Liberty
BROADBAND

PROXY STATEMENT | 2019 ANNUAL REPORT

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LIBERTY BROADBAND CORPORATION

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5700

April 10, 2020

Dear Stockholder:

You are cordially invited to attend the 2020 annual meeting of stockholders of Liberty Broadband Corporation (**Liberty Broadband**) to be held at 8:15 a.m., Mountain time, on May 19, 2020. Due to concerns about the coronavirus, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

At the annual meeting, you will be asked to consider and vote on the proposals described in the accompanying notice of annual meeting and proxy statement, as well as on such other business as may properly come before the meeting.

Your vote is important, regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, please read the enclosed proxy materials and then promptly vote via the Internet or telephone or by completing, signing and returning by mail the enclosed proxy card. Doing so will not prevent you from later revoking your proxy or changing your vote at the meeting.

Thank you for your cooperation and continued support and interest in Liberty Broadband.

Very truly yours,

Gregory B. Maffei
President and Chief Executive Officer

The proxy materials relating to the annual meeting are first being mailed on or about April 15, 2020.

LIBERTY BROADBAND CORPORATION

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5700

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

to be Held on May 19, 2020

NOTICE IS HEREBY GIVEN of the annual meeting of stockholders of Liberty Broadband Corporation (**Liberty Broadband**) to be held at 8:15 a.m., Mountain time, on May 19, 2020. Due to concerns about the coronavirus (**COVID-19**), this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020. At the annual meeting, you will be asked to consider and vote on the following proposals:

1. A proposal (which we refer to as the **election of directors proposal**) to elect John C. Malone and John E. Welsh III to continue serving as Class III members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal; and

2. A proposal (which we refer to as the **auditors ratification proposal**) to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.

You may also be asked to consider and vote on such other business as may properly come before the annual meeting.

Holders of record of our Series A common stock, par value $0.01 per share, and Series B common stock, par value $0.01 per share, in each case, outstanding as of 5:00 p.m., New York City time, on March 31, 2020, the **record date** for the annual meeting, will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof. These holders will vote together as a single class on each proposal. A list of stockholders entitled to vote at the annual meeting will be available at our offices at 12300 Liberty Boulevard, Englewood, Colorado 80112 for review by our stockholders for any purpose germane to the annual meeting for at least ten days prior to the annual meeting. If you have any questions with respect to accessing this list, please contact Liberty Broadband Investor Relations at (844) 826-8735. The holders of record of our Series C common stock, par value $0.01 per share, are not entitled to any voting powers, except as required by Delaware law, and may not vote on the proposals to be presented at the annual meeting.

We describe the proposals in more detail in the accompanying proxy statement. We encourage you to read the proxy statement in its entirety before voting.

Our board of directors has unanimously approved each proposal and recommends that you vote "**FOR**" the election of each director nominee and "**FOR**" the auditors ratification proposal.

Votes may be cast electronically during the annual meeting via the Internet or by proxy prior to the meeting by telephone, via the Internet, or by mail.

Important Notice Regarding the Availability of Proxy Materials For the Annual Meeting of Stockholders to be Held on May 19, 2020: our Notice of Annual Meeting of Stockholders, Proxy Statement, and 2019 Annual Report to Stockholders are available at www.proxyvote.com.

YOUR VOTE IS IMPORTANT. Voting promptly, regardless of the number of shares you own, will aid us in reducing the expense of any further proxy solicitation in connection with the annual meeting.

By order of the board of directors,

Michael E. Hurelbrink
Assistant Vice President and Secretary

Englewood, Colorado
April 10, 2020

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE PROMPTLY VIA TELEPHONE OR ELECTRONICALLY VIA THE INTERNET. ALTERNATIVELY, PLEASE COMPLETE, SIGN AND RETURN BY MAIL THE ENCLOSED PAPER PROXY CARD.

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2020 ANNUAL MEETING OF STOCKHOLDERS

WHEN

8:15 a.m., Mountain time, on May 19, 2020

WHERE

The annual meeting can be accessed virtually via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*

RECORD DATE

5:00 p.m., New York City time, on March 31, 2020

ITEMS OF BUSINESS

1. Election of directors proposal—To elect John C. Malone and John E. Welsh III to continue serving as Class III members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal.
2. Auditors ratification proposal—To ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.

Such other business as may properly come before the annual meeting.

WHO MAY VOTE

Holders of shares of LBRDA and LBRDB

Holders of shares of LBRDK are NOT eligible to vote at the annual meeting

PROXY VOTING

Stockholders of record on the record date are entitled to vote by proxy in the following ways:

By calling 1-800-690-6903 (toll free) in the United States or Canada

Online at www.proxyvote.com

By returning a properly completed, signed and dated proxy card

ANNUAL MEETING AGENDA AND VOTING RECOMMENDATIONS

Proposal	Voting Recommendation	Page Reference (for more detail)
Election of directors proposal	✓ **FOR** THE NOMINEES	8
Auditors ratification proposal	✓ **FOR**	12

LIBERTY BROADBAND CORPORATION

a Delaware corporation

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5700

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

We are furnishing this proxy statement in connection with the board of directors' solicitation of proxies for use at our 2020 Annual Meeting of Stockholders to be held at 8:15 a.m., Mountain time, on May 19, 2020 or at any adjournment or postponement of the annual meeting. Due to concerns about COVID-19, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*. At the annual meeting, we will ask you to consider and vote on the proposals described in the accompanying Notice of Annual Meeting of Stockholders. The proposals are described in more detail in this proxy statement. We are soliciting proxies from holders of our Series A common stock, par value $0.01 per share (**LBRDA**), and Series B common stock, par value $0.01 per share (**LBRDB**). The holders of our Series C common stock, par value $0.01 per share (**LBRDK**), are not entitled to any voting powers, except as required by Delaware law, and may not vote on the proposals to be presented at the annual meeting. We refer to LBRDA, LBRDB and LBRDK together as our **common stock**.

THE ANNUAL MEETING

ELECTRONIC DELIVERY

Registered stockholders may elect to receive future notices and proxy materials by e-mail. To sign up for electronic delivery, go to *www.proxyvote.com*. Stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery when voting by Internet at *www.proxyvote.com* by following the prompts. Also, stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery by contacting their nominee. Once you sign up, you will not receive a printed copy of the notices and proxy materials, unless you request them. If you are a registered stockholder, you may suspend electronic delivery of the notices and proxy materials at any time by contacting our transfer agent, Broadridge, at (888) 789-8745 (outside the United States (303) 562-9277). Stockholders who hold shares through a bank, brokerage firm or other nominee should contact their nominee to suspend electronic delivery.

TIME, PLACE AND DATE

The annual meeting of stockholders is to be held at 8:15 a.m., Mountain time, on May 19, 2020. Due to concerns about COVID-19, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

PURPOSE

At the annual meeting, you will be asked to consider and vote on each of the following:

- the election of directors proposal, to elect John C. Malone and John E. Welsh III to continue serving as Class III members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal; and
- the auditors ratification proposal, to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.

You may also be asked to consider and vote on such other business as may properly come before the annual meeting, although we are not aware at this time of any other business that might come before the annual meeting.

QUORUM

In order to conduct the business of the annual meeting, a quorum must be present. This means that the holders of at least a majority of the aggregate voting power represented by the shares of our common stock outstanding on the record date (as defined below) and entitled to vote at the annual meeting must be represented at the annual meeting either in person or by proxy. Virtual attendance at the annual meeting also constitutes presence in person for purposes of quorum at the meeting. For purposes of determining a quorum, your shares will be included as represented at the meeting even if you indicate on your proxy that you abstain from voting. If a broker, who is a record holder of shares, indicates on a form of proxy that the broker does not have discretionary authority to vote those shares on a particular proposal or proposals, or if those shares are voted in circumstances in which proxy authority is defective or has been withheld, those shares (**broker non-votes**) will nevertheless be treated as present for purposes of determining the presence of a quorum. See "—Voting Procedures for Shares Held in Street Name—Effect of Broker Non-Votes" below.

WHO MAY VOTE

Holders of shares of LBRDA and LBRDB, as recorded in our stock register as of 5:00 p.m., New York City time, on March 31, 2020 (such date and time, the **record date** for the annual meeting), will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof.

VOTES REQUIRED

Each director nominee who receives a plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, will be elected to office.

Approval of the auditors ratification proposal requires the affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class.

Virtual attendance at the annual meeting also constitutes presence in person for purposes of each required vote.

VOTES YOU HAVE

At the annual meeting, holders of shares of LBRDA will have one vote per share and holders of shares of LBRDB will have ten votes per share, in each case, that our records show are owned as of the record date.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

Our board of directors has unanimously approved each of the proposals and recommends that you vote "**FOR**" the election of each director nominee and "**FOR**" the auditors ratification proposal.

SHARES OUTSTANDING

As of the record date, 26,493,328 shares of LBRDA and 2,451,828 shares of LBRDB were issued and outstanding and entitled to vote at the annual meeting.

