Grant Code]

Grant Date:	[____________]
Issuer/Company:	Liberty TripAdvisor Holdings, Inc., a Delaware corporation
Plan:	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time
Common Stock:	Liberty TripAdvisor Holdings, Inc. Series A Common Stock ("LTRPA Common Stock")
Option Termination Date:	[____________]
Option Exercise Price:	LTRPA Common Stock: $[______]
General Vesting Schedule:	Subject to your continuous employment with the Company from the Grant Date through the following applicable vesting date, each class of the Options will vest and become exercisable, rounded down to the nearest whole number, on the following schedule:

Vesting Date	**Vesting Percentage**
[____________]	[____________]%
[____________]	[____________]%
[____________]	[____________]%

Each portion of the Options that relates to a particular type of Common Stock and is subject to a particular vesting date is referred to herein as an individual "Tranche" (e.g., if this Award includes Options to acquire three types of Common Stock and there are three vesting dates for each type of Common Stock, then there are nine Tranches).

Vesting Terms Upon a Termination without Cause:	Notwithstanding Section 3(a) of the Agreement, if your employment with the Company or a Subsidiary is terminated by the Company or such Subsidiary without Cause, subject to your execution of, and delivery to the Company in accordance with the notice requirements of this Agreement, a general release agreement in a form satisfactory to the Company and such release becoming irrevocable in accordance with its terms, in each case, no later than 60 days following the Employment Termination Date (the "Release Conditions"), a Pro Rata Portion (as defined below) of each remaining unvested Tranche will become vested and exercisable upon the Release Conditions being met.

For purposes of this Agreement, a Pro Rata Portion shall be equal to the product of "A" multiplied by "B," where "A" equals the number of Options in the applicable Tranche that are not vested on the Employment Termination Date, and "B" is a fraction, the numerator of which is the number of calendar days that have elapsed from the Grant Date through the Employment Termination Date plus (i) an additional 270 calendar days if you are an Assistant Vice President or Vice President of the Company or a Subsidiary on the Employment Termination Date or (ii) an additional 365 calendar days if you are a Senior Vice President, Executive Vice President or Chief of the Company or a Subsidiary on the Employment Termination Date, and the denominator of which is the number of days in the entire vesting period for such Tranche (in no event to exceed the total number of unvested Options in such Tranche as of the Employment Termination Date). The vesting period for each Tranche of Options is the period that begins on the Grant Date and ends on the vesting date for such Tranche.

Post-Termination without Cause Exercise Period:	Notwithstanding Section 7(b)(i) of the Agreement, if your employment with the Company or a Subsidiary is terminated by the Company or such Subsidiary without Cause, subject to the Release Conditions being met, those Options which are then exercisable (after taking into account the applicable accelerated vesting treatment) shall remain exercisable for the period of time beginning on the Employment Termination Date and continuing for the number of days that is equal to the sum of (i) 90, plus (ii) 180 multiplied by your total Years of Continuous Service.
Company Notice Address:	Liberty TripAdvisor Holdings, Inc. 12300 Liberty Boulevard Englewood, Colorado 80112 Attn: Chief Legal Officer
Company Website:	www.libertytripadvisor.com
Plan Access:	You can access the Plan via the link at the end of the Agreement or by contacting Liberty TripAdvisor Holdings, Inc.'s Legal Department.

Exhibit 10.31

NONQUALIFIED STOCK OPTION AGREEMENT

THIS NONQUALIFIED STOCK OPTION AGREEMENT (this "Agreement") is made and effective as of the date specified in Schedule I hereto (the "Grant Date"), by and between the issuer specified in Schedule I hereto (the "Company") and you.

The Company has adopted the incentive plan that governs the Options specified in Schedule I hereto (as has been or may hereafter be amended, the "Plan"), a copy of which is attached via a link at the end of this online Agreement as Exhibit A and, by this reference, made a part hereof. Capitalized terms used and not otherwise defined in this Agreement will have the meanings ascribed to them in the Plan.

Pursuant to the Plan, the Plan Administrator has determined that it would be in the interest of the Company and its stockholders to grant you an Award of Options, subject to the conditions and restrictions set forth in this Agreement and in the Plan, in order to provide you with additional remuneration for services rendered, to encourage you to remain in service to the Company and to increase your personal interest in the continued success and progress of the Company.

The Company and you therefore agree as follows:

1. Definitions. The following terms, when used in this Agreement, have the following meanings, except as otherwise defined in Schedule I hereto:

"Agreement" has the meaning specified in the preamble to this Agreement.

"Business Day" means any day on which stock exchanges in the United States are open for trading.

"Cause" has the meaning specified as "cause" in Section 10.2(b) of the Plan.

"Close of Business" means, on any day, 4:00 p.m., New York, New York time.

"Common Stock" has the meaning specified in Schedule I hereto.

"Company" has the meaning specified in the preamble to this Agreement.

"Disability" has the meaning specified as "Disability" in Section 2.1 of the Plan.

"Exercise Notice" has the meaning specified in Section 4(i)(1) (Manner of Exercise).

"Grant Date" has the meaning specified in the preamble to this Agreement.