NUMBER OF HOLDERS

There were, as of the record date, 710 and 46 record holders of LBRDA and LBRDB, respectively (which amounts do not include the number of stockholders whose shares are held of record by banks, brokers or other nominees, but include each such institution as one holder).

VOTING PROCEDURES FOR RECORD HOLDERS

Holders of record of LBRDA and LBRDB as of the record date may vote via the Internet at the annual meeting or prior to the annual meeting by telephone or through the Internet. Alternatively, they may give a proxy by completing, signing, dating and returning the proxy card by mail.

Holders of record may vote their shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LBRD2020*. To enter the annual meeting, holders will need the 16-digit control number that is printed in the box marked by the arrow on their proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that they are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

Instructions for voting prior to the annual meeting by using the telephone or the Internet are printed on the proxy card. In order to vote prior to the annual meeting through the Internet, holders should have their proxy cards available so they can input the required information from the proxy card, and log onto the Internet website address shown on the proxy card. When holders log onto the Internet website address, they will receive instructions on how to vote their shares. The telephone and Internet voting procedures are designed to authenticate votes cast by use of a personal identification number, which will be provided to each voting stockholder separately. Unless subsequently revoked, shares of our common stock represented by a proxy submitted as described herein and received at or before the annual meeting will be voted in accordance with the instructions on the proxy.

YOUR VOTE IS IMPORTANT. It is recommended that you vote by proxy even if you plan to attend the annual meeting. You may change your vote at the annual meeting.

If you submit a properly executed proxy without indicating any voting instructions as to a proposal enumerated in the Notice of Annual Meeting of Stockholders, the shares represented by the proxy will be voted "**FOR**" the election of each director nominee and "**FOR**" the auditors ratification proposal.

If you submit a proxy indicating that you abstain from voting as to a proposal, it will have no effect on the election of directors proposal, and it will have the same effect as a vote "**AGAINST**" the auditors ratification proposal.

If you do not submit a proxy or you do not vote at the annual meeting, your shares will not be counted as present and entitled to vote for purposes of determining a quorum, and your failure to vote will have no effect on determining whether any of the proposals are approved (if a quorum is present).

VOTING PROCEDURES FOR SHARES HELD IN STREET NAME

General

If you hold your shares in the name of a broker, bank or other nominee, you should follow the instructions provided by your broker, bank or other nominee when voting your shares or to grant or revoke a proxy. The rules and regulations of the New York Stock Exchange and The Nasdaq Stock Market LLC (**Nasdaq**) prohibit brokers, banks and other nominees from voting shares on behalf of their clients without specific instructions from their clients with respect to numerous matters, including, in our case, the election of directors proposal described in this proxy statement. Accordingly, to ensure your shares held in street name are voted on these matters, we encourage you to provide promptly specific voting instructions to your broker, bank or other nominee.

Effect of Broker Non-Votes

Broker non-votes are counted as shares of our common stock present and entitled to vote for purposes of determining a quorum but will have no effect on any of the proposals. You should follow the directions your broker, bank or other nominee provides to you regarding how to vote your shares of LBRDA or LBRDB or how to change your vote or revoke your proxy.

REVOKING A PROXY

If you submitted a proxy prior to the start of the annual meeting, you may change your vote by attending the annual meeting online and voting via the Internet at the annual meeting or by delivering a signed proxy revocation or a new signed proxy with a later date to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. Any signed proxy revocation or new signed proxy must be received before the start of the annual meeting. In addition, you may change your vote through the Internet or by telephone (if you originally voted by the corresponding method) not later than 11:59 p.m., New York City time, on May 18, 2020.

Your attendance at the annual meeting will not, by itself, revoke a prior vote or proxy from you.

If your shares are held in an account by a broker, bank or other nominee, you should contact your nominee to change your vote or revoke your proxy.

SOLICITATION OF PROXIES

We are soliciting proxies by means of our proxy statement and our annual report (together, the **proxy materials**) on behalf of our board of directors. In addition to this mailing, our employees may solicit proxies personally or by telephone. We pay the cost of soliciting these proxies. We also reimburse brokers and other nominees for their expenses in sending the proxy materials to you and getting your voting instructions.

If you have any further questions about voting or attending the annual meeting, please contact Liberty Broadband Investor Relations at (844) 826-8735 or Broadridge at (888) 789-8745 (outside the United States (303) 562-9277).

OTHER MATTERS TO BE VOTED ON AT THE ANNUAL MEETING

Our board of directors is not currently aware of any business to be acted on at the annual meeting other than that which is described in the Notice of Annual Meeting of Stockholders and this proxy statement. If, however, other matters are properly brought to a vote at the annual meeting, the persons designated as proxies will have discretion to vote or to act on these matters according to their best judgment. In the event there is a proposal to adjourn or postpone the annual meeting, the persons designated as proxies will have discretion to vote on that proposal.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth information concerning shares of our common stock beneficially owned by each person or entity known by us to own more than five percent of the outstanding shares of LBRDA and LBRDB, which are our company's voting securities. Beneficial ownership of our common stock is set forth below only to the extent known by us or ascertainable from public filings.

The security ownership information is given as of February 29, 2020, and, in the case of percentage ownership information, is based upon (1) 26,493,328 shares of LBRDA, (2) 2,451,828 shares of LBRDB and (3) 152,957,832 shares of LBRDK, in each case, outstanding on that date. The percentage voting power is presented on an aggregate basis for all series of common stock. LBRDK shares are, however, non-voting and, therefore, in the case of percentage voting power, are not included.

Name and Address of Beneficial Owner	Title of Series	Amount and Nature of Beneficial Ownership	Percent of Series (%)	Voting Power (%)
John C. Malone c/o Liberty Broadband Corporation 12300 Liberty Boulevard Englewood, CO 80112	LBRDA	1,268,781(1)	4.8	48.8
	LBRDB	2,363,834(1)	96.4	
	LBRDK	2,959,112(1)	1.9	
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	LBRDA	1,963,817(2)	7.4	*
	LBRDB	—	—	
	LBRDK	13,922,852(3)	9.1	
Clearbridge Investments, LLC 620 8th Avenue New York, NY 10018	LBRDA	1,559,444(4)	5.9	3.0
	LBRDB	—	—	
	LBRDK	2,091,762(5)	1.4	
FPR Partners, LLC 199 Fremont Street, Suite 2500 San Francisco, CA 94105	LBRDA	1,502,364(6)	5.7	3.0
	LBRDB	—	—	
	LBRDK	1,097,875(7)	*	

* Less than 1%

(1) Information with respect to shares of our common stock beneficially owned by Mr. Malone, our Chairman of the Board, is also set forth in "—Security Ownership of Management."

(2) Based on Amendment No. 5 to Schedule 13G, filed February 12, 2020 by The Vanguard Group (**Vanguard**), which states that with respect to shares of LBRDA, Vanguard has shared dispositive power over 9,686 shares, sole dispositive power over 1,954,131 shares and sole voting power over 11,864 shares.

(3) Based on Amendment No. 5 to Schedule 13G, filed February 12, 2020 by Vanguard, which states that, with respect to shares of LBRDK, Vanguard has shared dispositive power over 108,815 shares, sole dispositive power over 13,814,037 shares, shared voting power over 29,849 shares and sole voting power over 85,722 shares.

(4) Based on Amendment No. 5 to Schedule 13G, filed February 14, 2020 by Clearbridge Investments, LLC (**Clearbridge**) with respect to LBRDA shares, which states that Clearbridge has sole voting power over 1,546,683 shares and sole dispositive power over 1,559,444 shares.

(5) Based on Form 13F, filed February 14, 2020 by Clearbridge with respect to LBRDK shares, which states that Clearbridge has shared investment discretion over 2,091,762 shares and sole voting power over 2,072,818 shares.

(6) Based on Amendment No. 1 to Schedule 13G, filed February 14, 2020 jointly by FPR Partners, LLC (**FPR**), Andrew Raab and Bob Peck, which states that FPR has sole voting power and sole dispositive power over 1,502,364 LBRDA shares and, Mr. Raab and Mr. Peck have shared voting power and shared dispositive power over 1,502,364 LBRDA shares.

(7) Based on Form 13F, filed February 14, 2020 by FPR, which states that FPR has sole investment discretion and sole voting power over 1,097,875 LBRDK shares.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information with respect to the ownership by each of our directors and named executive officers (as defined herein) and by all of our directors and executive officers as a group of shares of LBRDA, LBRDB and LBRDK. The security ownership information with respect to our common stock is given as of February 29, 2020, and, in the case of percentage ownership information, is based upon (1) 26,493,328 shares of LBRDA, (2) 2,451,828 shares of LBRDB and (3) 152,957,832 shares of LBRDK, in each case, outstanding on that date. The percentage voting power is presented on an aggregate basis for all series of common stock. LBRDK shares are, however, non-voting and, therefore, in the case of percentage voting power, are not included.