"Nonemployee Director" has the meaning specified in the Plan.

"Option(s)" has the meaning specified in Section 2 (Award).

"Option Exercise Price" means, with respect to each type of Common Stock for which Options are granted hereunder, the amount specified in Schedule I hereto as the Option Exercise Price for such Common Stock.

"Option Termination Date" has the meaning specified in Schedule I hereto.

"Plan" has the meaning specified in the preamble to this Agreement.

"Plan Administrator" has the meaning specified in Section 12 (Plan Administrator).

"Section 409A" has the meaning specified in Section 27 (Code Section 409A).

"Service Termination Date" means the date of termination of your service as a Nonemployee Director.

"Tax-Related Items" has the meaning specified in Section 5 (Taxes and Withholding).

2. Award. In consideration of your covenants and promises herein, the Company hereby awards to you as of the Grant Date nonqualified Options to purchase from the Company at the applicable Option Exercise Price the number and type of shares of Common Stock authorized by the Plan Administrator and set forth in the notice of online grant delivered to you pursuant to the Company's online grant and administration program, subject to the conditions and restrictions set forth in this Agreement and in the Plan (the "Options").

3. Vesting. Unless otherwise determined by the Plan Administrator in its sole discretion, the Options will vest and become exercisable in accordance with the General Vesting provisions specified in Schedule I hereto, subject to your continuous service as a Nonemployee Director with the Company from the Grant Date through the applicable vesting dates. Notwithstanding the foregoing, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto:

(a) *Termination for any Reason Other than Disability or Death*. All unvested Options will be forfeited on the Service Termination Date if your service as a Nonemployee Director terminates for any reason other than by reason of your Disability (when Cause does not then exist) or your death.

(b) *Disability and Death*. All Options will vest and become exercisable on the Service Termination Date if (i) your service as a Nonemployee Director terminates by reason of your Disability (when Cause does not then exist) or (ii) you die while serving as a Nonemployee Director.

(c) *Approved Transaction, Board Change or Control Purchase* . The Options may become vested and exercisable in accordance with Section 10.1(b) of the Plan in the event of an Approved Transaction, Board Change or Control Purchase following the Grant Date.

4. Manner of Exercise. You may exercise the Options that vest and become exercisable, in whole or in part, at any time and from time to time, except as otherwise provided herein. Options will be considered exercised (as to the number and type of Options specified in the Exercise Notice defined below in subclause (i)(1) of this Section 4) on the latest of (a) the date of exercise designated in the Exercise Notice, (b) if the date so designated is not a Business Day, the first Business Day following such date or (c) the earliest Business Day by which:

(i) the Company has received all of the following:

(1) written or electronic notice, in such form as the Plan Administrator may require, containing such representations and warranties as the Plan Administrator may require and designating, among other things, the date of exercise and the number and type of shares of Common Stock to be purchased by exercise of the Options (the "Exercise Notice");

(2) payment of the applicable Option Exercise Price for each share of Common Stock to be purchased by exercise in any (or a combination) of the following forms: (A) cash, (B) check, or (C) at the option of the Company, the delivery of irrevocable instructions via the Company's online grant and administration program for the Company to withhold the number of shares of Common Stock (valued at the Fair Market Value of such Common Stock on the date of exercise) required to pay such Option Exercise Price (and, if applicable, the Tax-Related Items as described in Section 5 (Taxes and Withholding)) that would otherwise be delivered by the Company to you upon exercise of the Options; and

(3) any other documentation that the Plan Administrator may reasonably require; and

(ii) you have satisfied any other conditions established or adopted by the Plan Administrator from time to time, as contemplated by Section 3.3 of the Plan, with respect to the exercise of Options.

5. Taxes and Withholding. If the Plan Administrator determines in its sole discretion it is necessary or appropriate to collect national, federal, state or other local or governmental taxes or social security costs and charges or similar contributions (wheresoever arising), you acknowledge and agree that the Company may deduct from the shares of Common Stock otherwise payable or deliverable upon exercise of any Options that number of shares of the applicable Common Stock (valued at the Fair Market Value of such Common Stock on the date of exercise) that is equal to the amount of any such national, federal, state or other local or governmental taxes or social security costs and charges or similar contributions (wheresoever arising) determined by the Plan Administrator as necessary or appropriate to be withheld by the Company or any Subsidiary of the Company upon such exercise (the "Tax-Related Items"), unless provisions to pay such Tax-Related Items have been made to the satisfaction of the Company. For the avoidance of doubt, the Company may allow for tax withholding in respect of the exercise of any Options up to the maximum withholding rate applicable to you. Notwithstanding the foregoing, regardless of any action the Company may take with respect to the foregoing, you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility.