Shares of common stock issuable upon exercise or conversion of options, warrants and convertible securities that were exercisable or convertible on or within 60 days after February 29, 2020 are deemed to be outstanding and to be beneficially owned by the person holding the options, warrants or convertible securities for the purpose of computing the percentage ownership of that person and for the aggregate percentage owned by the directors and named executive officers as a group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other individual person. For purposes of the following presentation, beneficial ownership of shares of LBRDB, though convertible on a one-for-one basis into shares of LBRDA, are reported as beneficial ownership of LBRDB only, and not as beneficial ownership of LBRDA. So far as is known to us, the persons indicated below have sole voting and dispositive power with respect to the shares indicated as owned by them, except as otherwise stated in the notes to the table.

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
John C. Malone	LBRDA	1,269(1)(2)(3)	4.8	48.8
Chairman of the Board	LBRDB	2,364(1)(4)(5)	96.4	
	LBRDK	2,959(1)(2)(5)	1.9	
Gregory B. Maffei	LBRDA	459(6)(7)(8)	1.7	1.1
President, Chief Executive Officer and Director	LBRDB	9	*	
	LBRDK	2,788(6)(7)(8)(9)	1.8	
Julie D. Frist	LBRDA	—	—	—
Director	LBRDB	—	—	
	LBRDK	1,147(10)	*	
Richard R. Green	LBRDA	**(11)	*	*
Director	LBRDB	—	—	
	LBRDK	23(9)(11)	*	
J. David Wargo	LBRDA	93(12)(13)	*	*
Director	LBRDB	—	—	
	LBRDK	310(9)(12)(13)	*	
John E. Welsh III	LBRDA	5	*	*
Director	LBRDB	—	—	
	LBRDK	18(9)	*	
Brian J. Wendling	LBRDA	**	*	*
Chief Accounting Officer and Principal Financial Officer	LBRDB	—	—	
	LBRDK	—	—	
Albert E. Rosenthaler	LBRDA	17	*	*
Chief Corporate Development Officer	LBRDB	—	—	
	LBRDK	35	*	
Renee L. Wilm	LBRDA	—	—	—
Chief Legal Officer	LBRDB	—	—	
	LBRDK	—	—	
Mark D. Carleton	LBRDA	—	—	—
Senior Advisor and Former Chief Financial Officer	LBRDB	—	—	
	LBRDK	37	*	

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
Richard N. Baer Former Chief Legal Officer and Chief Administrative Officer	LBRDA	—	—	—
	LBRDB	—	—	
	LBRDK	—	—	
All directors and executive officers as a group (9 persons)	LBRDA	1,843(1)(2)(3)(6)(7)(8)(11)(12)(13)	7.0	50.1
	LBRDB	2,373(1)(4)(5)	96.8	
	LBRDK	7,281(1)(2)(5)(6)(7)(8)(9)(10)(11)(12)(13)	4.7	

* Less than one percent

** Less than 1,000 shares

(1) Includes 25,444 LBRDA shares, 57,641 LBRDB shares and 227,299 LBRDK shares held in a revocable trust with respect to which Mr. Malone and Mr. Malone's wife, Mrs. Leslie Malone, are trustees. Mrs. Malone has the right to revoke such trust at any time.

(2) Includes 153,226 shares of LBRDA and 1,303,500 shares of LBRDK pledged to Fidelity Brokerage Services, LLC (**Fidelity**) in connection with a margin loan facility; 1,025,445 shares of LBRDA and 263,642 shares of LBRDK pledged to Merrill Lynch, Pierce, Fenner & Smith Incorporated (**Merrill Lynch**) in connection with certain margin loan facilities extended by Merrill Lynch; and 1,000,000 shares of LBRDK pledged to Bank of America (**BoA**) in connection with loan facilities and a "zero-cost collar" extended by BoA.

(3) Includes 62,500 shares of LBRDA held by The Malone Family Land Preservation Foundation and 27,610 shares of LBRDA held by The Malone Family Foundation, as to which shares Mr. Malone has disclaimed beneficial ownership.

(4) Includes 27,171 shares of LBRDB held by two trusts which are managed by an independent trustee, of which the beneficiaries are Mr. Malone's adult children and in which Mr. Malone has no pecuniary interest. Mr. Malone retains the right to substitute assets held by the trusts and has disclaimed beneficial ownership of the shares held by the trusts.

(5) Includes 122,649 shares of LBRDB and 391,970 shares of LBRDK held by two trusts with respect to which Mr. Malone is the sole trustee and, with his wife, retains a unitrust interest in the trusts.

(6) Includes 86,248 shares of LBRDA and 208,197 shares of LBRDK held by the Maffei Foundation, as to which shares Mr. Maffei has disclaimed beneficial ownership.

(7) Includes 154,490 shares of LBRDA and 576,252 shares of LBRDK held by a grantor retained annuity trust.

(8) Includes 11,097 LBRDA shares and 396,834 LBRDK shares, which are available in support of a line of credit with Morgan Stanley Private Bank, National Association.

(9) Includes beneficial ownership of shares that may be acquired upon exercise of, or which relate to, stock options exercisable within 60 days after February 29, 2020.

	LBRDK
Gregory B. Maffei	1,541,483
Richard R. Green	21,707
J. David Wargo	31,607
John E. Welsh, III	18,010
Total	1,612,807

(10) Mrs. Frist was appointed as a director of our company effective as of March 2, 2020. Based on information provided as of March 2, 2020, Mrs. Frist beneficially owns 1,147,256 shares of LBRDK, which includes (i) 601,507 shares held directly or indirectly by Thomas F. Frist III, Mrs. Frist's husband, (ii) 471,396 shares held by trusts for which Mrs. Frist's direct family are the beneficiaries and Mrs. Frist is the trustee, (iii) 62,540 shares held by trusts for which Mrs. Frist's children are the beneficiaries and Mrs. Frist is the trustee, (iv) 10,107 shares held by trusts for which Mrs. Frist's children are the beneficiaries, and (v) 1,706 shares held by trusts for which Mrs. Frist's relatives are beneficiaries and Mrs. Frist is the trustee. Mrs. Frist disclaims beneficial ownership of these securities except to the extent of her pecuniary interest therein.

(11) Includes 165 shares of LBRDA and 429 shares of LBRDK held by Dr. Green's wife, as to which Dr. Green disclaims beneficial ownership.

(12) Includes 901 shares of LBRDA and 2,357 shares of LBRDK held by Mr. Wargo's spouse and 4,265 shares of LBRDA and 11,168 shares of LBRDK held by Mr. Wargo's brother as to which, in each case, Mr. Wargo has disclaimed beneficial ownership.

(13) Includes (i) 83,364 shares of LBRDA and 254,434 shares of LBRDK pledged to Fidelity in connection with a margin loan facility extended by Fidelity to Mr. Wargo; and (ii) 1,200 shares of LBRDA and 1,200 shares of LBRDK held by Mr. Wargo's brother that are pledged to Fidelity in connection with a margin loan facility extended by Fidelity to Mr. Wargo's brother.

CHANGES IN CONTROL

We know of no arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in control of our company.

PROPOSALS OF OUR BOARD

The following proposals will be presented at the annual meeting by our board of directors.

PROPOSAL 1—THE ELECTION OF DIRECTORS PROPOSAL

BOARD OF DIRECTORS

Our board of directors currently consists of six directors, divided among three classes. Our Class III directors, whose term will expire at the annual meeting, are John C. Malone and John E. Welsh III. These directors are nominated for election to our board to continue to serve as Class III directors, and we have been informed that each of Messrs. Malone and Welsh is willing to continue to serve as a director of our company. The term of the Class III directors who are elected at the annual meeting will expire at the annual meeting of our stockholders in the year 2023. Our Class I directors, whose term will expire at the annual meeting of our stockholders in the year 2021, are Julie D. Frist and J. David Wargo. Our Class II directors, whose term will expire at the annual meeting of our stockholders in the year 2022, are Richard R. Green and Gregory B. Maffei.

If any nominee should decline election or should become unable to serve as a director of our company for any reason before election at the annual meeting, votes will be cast by the persons appointed as proxies for a substitute nominee, if any, designated by the board of directors.

The following lists the two nominees for election as directors at the annual meeting and the four directors of our company whose term of office will continue after the annual meeting, and includes as to each person how long such person has been a director of our company, such person's professional background, other public company directorships and other factors considered in the determination that such person possesses the requisite qualifications and skills to serve as a member of our board of directors. The number of shares of our common stock beneficially owned by each director is set forth in this proxy statement under the caption "Security Ownership of Certain Beneficial Owners and Management."