6. Payment or Delivery by the Company. As soon as practicable after receipt of all items referred to in Section 4 (Manner of Exercise), subject to (a) if determined necessary or appropriate by the Plan Administrator in its sole discretion, the withholding referred to in Section 5 (Taxes and Withholding), (b) Section 11 (Right of Offset), and (c) Section 16 (Amendment), and except as otherwise provided herein as may be determined by the Plan Administrator, the Company will cause to be issued and transferred to a brokerage account, or registered through the Company's stock transfer agent for your benefit, book-entry transfers registered in your name for that number and type of shares of Common Stock purchased by exercise of the Options. Any delivery of securities will be deemed effected for all purposes when (i) in the case of a book-entry transfer, at the time the Company's stock transfer agent initiates the transfer of such securities to a brokerage account through the Company's stock transfer agent for your benefit or (ii) the Plan Administrator has made or caused to be made such other arrangements for the delivery of such securities as the Plan Administrator deems reasonable. Securities representing Common Stock purchased by exercise of the Options may be registered only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Options have been transferred in accordance with Section 10.6 of the Plan and Section 8 below (Nontransferability).

7. Expiration. The Options will terminate automatically and without further notice on the Option Termination Date or, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto, effective as of the following times, if earlier:

(a) *Unvested Options*. With respect to those Options which are then unexercisable (after taking into account any applicable accelerated or continued vesting treatment), the Close of Business on the Service Termination Date.

(b) *Vested Options – Termination of Service for any Reason other than for Cause*. With respect to those Options which are then exercisable (after taking into account any applicable accelerated or continued vesting treatment), in the event of your termination of service as a Nonemployee Director for any reason other than for Cause, at the Close of Business on the last day of the one-year period beginning on the Service Termination Date; provided, however, that if you die during such period, such Options will terminate at the Close of Business on the last day of the one-year period beginning on the date of your death.

(c) *Termination for Cause.* With respect to all your then outstanding Options, whether exercisable or unexercisable, the date upon which your service as a Nonemployee Director is terminated for Cause.

Notwithstanding any period of time referenced in this Section 7 or Schedule I hereto or any other provision of this Agreement that may be construed to the contrary, the Options will in any event terminate at the Close of Business on the Option Termination Date. Notwithstanding anything herein or the Plan to the contrary, if the Options would otherwise expire when trading in the Common Stock is prohibited by law or the Company's insider trading policy pursuant to an event-specific occurrence (as determined by the Company), then the Options shall instead expire on the 30th day after the expiration of such prohibition.

8. Nontransferability. Options are not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a Domestic Relations Order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Plan Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom Options are transferred in accordance with the provisions of the preceding sentence shall take such Options subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you. Options are exercisable only by you (or, during your lifetime, by your court appointed legal representative) or a person to whom the Options have been transferred in accordance with this Section 8 and Section 10.6 of the Plan.

9. No Stockholder Rights. Prior to the exercise of Options in accordance with the terms and conditions set forth in this Agreement, you will not be deemed for any purpose to be, or to have any of the rights of, a stockholder of the Company with respect to any shares of Common Stock represented by the Options, nor will the existence of this Agreement affect in any way the right or power of the Company or its stockholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 10.16 of the Plan.

10. Adjustments. The Options will be subject to adjustment (including, without limitation, as to the Option Exercise Price) in such manner as the Plan Administrator, in its sole discretion, deems equitable and appropriate in connection with the occurrence of any of the events described in Section 4.2 of the Plan following the Grant Date.

11. Right of Offset. You hereby agree that the Company shall have the right to offset against its obligation to deliver shares of Common Stock, cash or other property under this Agreement to the extent that it does not constitute "non-qualified deferred compensation" pursuant to Section 409A, any outstanding amounts of whatever nature that you then owe to the Company or a Subsidiary.

12. Plan Administrator. For purposes of this Agreement, the term "Plan Administrator" means the Compensation Committee of the Board of Directors of the Company or any different committee appointed by the Board of Directors as described more fully in Section 3.1 of the Plan ; provided, however, that the Board of Directors of the Company shall have the same powers as the Compensation Committee with respect to the Options and may exercise such powers in lieu of action by the Compensation Committee.

13. Restrictions Imposed by Law. Without limiting the generality of Section 10.8 of the Plan, you will not exercise the Options, and the Company will not be obligated to make any cash payment or issue or cause to be issued any shares of Common Stock, if counsel to the Company determines that such exercise, payment or issuance would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which shares of Common Stock are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the exercise of the Options or the resulting payment of cash or issuance of shares of Common Stock to comply with any such law, rule, regulation or agreement. Any certificates representing any such securities issued or delivered under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

14. Tax Representations. You hereby acknowledge that the Company has advised you that you should consult with your own tax advisors regarding the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. You hereby represent to the Company that you are not relying on any statements or representations of the Company, its Affiliates or any of their respective agents with respect to the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. If, in connection with the Award, the Plan Administrator determines in its sole discretion it is necessary or appropriate to withhold any amounts by reason of any national, federal, state and other local or governmental tax or social security costs and charges or similar contributions (wheresoever arising), such withholding shall be effected in accordance with Section 10.9 of the Plan and Section 5 (Taxes and Withholding).

15. Notice. Unless the Company notifies you in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address specified for the Company in Schedule I hereto. Any notice or other communication to you with respect to this Agreement will be provided to you electronically pursuant to the online grant and administration program or via email, unless the Company elects to notify you in writing, which will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

16. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Plan Administrator as contemplated by Section 10.7(b) of the Plan. Without limiting the generality of the foregoing, without your consent:

(a) this Agreement may be amended or supplemented from time to time as approved by the Plan Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's stockholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Award evidenced hereby (other than if immaterial) or (iii) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and

(b) subject to any required action by the Board of Directors or the stockholders of the Company, the Options granted under this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Options (other than if immaterial) to the extent then exercisable.