Nominees for Election as Director

John C. Malone

- *Age*: 79
- Chairman of the Board of our company.
- *Professional Background*: Mr. Malone has served as the Chairman of the Board of our company since November 2014. He served as Chairman of the Board of Qurate Retail, Inc. (formerly named Liberty Interactive Corporation, **Qurate Retail**), including its predecessor, from its inception in 1994 until March 2018 and served as Qurate Retail's Chief Executive Officer from August 2005 to February 2006. Mr. Malone served as Chairman of the Board of Tele-Communications, Inc. (**TCI**) from November 1996 until March 1999, when it was acquired by AT&T Corp., and as Chief Executive Officer of TCI from January 1994 to March 1997.
- *Other Public Company Directorships*: Mr. Malone has served as (i) Chairman of the Board of GCI Liberty, Inc. (**GCI Liberty**) since March 2018, (ii) a director of Qurate Retail (including its predecessor) since 1994 and served as Chairman of the Board of Qurate Retail (including its predecessor) from 1994 to March 2018, (iii) Chairman of the Board of Liberty Media Corporation (**Liberty Media**) (including its predecessor) since August 2011 and as a director since December 2010, (iv) Chairman of the Board of Liberty Global plc (**LGP**) since June 2013, having previously served as Chairman of the Board of Liberty Global, Inc. (**LGI**), LGP's predecessor, from June 2005 to June 2013, Chairman of the Board of LGI's predecessor, Liberty Media International, Inc. (**LMI**), from March 2004 to June 2005, and a director of UnitedGlobalCom, Inc., now a subsidiary of LGP, from January 2002 to June 2005, (v) a director of Liberty Latin America Ltd. since December 2017 and (vi) a director of Discovery, Inc. (**Discovery**), which was formerly known as Discovery Communications, Inc. (**Discovery Communications**) since September 2008 and a director of Discovery Communications' predecessor, Discovery Holding Company (**DHC**), from May 2005 to September 2008 and as Chairman of the Board from March 2005 to September 2008. Previously, he served as (i) Chairman of the Board of Liberty Expedia Holdings, Inc. (**Liberty Expedia**) from November 2016 to July 2019, (ii) a director of Lions Gate Entertainment Corp. from March 2015 to September 2018, (iii) a director of Charter Communications, Inc. (**Charter**) from May 2013 to July 2018, (iv) a director of Expedia, Inc. from December 2012 to December 2017, having previously served as a director from August 2005 to November 2012, (v) the Chairman of the Board of Liberty TripAdvisor

Holdings, Inc. (**Liberty TripAdvisor**) from August 2014 to June 2015, (vi) a director of Sirius XM Holdings Inc. (**Sirius XM**) from April 2009 to May 2013, (vii) a director of Ascent Capital Group, Inc. from January 2010 to September 2012, (viii) a director of Live Nation Entertainment, Inc. (**Live Nation**) from January 2010 to February 2011, (ix) Chairman of the Board of DIRECTV and its predecessors from February 2008 to June 2010 and (x) a director of IAC/InterActive Corp from May 2006 to June 2010.

- *Board Membership Qualifications*: Mr. Malone, as President of TCI, co-founded Qurate Retail's former parent company and is considered one of the preeminent figures in the media and telecommunications industry. He is well known for his sophisticated problem solving and risk assessment skills.

John E. Welsh III

- *Age*: 69
- A director of our company.
- *Professional Background*: Mr. Welsh has served as a director of our company since November 2014. Mr. Welsh has served as the President of Avalon Capital Partners LLC, an investment firm, since 2002. He served as a director of CIP Management LLC from October 2000 to December 2002 and as Managing Director and Vice-Chairman of the Board of SkyTel Communications, Inc. from 1992 to 1999. Prior to 1992, Mr. Welsh was Managing Director of Investment Banking of Prudential Securities, Inc. and Co-Head of the Mergers and Acquisitions Department.
- *Other Public Company Directorships*: Mr. Welsh served as a director of General Cable Corp. from 1997 to June 2018 and Chairman of the Board from August 2001 to June 2018. He also served as a director of Spreckels Industries, Inc. and York International, Inc. from 1996 to 2000, and Integrated Electrical Services Corp. from 2006 to 2013.
- *Board Membership Qualifications*: Mr. Welsh brings to the board a strong financial background in investment banking and investment management and his experience as an audit committee member of Integrated Electrical Services Corp. In addition to possessing strong leadership and collaboration skills, Mr. Welsh has substantial experience involving the management and operation of technology companies. He is also an important resource with respect to the financial services firms that our company may engage from time to time.

Director Whose Term Expires in 2021

Julie D. Frist

- *Age*: 49
- A director of our company.
- *Professional Background*: Mrs. Frist has served as a director of our company since March 2020. She has served as Vice-Chair of CapStar Financial Holdings, Inc. since December 2015 and a director of CapStar Bank since its founding in 2008. Mrs. Frist held various positions with the Investment Banking Division (Corporate Finance) and the Private Client Group of Goldman Sachs between 1993-1998. In 1998, she joined Bruckmann, Rosser, Sherrill & Co., a New York-based private equity firm, where she worked as a Vice President until 2000. Mrs. Frist currently serves on several non-profit boards including The Frist Foundation and the Community Foundation of Middle Tennessee. She also serves on the Advisory Board of Teach for America—Nashville and is a member of the Board of Dean's Advisors at Harvard Business School. Mrs. Frist is a former board member of St. Paul's School, the Ensworth School and the American Red Cross (Nashville Chapter).
- *Other Public Company Directorships*: Mrs. Frist has served as a director of CapStar Bank since its founding in 2008.
- *Board Membership Qualifications*: Mrs. Frist's educational background, experience in the financial services industry and significant involvement in the non-profit community give her beneficial insight and enable her to make valuable contributions as a member of our board.

J. David Wargo

- *Age*: 66
- A director of our company.
- *Professional Background*: Mr. Wargo has served as a director of our company since March 2015. Mr. Wargo is the founder of Wargo & Company, Inc., a private company specializing in investing in the communications industry (**Wargo & Company**), and has served as its president since 1993. Mr. Wargo is a co-founder and was a member of New Mountain Capital, LLC from 2000 to 2008. Prior to starting Wargo & Company, he was a managing director and senior analyst of The Putnam Companies from 1989 to 1992, senior vice president and a partner in Marble Arch Partners from 1985 to 1989 and senior analyst, assistant director of research and a partner in State Street Research and Management Company from 1978 to 1985.
- *Other Public Company Directorships*: Mr. Wargo has served as a director of Liberty TripAdvisor since August 2014. Mr. Wargo has also served as a director of LGP since June 2013, having previously served as a director of LGI, LGP's predecessor, from June 2005 to June 2013 and as a director of LGI's predecessor, LMI, from May 2004 to June 2005. He has served as a director of Vobile Group Limited since January 2018, as a director of Discovery since September 2008, having previously served as a director of Discovery Communications' predecessor, DHC, from May 2005 to September 2008, and as a director of Strategic Education, Inc. (formerly Strayer Education, Inc.) from March 2001 to April 2019.
- *Board Membership Qualifications*: Mr. Wargo's extensive background in investment analysis and management, experience as a public company board member and his particular expertise in finance and capital markets contribute to our board's consideration of our capital structure and evaluation of investment and financial opportunities and strategies and strengthen our board's collective qualifications, skills and attributes.

Directors Whose Term Expires in 2022

Gregory B. Maffei

- *Age*: 59
- Chief Executive Officer, President and a director of our company.
- *Professional Background*: Mr. Maffei has served as a director and the President and Chief Executive Officer of our company since June 2014. Mr. Maffei has also served as the President and Chief Executive Officer and a director of GCI Liberty since March 2018. He has served as President and Chief Executive Officer of Liberty Media (including its predecessor) since May 2007 and Liberty TripAdvisor since July 2013. He has served as the Chairman of the Board of Qurate Retail (including its predecessor), since March 2018, and as a director of Qurate Retail (including its predecessor) since November 2005. Mr. Maffei also served as the President and Chief Executive Officer of Qurate Retail (including its predecessor) from February 2006 to March 2018, having served as its CEO-Elect from November 2005 through February 2006. Prior thereto, Mr. Maffei served as President and Chief Financial Officer of Oracle Corporation (**Oracle**), Chairman of the Board, President and Chief Executive Officer of 360networks Corporation (**360networks**), and Chief Financial Officer of Microsoft Corporation (**Microsoft**).
- *Other Public Company Directorships*: Mr. Maffei has served as (i) a director of Liberty Media (including its predecessor) since May 2007, (ii) Chairman of the Board of Qurate Retail since March 2018 and a director of Qurate Retail (including its predecessor) since November 2005, (iii) Chairman of the Board of Liberty TripAdvisor since June 2015 and a director since July 2013, (iv) a director of GCI Liberty since March 2018, (v) the Chairman of the Board of TripAdvisor, Inc. since February 2013, (vi) the Chairman of the Board of Live Nation since March 2013 and as a director since February 2011, (vii) the Chairman of the Board of Sirius XM since April 2013 and as a director since March 2009, (viii) a director of Zillow Group, Inc. since February 2015, having previously served as a director of its predecessor, Zillow, Inc., from May 2005 to February 2015 and (ix) a director of Charter since May 2013. Mr. Maffei served as (i) Chairman of the Board of Starz from January 2013 until its acquisition by Lions Gate Entertainment Corp. in December 2016, (ii) a director of Barnes & Noble, Inc. from September 2011 to April 2014, (iii) a director of Electronic Arts, Inc. from June 2003 to July 2013, (iv) a director of DIRECTV and its predecessors from February 2008 to June 2010 and (v) the Chairman of the Board of Pandora Media, Inc. from September 2017 to February 2019.
- *Board Membership Qualifications*: Mr. Maffei brings to our board significant financial and operational experience based on his senior policy making positions at our company, Qurate Retail (including its predecessor), GCI Liberty, Liberty Media, Liberty TripAdvisor, Oracle, 360networks and Microsoft, and his public company board

experience. He provides our board with executive leadership perspective on the operations and management of large public companies and risk management principles.

Richard R. Green

- *Age*: 82
- A director of our company.
- *Professional Background*: Dr. Green has served as a director of our company since November 2014. For over 20 years, Dr. Green served as President and Chief Executive Officer of CableLabs® before retiring in December 2009. Prior to joining CableLabs®, he was a senior vice president at PBS from 1984 through 1988 and served as a director of CBS's Advanced Television Technology Laboratory from 1980 through 1983. Dr. Green is a Professor of Engineering and Director of the Center of Technology and Innovation at the University of Denver. He also serves as a director of Jones/NCTI, a Jones Knowledge Company, which is a workforce performance solutions company for individuals and broadband companies.
- *Other Public Company Directorships*: Dr. Green has served as a director of GCI Liberty since March 2018 and a director of LGP and its predecessors since December 2008. He has also served as a director of Shaw Communications, Inc., a telecommunications company based in Canada, since 2010.
- *Board Membership Qualifications*: Dr. Green brings to the board his extensive professional and executive background and his particular knowledge and experience in the complex and rapidly changing field of technology for broadband communications services, which contributes to our company's evaluation of technological initiatives and challenges and strengthens the board's collective qualifications, skills and attributes.

VOTE AND RECOMMENDATION

A plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, is required to elect Messrs. Malone and Welsh as Class III members of our board of directors.

Our board of directors unanimously recommends a vote "FOR" the election of each nominee to our board of directors.

PROPOSAL 2—THE AUDITORS RATIFICATION PROPOSAL

We are asking our stockholders to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.

Even if the selection of KPMG LLP is ratified, the audit committee of our board of directors in its discretion may direct the appointment of a different independent accounting firm at any time during the year if our audit committee determines that such a change would be advisable. In the event our stockholders fail to ratify the selection of KPMG LLP, our audit committee will consider it as a direction to select other auditors for the year ending December 31, 2020.

A representative of KPMG LLP is expected to be available to answer appropriate questions at the annual meeting and will have the opportunity to make a statement if he or she so desires.

AUDIT FEES AND ALL OTHER FEES

The following table presents fees incurred for professional audit services rendered by KPMG LLP for the audit of our consolidated financial statements for 2019 and 2018 and fees billed for other services rendered by KPMG LLP.

	2019	2018
Audit fees	$471,200	$626,300
Audit related fees	—	—
Audit and audit related fees	471,200	626,300
Tax fees(1)	7,900	3,300
Total fees	$479,100	$629,600

(1) Tax fees consist of tax compliance and consultations regarding the tax implications of certain transactions.

Our audit committee has considered whether the provision of services by KPMG LLP to our company other than auditing is compatible with KPMG LLP maintaining its independence and believes that the provision of such other services is compatible with KPMG LLP maintaining its independence.

POLICY ON PRE-APPROVAL OF AUDIT AND PERMISSIBLE NON-AUDIT SERVICES OF INDEPENDENT AUDITOR

Our audit committee has adopted a policy regarding the pre-approval of all audit and permissible non-audit services provided by our independent auditor. Pursuant to this policy, our audit committee has approved the engagement of our independent auditor to provide the following services (all of which are collectively referred to as **pre-approved services**):

- audit services as specified in the policy, including (i) financial audits of our company and our subsidiaries, (ii) services associated with registration statements, periodic reports and other documents filed or issued in connection with securities offerings (including comfort letters and consents), (iii) attestations of management reports on our internal controls and (iv) consultations with management as to accounting or disclosure treatment of transactions;
- audit related services as specified in the policy, including (i) due diligence services, (ii) financial statement audits of employee benefit plans, (iii) consultations with management as to the accounting or disclosure treatment of transactions, (iv) attest services not required by statute or regulation, (v) certain audits incremental to the audit of our consolidated financial statements, (vi) closing balance sheet audits related to dispositions, and (vii) general assistance with implementation of the requirements of certain Securities and Exchange Commission (**SEC**) rules or listing standards; and
- tax services as specified in the policy, including federal, state, local and international tax planning, compliance and review services, and tax due diligence and advice regarding mergers and acquisitions.

Notwithstanding the foregoing general pre-approval, if, in the reasonable judgment of our Chief Accounting Officer and Principal Financial Officer, an individual project involving the provision of pre-approved services is likely to result in fees in excess of $50,000, or if individual projects under $50,000 are likely to total $250,000 during the period between the regularly scheduled meetings of the audit committee, then such projects will require the specific pre-approval of our audit committee. Our audit committee has delegated the authority for the foregoing approvals to the chairman of the audit committee, subject to his subsequent disclosure to the entire audit committee of the granting of any such approval. John E. Welsh III currently serves as the chairman of our audit committee. In addition, the independent auditor is required to provide a report at each regularly scheduled audit committee meeting on all pre-approved services incurred during the preceding quarter. Any engagement of our independent auditors for services other than the pre-approved services requires the specific approval of our audit committee.

Our pre-approval policy prohibits the engagement of our independent auditor to provide any services that are subject to the prohibition imposed by Section 201 of the Sarbanes-Oxley Act.

All services provided by our independent auditor during 2019 were approved in accordance with the terms of the policy.

VOTE AND RECOMMENDATION

The affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class, is required to approve the auditors ratification proposal.

Our board of directors unanimously recommends a vote "FOR" the auditors ratification proposal.

MANAGEMENT AND GOVERNANCE MATTERS

EXECUTIVE OFFICERS

The following lists the executive officers of our company (other than Gregory B. Maffei, our President and Chief Executive Officer, who also serves as a director of our company and who is listed under "Proposals of Our Board—Proposal 1—The Election of Directors Proposal"), their ages and a description of their business experience, including positions held with our company.

Name	Positions
Albert E. Rosenthaler Age: 60	Mr. Rosenthaler has served as Chief Corporate Development Officer of our company, Liberty Media, Qurate Retail and Liberty TripAdvisor since October 2016 and GCI Liberty since March 2018. He previously served as Chief Corporate Development Officer of Liberty Expedia from October 2016 to July 2019 and Chief Tax Officer of our company, Liberty Media, Qurate Retail and Liberty TripAdvisor from January 2016 to September 2016 and Liberty Expedia from March 2016 to September 2016. Prior to that, he served as a Senior Vice President of our company from June 2014 to December 2015, Liberty Media (including its predecessor) from May 2007 to December 2015, Qurate Retail (including its predecessor) from April 2002 to December 2015, and Liberty TripAdvisor from July 2013 to December 2015.
Brian J. Wendling Age: 47	Mr. Wendling has served as Chief Accounting Officer and Principal Financial Officer of our company, Liberty Media, Qurate Retail and GCI Liberty since January 2020 and July 2019, respectively. He previously served as Senior Vice President and Controller of each of our company, Liberty Media and Qurate Retail from January 2016 to December 2019 and GCI Liberty from March 2018 to December 2019. In addition, Mr. Wendling has served as a Senior Vice President and Chief Financial Officer of Liberty TripAdvisor since January 2016, and he previously served as Vice President and Controller of Liberty TripAdvisor from August 2014 to December 2015. He previously served as Senior Vice President of Liberty Expedia from March 2016 to July 2019, and Vice President and Controller of Liberty Media (including its predecessor) from November 2011 to December 2015, Qurate Retail from November 2011 to December 2015 and Liberty Broadband from October 2014 to December 2015. Prior thereto, Mr. Wendling held various positions with Liberty Media and Qurate Retail and their predecessors since 1999.
Renee L. Wilm Age: 46	Ms. Wilm has served as Chief Legal Officer of our company, Liberty Media, Qurate Retail, Liberty TripAdvisor and GCI Liberty since September 2019. Previously, Ms. Wilm was a Senior Partner with the law firm Baker Botts L.L.P., where she represented our company, Liberty Media, Qurate Retail, Liberty TripAdvisor and GCI Liberty and their predecessors for over twenty years, specializing in mergers and acquisitions, complex capital structures and shareholder arrangements, as well as securities offerings and matters of corporate governance and securities law compliance. At Baker Botts, Ms. Wilm was a member of the Executive Committee, the East Coast Corporate Department Chair and Partner-in-Charge of the New York office.

Our executive officers will serve in such capacities until their respective successors have been duly elected and have been qualified, or until their earlier death, resignation, disqualification or removal from office. There is no family relationship between any of our executive officers or directors, by blood, marriage or adoption.

During the past ten years, none of our directors or executive officers has had any involvement in such legal proceedings as would be material to an evaluation of his or her ability or integrity.

CODE OF ETHICS

We have adopted a code of business conduct and ethics that applies to all of our employees, directors and officers, which constitutes our "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act. Our code of business conduct and ethics is available on our website at *www.libertybroadband.com*.