17. Status as a Nonemployee Director. Nothing contained in the Plan or this Agreement, and no action of the Company or the Plan Administrator with respect thereto, will confer or be construed to confer on you any right to continue as a Nonemployee Director or interfere in any way with the right of the Board of Directors or the Company's stockholders to terminate your service at any time, with or without Cause, subject to the charter and bylaws of the Company, as the same may be in effect from time to time.

18. Nonalienation of Benefits. Except as provided in Section 8 (Nontransferability) and Section 11 (Right of Offset), (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

19. No Effect on Other Benefits. Any payments made pursuant to this Agreement will not be counted as compensation for purposes of any other employee benefit plan, program or agreement sponsored, maintained or contributed to by the Company or a Subsidiary unless expressly provided for in such employee benefit plan, program, agreement, or arrangement.

20. Governing Law; Venue. This Agreement will be governed by, and construed in accordance with, the internal laws of the State designated in Section 10.13 of the Plan. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado and in the State of Delaware in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

21. Waiver. No waiver by the Company at any time of any breach by you of, or compliance with, any term or condition of this Agreement or the Plan to be performed by you shall be deemed a waiver of the same term or condition, or of any similar or any dissimilar term or condition, whether at the same time or at any prior or subsequent time.

22. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any term or condition hereof shall not affect the validity or enforceability of the other terms and conditions set forth herein.

23. Construction. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules attached hereto, including the Plan. All references to "Sections" in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Plan Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

24. Rules by Plan Administrator. The Plan Administrator, in its discretion and as contemplated by Section 3.3 of the Plan, may adopt rules and regulations it deems consistent with the terms of the Plan and as necessary or advisable in its operation and administration of the Plan and this Award. You acknowledge and agree that your rights and the obligations of the Company hereunder, including with respect to any exercise of the Options, will be subject to any further conditions and such reasonable rules and regulations as the Plan Administrator may adopt from time to time.

25. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and you regarding the Award. You and the Company hereby declare and represent that no promise or agreement not expressed herein has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between you and the Company regarding the Award. Subject to the restrictions set forth in Sections 8 (Nontransferability) and 18 (Nonalienation of Benefits), this Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

26. Acknowledgment. You will signify acceptance of the terms and conditions of this Agreement by acknowledging the acceptance of this Agreement via the procedures described in the online grant and administration program utilized by the Company. By your electronic acknowledgment of the Options, you are acknowledging the terms and conditions of the Award set forth in this Agreement as though you and the Company had signed an original copy of the Agreement.

27. Code Section 409A. The Awards made hereunder are intended to be "stock rights" exempt from Section 409A and this Agreement shall be interpreted and administered accordingly. Notwithstanding the foregoing, to the extent that Section 409A of the Code or the related regulations and Treasury pronouncements ("Section 409A") are applicable to you in connection with the Award, this Award is subject to the provisions of Section 10.17 of the Plan regarding Section 409A and each payment under this Agreement shall be treated as a separate payment under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the Award or the Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the Award or the Plan. If this Agreement fails to meet the requirements of Section 409A, neither the Company nor any of its Affiliates shall have any liability for any tax, penalty or interest imposed on you by Section 409A, and you shall have no recourse against the Company or any of its Affiliate for payment of any such tax, penalty or interest imposed by Section 409A.

28. Additional Conditions and Restrictions. You may be subject to additional conditions and restrictions. If a Schedule II is attached hereto, the additional conditions and restrictions specified therein are considered part of this Agreement.

29. Administrative Blackouts. In addition to its other powers under the Plan, the Plan Administrator has the authority to suspend (a) the exercise of Options and (b) any other transactions under the Plan as it deems necessary or appropriate for administrative reasons.

30. Stock Ownership Guidelines. This Award may be subject to any applicable stock ownership guidelines adopted by the Company, as amended or superseded from time to time.

31. Company Information. You can access the Company's most recent annual, quarterly and current reports as filed with the Securities and Exchange Commission on the Company's website specified in Schedule I hereto. Please refer to these reports as well as the Company's future filings with the Securities and Exchange Commission (also available on the Company's website) for important information regarding the Company and its Common Stock.

*****

Schedule I
to
Nonqualified Stock Option Agreement
[Insert Grant Code]

Grant Date:	[____________]
Issuer/Company:	Liberty TripAdvisor Holdings, Inc., a Delaware corporation
Plan:	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time
Common Stock:	Liberty TripAdvisor Holdings, Inc. Series A Common Stock ("LTRPA Common Stock")
Option Termination Date:	[____________]
Option Exercise Price:	LTRPA Common Stock: $[______]
General Vesting Schedule:	Subject to your continuous service as a Nonemployee Director with the Company from the Grant Date through the following vesting date, 100% of the Options will vest and become exercisable on [___________].
Company Notice Address:	Liberty TripAdvisor Holdings, Inc. 12300 Liberty Boulevard Englewood, Colorado 80112 Attn: Chief Legal Officer
Company Website:	www.libertytripadvisor.com
Plan Access:	You can access the Plan via the link at the end of the Agreement or by contacting Liberty TripAdvisor Holdings, Inc.'s Legal Department.