DIRECTOR INDEPENDENCE

It is our policy that a majority of the members of our board of directors be independent of our management. For a director to be deemed independent, our board of directors must affirmatively determine that the director has no direct or indirect material relationship with us. To assist our board of directors in determining which of our directors qualify as independent for purposes of Nasdaq rules as well as applicable rules and regulations adopted by the SEC, the nominating and corporate governance committee of our board of directors follows Nasdaq's corporate governance rules on the criteria for director independence.

Our board of directors has determined that each of Julie D. Frist, Richard R. Green, J. David Wargo and John E. Welsh III qualifies as an independent director of our company.

BOARD COMPOSITION

As described above under "Proposals of Our Board—Proposal 1—The Election of Directors Proposal," our board is comprised of directors with a broad range of backgrounds and skill sets, including in media and telecommunications, science and technology, venture capital, investment banking, auditing and financial engineering. For more information on our policies with respect to board candidates, see "—Committees of the Board of Directors—Nominating and Corporate Governance Committee" below.

BOARD LEADERSHIP STRUCTURE

Our board has separated the positions of Chairman of the Board and Chief Executive Officer (principal executive officer). John C. Malone, one of our largest stockholders, holds the position of Chairman of the Board, leads our board and board meetings and provides strategic guidance to our Chief Executive Officer. Gregory B. Maffei, our President, holds the position of Chief Executive Officer, leads our management team and is responsible for driving the performance of our company. We believe this division of responsibility effectively assists our board in fulfilling its duties.

BOARD ROLE IN RISK OVERSIGHT

The board as a whole has responsibility for risk oversight, with reviews of certain areas being conducted by the relevant board committees. Our audit committee oversees management of financial risks and risks relating to potential conflicts of interest. Our compensation committee oversees the management of risks relating to our compensation arrangements with senior officers. Our nominating and corporate governance committee oversees risks associated with the independence of the board. These committees then provide reports periodically to the full board. The oversight responsibility of the board and its committees is enabled by management reporting processes that are designed to provide visibility to the board about the identification, assessment and management of critical risks. These areas of focus include strategic, operational, financial and reporting, succession and compensation, legal and compliance, and other risks. Our management reporting processes include regular reports from Mr. Maffei, which are prepared with input from our senior management team, and also include input from our Internal Audit group.

COMMITTEES OF THE BOARD OF DIRECTORS

Executive Committee

Our board of directors has established an executive committee, whose members are John C. Malone and Gregory B. Maffei. Except as specifically prohibited by the General Corporation Law of the State of Delaware, the executive committee may exercise all the powers and authority of our board of directors in the management of our business and affairs, including the power and authority to authorize the issuance of shares of our capital stock.

Compensation Committee

Our board of directors has established a compensation committee, whose chairman is J. David Wargo and whose other members are Julie D. Frist, Richard R. Green and John E. Welsh III. See "—Director Independence" above.

In November 2014, the spin-off of our company (formerly a wholly-owned subsidiary of Liberty Media) from Liberty Media was completed (the **Broadband Spin-Off**). In connection with the Broadband Spin-Off, we entered into a Services Agreement, dated November 4, 2014, with Liberty Media (the **services agreement**), pursuant to which Liberty Media provides us with administrative, executive and management services. The compensation committee evaluates the services fee under the services agreement on at least an annual basis although in 2019, our compensation committee determined to delay its evaluation due to the then-ongoing negotiations relating to Mr. Maffei's compensation arrangement. In addition, the compensation committee may approve incentive awards or other forms of compensation to employees of Liberty Media who are providing services to our company, which employees include our executive officers. The compensation committee determined to grant equity award compensation for 2019 (see "Executive Compensation—Compensation Discussion and Analysis").

If we engage a chief executive officer, chief accounting officer, principal financial officer, chief legal officer or chief corporate development officer to perform services for our company outside the services agreement, the compensation committee will review and approve corporate goals and objectives relevant to the compensation of any such person. The compensation committee also oversees the compensation of the chief executive officers of our non-public operating subsidiaries. For a description of our current processes and policies for consideration and determination of executive compensation, including the role of our Chief Executive Officer and an outside consultant in determining or recommending amounts and/or forms of compensation, see "Executive Compensation—Compensation Discussion and Analysis."

Our board of directors has adopted a written charter for the compensation committee, which is available on our website at *www.libertybroadband.com*.

Compensation Committee Report

The compensation committee has reviewed and discussed with our management the "Compensation Discussion and Analysis" included under "Executive Compensation" below. Based on such review and discussions, the compensation committee recommended to our board of directors that the "Compensation Discussion and Analysis" be included in this proxy statement.

Submitted by the Members of the Compensation Committee

J. David Wargo
Julie D. Frist
Richard R. Green
John E. Welsh III

Compensation Committee Interlocks and Insider Participation

No member of our compensation committee during 2019 is or has been an officer or employee of our company, or has engaged in any related party transaction in which our company was a participant.

Nominating and Corporate Governance Committee

Our board of directors has established a nominating and corporate governance committee, whose chairman is Richard R. Green and whose other members are Julie D. Frist, J. David Wargo and John E. Welsh III. See "—Director Independence" above.

The nominating and corporate governance committee identifies individuals qualified to become board members consistent with criteria established or approved by our board of directors from time to time, identifies director nominees for upcoming annual meetings, develops corporate governance guidelines applicable to our company and oversees the evaluation of our board and management.

Board Criteria. The nominating and corporate governance committee believes that nominees for director should possess the highest personal and professional ethics, integrity, values and judgment and should be committed to the long-term interests of our stockholders. To be nominated to serve as a director, a nominee need not meet any specific minimum criteria. As described in our corporate governance guidelines, director candidates are identified and nominated based on broad criteria, with the objective of identifying and retaining directors that can effectively develop the company's strategy and oversee management's execution of that strategy. In the director candidate identification and nomination process, our board seeks a breadth of experience from a variety of industries and from professional disciplines, along with a diversity of gender, ethnicity, age and other characteristics. When evaluating a potential director nominee, including one recommended by a stockholder, the nominating and corporate governance committee will take into account a number of factors, including, but not limited to, the following:

- independence from management;
- his or her unique background, including education, professional experience, relevant skill sets and diversity of gender, ethnicity, age and other characteristics;
- judgment, skill, integrity and reputation;
- existing commitments to other businesses as a director, executive or owner;
- personal conflicts of interest, if any; and
- the size and composition of the existing board of directors, including whether the potential director nominee would positively impact the composition of the board by bringing a new perspective or viewpoint to the board of directors.

The nominating and corporate governance committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees.

Director Candidate Identification Process. The nominating and corporate governance committee will consider candidates for director recommended by any stockholder provided that such recommendations are properly submitted. Eligible stockholders wishing to recommend a candidate for nomination as a director should send the recommendation in writing to the Corporate Secretary, Liberty Broadband Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112. Stockholder recommendations must be made in accordance with our bylaws, as discussed under “Stockholder Proposals” below, and contain the following information:

- the name and address of the proposing stockholder and the beneficial owner, if any, on whose behalf the nomination is being made, and documentation indicating the number of shares of our common stock owned beneficially and of record by such person and the holder or holders of record of those shares, together with a statement that the proposing stockholder is recommending a candidate for nomination as a director;
- the candidate’s name, age, business and residence addresses, principal occupation or employment, business experience, educational background and any other information relevant in light of the factors considered by the nominating and corporate governance committee in making a determination of a candidate’s qualifications, as described below;
- a statement detailing any relationship, arrangement or understanding between the proposing stockholder and/or beneficial owner(s), if different, and any other person(s) (including their names) under which the proposing stockholder is making the nomination and any affiliates or associates (as defined in Rule 12b-2 of the Exchange Act) of such proposing stockholder(s) or beneficial owner (each a **Proposing Person**);
- a statement detailing any relationship, arrangement or understanding that might affect the independence of the candidate as a member of our board of directors;
- any other information that would be required under SEC rules in a proxy statement soliciting proxies for the election of such candidate as a director;
- a representation as to whether the Proposing Person intends (or is part of a group that intends) to deliver any proxy materials or otherwise solicit proxies in support of the director nominee;
- a representation by each Proposing Person who is a holder of record of our common stock as to whether the notice is being given on behalf of the holder of record and/or one or more beneficial owners, the number of shares held by any beneficial owner along with evidence of such beneficial ownership and that such holder of record is entitled to vote at the annual stockholders meeting and intends to appear in person or by proxy at the annual stockholders meeting at which the person named in such notice is to stand for election;
- a written consent of the candidate to be named in the proxy statement and to serve as a director, if nominated and elected;
- a representation as to whether the Proposing Person has received any financial assistance, funding or other consideration from any other person regarding the nomination (a **Stockholder Associated Person**) (including the details of such assistance, funding or consideration); and

- a representation as to whether and the extent to which any hedging, derivative or other transaction has been entered into with respect to our company within the last six months by, or is in effect with respect to, the Proposing Person, any person to be nominated by the proposing stockholder or any Stockholder Associated Person, the effect or intent of which transaction is to mitigate loss to or manage risk or benefit of share price changes for, or increase or decrease the voting power of, the Proposing Person, its nominee, or any such Stockholder Associated Person.