Exhibit 10.32

RESTRICTED STOCK UNITS AGREEMENT

THIS RESTRICTED STOCK UNITS AGREEMENT (this "Agreement") is made and effective as of the date specified in Schedule I hereto (the "Grant Date"), by and between the issuer specified in Schedule I hereto (the "Company") and you.

The Company has adopted the incentive plan that governs the Restricted Stock Units specified in Schedule I hereto (as has been or may hereafter be amended, the "Plan"), a copy of which is attached via a link at the end of this online Agreement as Exhibit A and, by this reference, made a part hereof. Capitalized terms used and not otherwise defined in this Agreement will have the meanings ascribed to them in the Plan.

Pursuant to the Plan, the Plan Administrator has determined that it would be in the interest of the Company and its stockholders to grant you an Award of Restricted Stock Units, subject to the conditions and restrictions set forth in this Agreement and in the Plan, in order to provide you with additional remuneration for services rendered, to encourage you to remain in service to the Company and to increase your personal interest in the continued success and progress of the Company.

The Company and you therefore agree as follows:

1. Definitions. The following terms, when used in this Agreement, have the following meanings, except as otherwise defined in Schedule I hereto:

"Agreement" has the meaning specified in the preamble to this Agreement.

"Cause" has the meaning specified as "cause" in Section 10.2(b) of the Plan.

"Common Stock" has the meaning specified in Schedule I hereto.

"Company" has the meaning specified in the preamble to this Agreement.

"Disability" has the meaning specified as "Disability" in Section 2.1 of the Plan.

"Grant Date" has the meaning specified in the preamble to this Agreement.

"Nonemployee Director" has the meaning specified in the Plan.

"Plan" has the meaning specified in the preamble to this Agreement.

"Plan Administrator" has the meaning specified in Section 11 (Plan Administrator).

"Restricted Stock Units" has the meaning specified in Section 2 (Award).

"RSU Dividend Equivalents" has the meaning specified in Section 5 (Dividend Equivalents).

"Section 409A" has the meaning specified in Section 26 (Code Section 409A).

"Service Termination Date" means the date of termination of your service as a Nonemployee Director.

"Tax-Related Items" has the meaning specified in Section 6 (Taxes and Withholding).

2. Award. In consideration of your covenants and promises herein, the Company hereby awards to you as of the Grant Date an Award of the number and type of Restricted Stock Units authorized by the Plan Administrator and set forth in the notice of online grant delivered to you pursuant to the Company's online grant and administration program (the "Restricted Stock Units"), each representing the right to receive one share of the type of Common Stock specified in such notice of online grant, subject to the conditions and restrictions set forth in this Agreement and in the Plan.

3. Vesting. Unless otherwise determined by the Plan Administrator in its sole discretion, the Restricted Stock Units will vest in accordance with the General Vesting provisions specified in Schedule I hereto, subject to your continuous service as a Nonemployee Director with the Company from the Grant Date through the applicable vesting dates. Notwithstanding the foregoing, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto:

(a) *Termination for any Reason Other than Disability or Death*. All unvested Restricted Stock Units will be forfeited on the Service Termination Date if your service as a Nonemployee Director terminates for any reason other than by reason of your Disability (when Cause does not then exist) or your death.

(b) *Disability and Death*. All unvested Restricted Stock Units will vest on the Service Termination Date if (i) your service as a Nonemployee Director terminates by reason of your Disability (when Cause does not then exist) or (ii) you die while serving as a Nonemployee Director.

(c) *Approved Transaction, Board Change or Control Purchase* . The Restricted Stock Units may become vested in accordance with Section 10.1(b) of the Plan in the event of an Approved Transaction, Board Change or Control Purchase following the Grant Date.

(d) *Forfeiture*. Upon forfeiture of any unvested Restricted Stock Units, such Restricted Stock Units and any related unpaid RSU Dividend Equivalents will be immediately cancelled, and you will cease to have any rights with respect thereto.

4. No Stockholder Rights. You will not be deemed for any purpose to be, or to have any of the rights of, a stockholder of the Company with respect to shares of Common Stock represented by any Restricted Stock Units unless and until such time as shares of Common Stock represented by vested Restricted Stock Units have been delivered in accordance with Section 7 (Settlement and Delivery by the Company), nor will the existence of this Agreement affect in any way the right or power of the Company or its stockholders to accomplish any corporate act, including, without limitation, the acts referred to in Section 10.16 of the Plan.

5. Dividend Equivalents. To the extent specified by the Plan Administrator only, an amount equal to all dividends and other distributions (or the economic equivalent thereof) (in each case, as determined by the Plan Administrator in its sole discretion) that would have been paid on a like number and type of shares of Common Stock as the shares represented by the Restricted Stock Units if such shares had been issued to you when such dividends or other distributions were made ("RSU Dividend Equivalents") will, if so specified by the Plan Administrator, be retained by the Company for your account and will, unless otherwise specified by the Plan Administrator, be subject to the same conditions and restrictions, including the timing of vesting and delivery, applicable to the Restricted Stock Units to which they relate; *provided, however*, that the Plan Administrator may, in its sole discretion, accelerate the vesting of any portion of the RSU Dividend Equivalent and the settlement thereof shall be made as soon as administratively practicable after the accelerated vesting date, but in no event later than March 15 of the calendar year following the year in which such accelerated vesting date occurs. RSU Dividend Equivalents shall not bear interest or be segregated in a separate account. For the avoidance of doubt, unless otherwise determined by the Plan Administrator in its sole discretion, you will have no right to receive, or otherwise with respect to, any RSU Dividend Equivalents until such time, if ever, as the Restricted Stock Units with respect to which such RSU Dividend Equivalents relate shall have become vested, and, if vesting does not occur, the related RSU Dividend Equivalents will be forfeited at the same time the Restricted Stock Units with respect to which such RSU Dividend Equivalents relate are forfeited.

6. Taxes and Withholding. If the Plan Administrator determines in its sole discretion it is necessary or appropriate to collect national, federal, state or other local or governmental taxes or social security costs and charges or similar contributions (wheresoever arising) with respect to the Award of the Restricted Stock Units or the vesting thereof, or the designation of any RSU Dividend Equivalents as payable or distributable or the payment or distribution thereof, you may be asked to make arrangements satisfactory to the Company to make payment to the Company or its designee of the amount determined by the Plan Administrator as necessary or appropriate to be withheld under such tax laws (collectively, the “Tax-Related Items”). To the extent the Plan Administrator determines in its sole discretion such withholding is necessary or appropriate because some or all of the Restricted Stock Units and any related RSU Dividend Equivalents vest, you acknowledge and agree that the Company may withhold (a) from the shares of Common Stock represented by vested Restricted Stock Units and otherwise deliverable to you a number of shares of the applicable type of Common Stock and/or (b) from any related RSU Dividend Equivalents otherwise deliverable to you an amount of such RSU Dividend Equivalents, which collectively have a value (or, in the case of securities withheld, a Fair Market Value) equal to the Tax-Related Items, unless you remit such Tax-Related Items to the Company or its designee in cash in such form and by such time as the Company may require or other provisions for withholding such amount satisfactory to the Company have been made. Notwithstanding any other provisions of this Agreement, the delivery of any shares of Common Stock represented by vested Restricted Stock Units and any related RSU Dividend Equivalents may be postponed until any such withholding taxes have been paid to the Company. For the avoidance of doubt, the Company may allow for tax withholding in respect of the vesting of the Restricted Stock Units and any related RSU Dividend Equivalents up to the maximum withholding rate applicable to you. Notwithstanding the foregoing, regardless of any action the Company may take with respect to the foregoing, you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility.

7. Settlement and Delivery by the Company. Subject to Section 6 hereof (Taxes and Withholding), Section 10 hereof (Right of Offset), and Section 15 hereof (Amendment), and except as otherwise provided herein, shares of Common Stock will be delivered in respect of vested Restricted Stock Units (if any) as soon as practicable after the vesting of the Restricted Stock Units as described herein (but no later than March 15 of the calendar year following the year in which such vesting occurs). Unless otherwise determined by the Plan Administrator, the Company will (a) cause to be issued and transferred to a brokerage account, or registered through the Company’s stock transfer agent for your benefit, book-entry transfers registered in your name for that number and type of shares of Common Stock represented by such vested Restricted Stock Units and any securities representing related vested unpaid RSU Dividend Equivalents, and (b) cause to be delivered to you any cash payment representing related vested unpaid RSU Dividend Equivalents. Any delivery of securities will be deemed effected for all purposes when (i) in the case of a book-entry transfer, at the time the Company's stock transfer agent initiates the transfer of such securities to a brokerage account through the Company's stock transfer agent for your benefit or (ii) the Plan Administrator has made or caused to be made such other arrangements for the delivery of such securities as the Plan Administrator deems reasonable. Any cash payment will be deemed effected when (I) a check from the Company, payable to you in the amount equal to the amount of the cash payment, has been delivered personally to or at your direction or deposited in the United States mail, addressed to you, (II) an amount equal to the amount of the cash payment has been processed through the direct deposit or normal Company payroll processes for your benefit or (III) the Plan Administrator has made or caused to be made such other arrangements for delivery of such cash amount as the Plan Administrator deems reasonable. Shares representing Restricted Stock Units that have vested may be registered only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Restricted Stock Units have been transferred in accordance with Section 10.6 of the Plan and Section 8 below (Nontransferability).

8. Nontransferability. Restricted Stock Units and any related unpaid RSU Dividend Equivalents are not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a Domestic Relations Order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Plan Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom Restricted Stock Units and any related unpaid RSU Dividend Equivalents are transferred in accordance with the provisions of the preceding sentence shall take such Restricted Stock Units and any related unpaid RSU Dividend Equivalents subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you. Restricted Stock Units that have vested may be registered only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Restricted Stock Units have been transferred in accordance with this Section 8 and Section 10.6 of the Plan.