In connection with its evaluation, the nominating and corporate governance committee may request additional information from the proposing stockholder and the candidate. The nominating and corporate governance committee has sole discretion to decide which individuals to recommend for nomination as directors.

When seeking candidates for director, the nominating and corporate governance committee may solicit suggestions from incumbent directors, management, stockholders and others. After conducting an initial evaluation of a prospective nominee, the nominating and corporate governance committee will interview that candidate if it believes the candidate might be suitable to be a director. The nominating and corporate governance committee may also ask the candidate to meet with management. If the nominating and corporate governance committee believes a candidate would be a valuable addition to our board of directors, it may recommend to the full board that candidate's nomination and election.

Prior to nominating an incumbent director for re-election at an annual meeting of stockholders, the nominating and corporate governance committee will consider the director's past attendance at, and participation in, meetings of the board of directors and its committees and the director's formal and informal contributions to the various activities conducted by the board and the board committees of which such individual is a member.

The members of our nominating and corporate governance committee have determined that Messrs. Malone and Welsh, who are nominated for election at the annual meeting, continue to be qualified to serve as directors of our company and such nomination was approved by the entire board of directors.

Our board of directors has adopted a written charter for the nominating and corporate governance committee. Our board of directors has also adopted corporate governance guidelines, which were developed by the nominating and corporate governance committee. The charter and the corporate governance guidelines are available on our website at *www.libertybroadband.com*.

Audit Committee

Our board of directors has established an audit committee, whose chairman is John E. Welsh III and whose other members are Richard R. Green and J. David Wargo. See "—Director Independence" above.

Our board of directors has determined that Mr. Welsh is our company's "audit committee financial expert" under applicable SEC rules and regulations. The audit committee reviews and monitors the corporate financial reporting and the internal and external audits of our company. The committee's functions include, among other things:

- appointing or replacing our independent auditors;
- reviewing and approving in advance the scope and the fees of our annual audit and reviewing the results of our audits with our independent auditors;
- reviewing and approving in advance the scope and the fees of non-audit services of our independent auditors;
- reviewing compliance with and the adequacy of our existing major accounting and financial reporting policies;
- reviewing our management's procedures and policies relating to the adequacy of our internal accounting controls and compliance with applicable laws relating to accounting practices;
- confirming compliance with applicable SEC and stock exchange rules; and
- preparing a report for our annual proxy statement.

Our board of directors has adopted a written charter for the audit committee, which is available on our website at *www.libertybroadband.com*.

Audit Committee Report

Each member of the audit committee is an independent director as determined by our board of directors, based on the listing standards of Nasdaq. Each member of the audit committee also satisfies the SEC's independence requirements for members of audit committees. Our board of directors has determined that Mr. Welsh is an "audit committee financial expert" under applicable SEC rules and regulations.

The audit committee reviews our financial reporting process on behalf of our board of directors. Management has primary responsibility for establishing and maintaining adequate internal controls, for preparing financial statements and for the public reporting process. Our independent auditor, KPMG LLP, is responsible for expressing opinions on the conformity of our audited consolidated financial statements with U.S. generally accepted accounting principles. Our independent auditor also expresses its opinion as to the effectiveness of our internal control over financial reporting.

Our audit committee has reviewed and discussed with management and KPMG LLP our most recent audited consolidated financial statements, as well as management's assessment of the effectiveness of our internal control over financial reporting and KPMG LLP's evaluation of the effectiveness of our internal control over financial reporting. Our audit committee has also discussed with KPMG LLP the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the **PCAOB)** and the SEC, including that firm's judgment about the quality of our accounting principles, as applied in its financial reporting.

KPMG LLP has provided our audit committee with the written disclosures and the letter required by the applicable requirements of the PCAOB regarding KPMG LLP's communications with the audit committee concerning independence, and the audit committee has discussed with KPMG LLP that firm's independence from the company and its subsidiaries.

Based on the reviews, discussions and other considerations referred to above, our audit committee recommended to our board of directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2019 (the **2019 Form 10-K**), which was filed on February 3, 2020 with the SEC.

Submitted by the Members of the Audit Committee

John E. Welsh III
Richard R. Green
J. David Wargo

Other

Our board of directors, by resolution, may from time to time establish other committees of our board of directors, consisting of one or more of our directors. Any committee so established will have the powers delegated to it by resolution of our board of directors, subject to applicable law.

BOARD MEETINGS

During 2019, there were four meetings of our full board of directors, no meetings of our executive committee, six meetings of our compensation committee, one meeting of our nominating and corporate governance committee and five meetings of our audit committee. Each incumbent director attended in person or by telephone 100% of the meetings of both the board of directors and the committees on which he served.

DIRECTOR ATTENDANCE AT ANNUAL MEETINGS

Our board of directors encourages all members of the board to attend the 2020 annual meeting of our stockholders and to attend future annual meetings of our stockholders. Four of our five directors attended our 2019 annual meeting of stockholders.

STOCKHOLDER COMMUNICATION WITH DIRECTORS

Our stockholders may send communications to our board of directors or to individual directors by mail addressed to the Board of Directors or to an individual director c/o Liberty Broadband Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112. All such communications from stockholders will be forwarded to our directors on a timely basis.

EXECUTIVE SESSIONS

In 2019, the independent directors of our company, then serving, met at four executive sessions without management participation.

Any interested party who has a concern regarding any matter that it wishes to have addressed by our independent directors, as a group, at an upcoming executive session may send its concern in writing addressed to Independent Directors of Liberty Broadband Corporation, c/o Liberty Broadband Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112. The current independent directors of our company are Julie D. Frist, Richard R. Green, J. David Wargo and John E. Welsh III.

HEDGING DISCLOSURE

We do not have any practices or policies regarding the ability of our employees (including officers) or directors, or any of their designees, to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) or otherwise engage in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of our equity securities.

EXECUTIVE COMPENSATION

This section sets forth information relating to, and an analysis and discussion of, compensation paid by our company to the following persons (who we collectively refer to as our **named executive officers**):

- Gregory B. Maffei, our Chief Executive Officer and President;
- Brian J. Wendling, our Chief Accounting Officer and Principal Financial Officer;
- Albert E. Rosenthaler, our Chief Corporate Development Officer;
- Renee L. Wilm, our Chief Legal Officer;
- Richard N. Baer, our former Chief Legal Officer and Chief Administrative Officer; and
- Mark D. Carleton, our Senior Advisor and former Chief Financial Officer.

Pursuant to the services agreement (as described below), employees of Liberty Media perform management services for our company for a monthly fee payable to Liberty Media, which is reviewed quarterly by the audit committees of our company and Liberty Media. As described above, our executive officers are comprised of Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm, each of whom is an employee of Liberty Media and provides executive services to our company under the services agreement. Mr. Carleton served as our Chief Financial Officer until July 1, 2019, following which he remained with our company as Senior Advisor. Mr. Wendling, who had been Senior Vice President and Controller of our company since January 2016, assumed the role of Principal Financial Officer on July 1, 2019 and was appointed Chief Accounting Officer, effective January 1, 2020. Effective September 23, 2019, Richard N. Baer resigned as our Chief Legal Officer and Chief Administrative Officer, and Ms. Wilm assumed the role of Chief Legal Officer of our company. Our executive officers are typically not separately compensated by our company other than with respect to any equity awards relating to our common stock that our compensation committee may determine to grant. All of our named executive officers received equity awards relating to our common stock in 2019.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Overview

Services Agreement

In connection with the Broadband Spin-Off, we entered into the services agreement with Liberty Media in November 2014, pursuant to which Liberty Media provides to our company certain administrative and management services, and we pay Liberty Media a monthly management fee, the amount of which is subject to a quarterly review by our audit committee (and at least an annual review by our compensation committee, except that the annual review for 2019 was postponed to March 2020 following the entry into Mr. Maffei's new employment agreement). As a result, Liberty Media employees, including our named executive officers, who provide services to our company pursuant to the services agreement, are typically not separately compensated by our company other than with respect to equity awards with respect to our common stock. See "—Equity Incentive Compensation" below for information concerning equity awards that were granted to our named executive officers in 2019. However, as described in more detail in "Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement" below, we reimbursed Liberty Media for our allocable portion (currently 18.0%) of the one-time cash commitment bonus to which Mr. Maffei became entitled in connection with his new employment arrangement with Liberty Media (the **2019 Maffei Employment Agreement**) in addition to certain upfront equity awards we granted to Mr. Maffei under his new employment arrangement.

For the year ended December 31, 2019, we accrued management fees payable to Liberty Media under the services agreement of $4.4 million. In December 2019, we entered into an amendment to the services agreement with Liberty Media (the **amended services agreement**) in connection with Liberty Media entering into a new employment arrangement with Mr. Maffei. Under the amended services agreement, beginning in 2020, our company will establish, and pay or grant directly to Mr. Maffei, our allocable portion of his annual performance-based cash bonus, his annual equity-based awards and his upfront awards, and we will reimburse Liberty Media for our allocable portion of the other components of Mr. Maffei's compensation, as described in more detail below in "Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement".