9. Adjustments. The Restricted Stock Units and any related unpaid RSU Dividend Equivalents will be subject to adjustment pursuant to Section 4.2 of the Plan in such manner as the Plan Administrator, in its sole discretion, deems equitable and appropriate in connection with the occurrence of any of the events described in Section 4.2 of the Plan following the Grant Date.

10. Right of Offset. You hereby agree that the Company shall have the right to offset against its obligation to deliver shares of Common Stock, cash or other property under this Agreement to the extent that it does not constitute "non-qualified deferred compensation" pursuant to Section 409A, any outstanding amounts of whatever nature that you then owe to the Company or a Subsidiary.

11. Plan Administrator. For purposes of this Agreement, the term "Plan Administrator" means the Compensation Committee of the Board of Directors of the Company or any committee appointed by the Board of Directors as described more fully in Section 3.1 of the Plan; provided, however, that the Board of Directors of the Company shall have the same powers as the Compensation Committee with respect to the Options and may exercise such powers in lieu of action by the Compensation Committee.

12. Restrictions Imposed by Law. Without limiting the generality of Section 10.8 of the Plan, the Company shall not be obligated to deliver any shares of Common Stock represented by vested Restricted Stock Units or securities constituting any unpaid RSU Dividend Equivalents if counsel to the Company determines that the issuance or delivery thereof would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which shares of Common Stock or such other securities are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of shares of Common Stock represented by vested Restricted Stock Units or securities constituting any unpaid RSU Dividend Equivalents to comply with any such law, rule, regulation, or agreement. Any certificates representing any such securities issued or delivered under this Agreement may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws.

13. Tax Representations . You hereby acknowledge that the Company has advised you that you should consult with your own tax advisors regarding the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. You hereby represent to the Company that you are not relying on any statements or representations of the Company, its Affiliates or any of their respective agents with respect to the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Award. If, in connection with the Award, the Plan Administrator determines in its sole discretion it is necessary or appropriate to withhold any amounts by reason of any national, federal, state and other local or governmental tax or social security costs and charges or similar contributions (wheresoever arising), such withholding shall be effected in accordance with Section 10.9 of the Plan and Section 6 (Taxes and Withholding).

14. Notice . Unless the Company notifies you in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address specified for the Company in Schedule I hereto. Any notice or other communication to you with respect to this Agreement will be provided to you electronically pursuant to the online grant and administration program or via email, unless the Company elects to notify you in writing, which will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

15. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Plan Administrator as contemplated by Section 10.7(b) of the Plan. Without limiting the generality of the foregoing, without your consent:

(a) this Agreement may be amended or supplemented from time to time as approved by the Plan Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's stockholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Award evidenced hereby (other than if immaterial), (iii) to reform the Award made hereunder as contemplated by Section 10.17 of the Plan or to exempt the Award made hereunder from coverage under Code Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and

(b) subject to any required action by the Board of Directors or the stockholders of the Company, the Restricted Stock Units granted under this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect any Restricted Stock Units (other than if immaterial) to the extent then vested.

16. Status as a Nonemployee Director. Nothing contained in the Plan or this Agreement, and no action of the Company or the Plan Administrator with respect thereto, will confer or be construed to confer on you any right to continue as a Nonemployee Director or interfere in any way with the right of the Board of Directors or the Company's stockholders to terminate your service at any time, with or without Cause, subject to the charter and bylaws of the Company, as the same may be in effect from time to time.

17. Nonalienation of Benefits . Except as provided in Section 8 (Nontransferability) and Section 10 (Right of Offset), (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

18. No Effect on Other Benefits. Any payments made pursuant to this Agreement will not be counted as compensation for purposes of any other employee benefit plan, program or agreement sponsored, maintained or contributed to by the Company or a Subsidiary unless expressly provided for in such employee benefit plan, program, agreement, or arrangement.

19. Governing Law; Venue. This Agreement will be governed by, and construed in accordance with, the internal laws of the State designated in Section 10.13 of the Plan. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado and in the State of Delaware in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

20. Waiver. No waiver by the Company at any time of any breach by you of, or compliance with, any term or condition of this Agreement or the Plan to be performed by you shall be deemed a waiver of the same term or condition, or of any similar or any dissimilar term or condition, whether at the same time or at any prior or subsequent time.

21. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any term or condition hereof shall not affect the validity or enforceability of the other terms and conditions set forth herein.

22. Construction. References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules attached hereto, including the Plan. All references to "Sections" in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Plan Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

23. Rules by Plan Administrator. The Plan Administrator, in its discretion and as contemplated by Section 3.3 of the Plan, may adopt rules and regulations it deems consistent with the terms of the Plan and as necessary or advisable in its operation and administration of the Plan and this Award. You acknowledge and agree that your rights and the obligations of the Company hereunder will be subject to any further conditions and such reasonable rules and regulations as the Plan Administrator may adopt from time to time.

24. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and you regarding the Award. You and the Company hereby declare and represent that no promise or agreement not expressed herein has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Award and replaces and makes null and void any prior agreements between you and the Company regarding the Award. Subject to the restrictions set forth in Sections 8 (Nontransferability) and 15 (Nonalienation of Benefits), this Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

25. Acknowledgment. You will signify acceptance of the terms and conditions of this Agreement by acknowledging the acceptance of this Agreement via the procedures described in the online grant and administration program utilized by the Company. By your electronic acknowledgment of the Restricted Stock Units, you are acknowledging the terms and conditions of the Award set forth in this Agreement as though you and the Company had signed an original copy of the Agreement.

26. Code Section 409A . The Awards made hereunder are intended to be "short-term deferrals" exempt from Section 409A and this Agreement shall be interpreted and administered accordingly. Notwithstanding the foregoing, to the extent that Section 409A of the Code or the related regulations and Treasury pronouncements ("Section 409A") are applicable to you in connection with the Award, this Award is subject to the provisions of Section 10.17 of the Plan regarding Section 409A and each payment under this Agreement shall be treated as a separate payment under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the Award or the Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the Award or the Plan. If this Agreement fails to meet the requirements of Section 409A, neither the Company nor any of its Affiliates shall have any liability for any tax, penalty or interest imposed on you by Section 409A, and you shall have no recourse against the Company or any of its Affiliate for payment of any such tax, penalty or interest imposed by Section 409A.

27. Additional Conditions and Restrictions. You may be subject to additional conditions and restrictions. If a Schedule II is attached hereto, the additional conditions and restrictions specified therein are considered part of this Agreement.

28. Administrative Blackouts. In addition to its other powers under the Plan, the Plan Administrator has the authority to suspend any transactions under the Plan as it deems necessary or appropriate for administrative reasons.

29. Stock Ownership Guidelines. This Award may be subject to any applicable stock ownership guidelines adopted by the Company, as amended or superseded from time to time.

30. **Company Information**. You can access the Company's most recent annual, quarterly and current reports as filed with the Securities and Exchange Commission on the Company's website specified in Schedule I hereto. Please refer to these reports as well as the Company's future filings with the Securities and Exchange Commission (also available on the Company's website) for important information regarding the Company and its Common Stock.

*****

Schedule I
to
Restricted Stock Units Agreement
[Insert Grant Code]

Grant Date:	[____________]
Issuer/Company:	Liberty TripAdvisor Holdings, Inc., a Delaware corporation
Plan:	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time
Common Stock:	Liberty TripAdvisor Holdings, Inc. Series A Common Stock
General Vesting Schedule:	Subject to your continuous service as a Nonemployee Director with the Company from the Grant Date through the following vesting date, 100% of the Restricted Stock Units will vest on [___________].
Company Notice Address:	Liberty TripAdvisor Holdings, Inc. 12300 Liberty Boulevard Englewood, Colorado 80112 Attn: Chief Legal Officer
Company Website:	www.libertytripadvisor.com
Plan Access:	You can access the Plan via the link at the end of the Agreement or by contacting Liberty TripAdvisor Holdings, Inc.'s Legal Department.

Exhibit 21

As of December 31, 2020

A table of subsidiaries of Liberty TripAdvisor Holdings, Inc. is set forth below, indicating as to each the state or jurisdiction of organization and the names under which such subsidiaries do business. Subsidiaries not included in the table are inactive or, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

	Domicile
nc.)	DE
	DE
	DE

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Liberty TripAdvisor Holdings, Inc.:

We consent to the incorporation by reference in the following registration statements of Liberty TripAdvisor Holdings, Inc. of our reports dated February 19, 2021, with respect to the consolidated balance sheets of Liberty TripAdvisor Holdings, Inc. and subsidiaries as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2020, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2020, which reports appear in the December 31, 2020 annual report on Form 10-K of Liberty TripAdvisor Holdings, Inc.

Description	Registration Statement No.	Description
S-8	333-198649	Liberty TripAdvisor Holdings, Inc. Transitional Stock Adjustment Plan, as amended
S-8	333-198650	Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015), as amended
S-8	333-201011	Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015), as amended
S-8	333-233245	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan
S-8	333-235371	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan
S-8	333-251296	Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan

/s/ KPMG LLP

Denver, Colorado
February 19, 2021

EXHIBIT 31.1

CERTIFICATION

I, Gregory B. Maffei, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty TripAdvisor Holdings, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements and other financial information included in this annual report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

   d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2021

/s/ GREGORY B. MAFFEI
Gregory B. Maffei
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Brian J. Wendling, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty TripAdvisor Holdings, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements and other financial information included in this annual report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

   d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2021

/s/ BRIAN J. WENDLING
Brian J. Wendling
Senior Vice President and Chief Financial Officer

Exhibit 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty TripAdvisor Holdings, Inc, a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 10-K for the period ended December 31, 2020 (the "Form 10-K") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated:	February 19, 2021	/s/ GREGORY B. MAFFEI
		Gregory B. Maffei *President and Chief Executive Officer*
Dated:	February 19, 2021	/s/ BRIAN J. WENDLING
		Brian J. Wendling *Senior Vice President and Chief Financial Officer* *(Principal Financial Officer and Principal Accounting Officer)*

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-K or as a separate disclosure document.