Role of Chief Executive Officer in Compensation Decisions; Setting Executive Compensation

As a result of the management fee paid to Liberty Media, the compensation committee typically does not expect to provide any cash compensation to the executive officers, rather it may determine to compensate the executive officers with equity incentive compensation. Prospectively, Mr. Maffei may make recommendations with respect to any equity compensation to be awarded to our executive officers. It is expected that Mr. Maffei, in making any related recommendations to our compensation committee, will evaluate the performance and contributions of each of our executive officers, given his or her respective area of responsibility, and, in doing so, will consider various qualitative factors such as:

- the executive officer's experience and overall effectiveness;
- the executive officer's performance during the preceding year;
- the responsibilities of the executive officer, including any changes to those responsibilities over the year; and
- the executive officer's demonstrated leadership and management ability.

When determining the extent to which the 2019 RSUs (as defined below) were earned by our named executive officers, our compensation committee considered the recommendations obtained from Mr. Maffei as to the performance of Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm. To make these recommendations, Mr. Maffei evaluated the performance and contributions of each such named executive officer.

At the 2018 annual stockholder meeting, stockholders representing a majority of the aggregate voting power of Liberty Broadband present and entitled to vote on its say-on-pay proposal voted in favor of, on an advisory basis, Liberty Broadband's executive compensation, as disclosed in our proxy statement for the 2018 annual meeting of stockholders. No material changes were implemented to our executive compensation program as a result of this vote. In addition, at the 2015 annual meeting of stockholders, stockholders elected to hold a say-on-pay vote every three years.

Role of Independent Compensation Consultant

In December 2019, our compensation committee approved the amended services agreement and we reimbursed Liberty Media for our allocable portion of Mr. Maffei's cash commitment bonus and granted equity awards to him in connection with the execution of the amended services agreement. See "—Executive Compensation Arrangements—Gregory B. Maffei" below. Prior to entering into the amended services agreement with Liberty Media in connection with the 2019 Maffei Employment Agreement, our compensation committee engaged Frederic W. Cook & Co., Inc. (**FW Cook**), an independent and experienced compensation consultant, to assist in determining the reasonableness of compensation to be allocated to our company under the amended services agreement.

In order to assess the reasonableness of compensation, FW Cook evaluated the market value of Mr. Maffei's role at our company and the proposed allocation to our company under the service arrangement. Given the unique nature of Mr. Maffei's role at our company, FW Cook evaluated the market value of the executive job at our company through three different lenses: as Chief Executive Officer, Chairman of the Board and managing partner of a private equity firm.

In assessing the reasonableness of pay as Chief Executive Officer, FW Cook and the compensation committee reviewed pay data for companies comparable to ours, including companies in the media and diversified telecommunication services industries, and companies with which we may compete for executive talent and stockholder investment and also included companies in those industries that are similar to our company in size, geographic location or complexity of operations (the **comparable companies**).

In assessing the reasonableness of pay as Chairman of the Board, FW Cook and the compensation committee reviewed pay data for companies comparable to Charter Communications, in which our company owns a meaningful stake, and for which Mr. Maffei's oversight represents a meaningful portion of his responsibilities for our company. These companies included companies in the media, diversified telecommunication services, communication equipment and wireless telecommunication services industries, and companies with which we believed Charter Communications may compete for executive talent and stockholder investment and also included companies in those industries that are similar to Charter Communications in size, geographic location or complexity of operations.

In assessing the reasonableness of pay as a managing partner of a private equity firm, FW Cook and the compensation committee reviewed survey data regarding the compensation of private equity professionals.

Equity Incentive Compensation

The Liberty Broadband Corporation 2019 Omnibus Incentive Plan (the **2019 incentive plan**), provides for the grant of a variety of incentive awards, including stock options, restricted shares, restricted stock units (**RSUs**), stock appreciation rights (**SARs**) and performance awards. Our compensation committee has a preference for grants of stock options and awards of restricted stock or RSUs (as compared with other types of available awards under the 2019 incentive plan) based on the belief that they better promote retention of key employees through the continuing, long-term nature of an equity investment. It is the policy of our compensation committee that stock options be awarded with an exercise price equal to fair market value on the date of grant, typically measured by reference to the closing price on the grant date.

As discussed above, our executive officers perform management services for our company pursuant to the services agreement, and from the Broadband Spin-Off in 2014 until 2019, we did not separately compensate our executive officers for these services, other than to grant a stock option award to Mr. Maffei in 2014. In addition, Liberty Broadband did not incur any of the costs of the equity awards granted by Liberty Media to its executive officers who provided services to our company during that period. Following a review of this practice, our compensation committee determined to grant the equity awards to Messrs. Maffei, Wendling, Rosenthaler, Baer and Carleton described below after considering the Liberty Media compensation committee's request that our company grant a proportionate share of the aggregate equity grant value given to each named executive officer each year for their service to our company and each of Liberty Media, Qurate Retail, Liberty TripAdvisor and GCI Liberty. Our compensation committee also determined to grant an equity award to Ms. Wilm when she became Chief Legal Officer of our company after considering the Liberty Media compensation committee's request that our company grant a proportionate share of the aggregate equity grant value to be given to her. The proportionate share for each company was determined based 50% on relative market capitalization and 50% on relative time spent by Liberty Media employees on services for our company.

Consistent with our compensation philosophy, our compensation committee believes in aligning the interests of the named executive officers with those of our stockholders. This will ensure that our executives have a continuing stake in our long-term success. In furtherance of this philosophy, in 2019, our compensation committee granted the following stock options to Mr. Maffei and Ms. Wilm and RSUs to Messrs. Maffei, Wendling, Rosenthaler, Baer and Carleton and Ms. Wilm:

- In March 2019, our compensation committee determined to grant 41,483 options to purchase LBRDK shares to Mr. Maffei, which vested on December 31, 2019, and expire on March 6, 2026 (the **Maffei 2019 Options**), and RSUs with respect to 25,388 LBRDK shares to Mr. Maffei (the **Maffei 2019 RSUs**), 1,112 LBRDK shares to Mr. Wendling (the **Wendling 2019 RSUs**), 2,539 LBRDK shares to Mr. Rosenthaler (the **Rosenthaler 2019 RSUs**), 3,400 LBRDK shares to Mr. Baer (the **Baer 2019 RSUs**) and 2,539 LBRDK shares to Mr. Carleton (the **Carleton 2019 RSUs**);
- In November 2019, in connection with Ms. Wilm assuming the role of Chief Legal Officer of our company, our compensation committee granted to Ms. Wilm 25,123 options to purchase LBRDK shares, which options vest 50% on September 23, 2022 and 50% on September 23, 2023, and expire on November 4, 2026 (the **Wilm Options**), and RSUs with respect to 447 LBRDK shares (the **Wilm 2019 RSUs**) (together with the Maffei 2019 RSUs, the Wendling 2019 RSUs, the Rosenthaler 2019 RSUs, the Baer 2019 RSUs and the Carleton 2019 RSUs, the **2019 RSUs**); and
- In December 2019, in connection with the execution of Mr. Maffei's new employment agreement with Liberty Media (see "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement"), our compensation committee granted 260,419 options to purchase LBRDK shares to Mr. Maffei, which vest on December 31, 2023, subject to Mr. Maffei's continued employment, and expire on December 15, 2026 (the **Maffei 2019 Term Options**).

Our compensation committee reviewed Mr. Maffei's performance to determine what portion of the Maffei 2019 RSUs would be paid. After assessing his strategic contributions and executive performance, our compensation committee determined to vest 100% of the previously issued Maffei 2019 RSUs. Our compensation committee then reviewed the performance of Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm. Our compensation committee also considered the recommendation of Mr. Maffei, who recommended that our committee vest 100% of the 2019 RSUs (excluding Mr. Baer's 2019 RSUs) based on his assessment of their individual performance and his general observation of their leadership and executive performance. Accordingly, our compensation committee approved vesting of all of the 2019 RSUs for Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm (excluding

Mr. Baer's 2019 RSUs) that had been previously granted. With regards to Mr. Baer, and upon the recommendation of Mr. Maffei, our compensation committee vested 75% of Mr. Baer's 2019 RSUs at the time of his resignation in September 2019.

The other equity awards held by our named executive officers and reported below in "—Outstanding Equity Awards at Fiscal Year-End" (other than the stock options granted to Mr. Maffei in 2014 after the Broadband Spin-Off and the restricted stock awards granted to certain of our named executive officers after the completion of our rights offering in January 2015) were issued as a result of the anti-dilution adjustments applied to their outstanding equity awards relating to Liberty Media common stock at the time of the completion of the Broadband Spin-Off, including their outstanding multi-year grants described below.

Prior to the Broadband Spin-Off, the Liberty Media compensation committee determined to make larger grants that vest between four and five years after grant, rather than making annual grants over the same period. These multi-year stock option grants provide for back-end weighted vesting and generally expire seven to ten years after grant to encourage executives to remain with the company over the long-term and to better align their interests with those of the stockholders. In that regard, multi-year awards were granted to our executive officers prior to 2014, including to our named executive officers, and, accordingly, the multi-year awards were adjusted in connection with the Broadband Spin-Off pursuant to the anti-dilution provisions of the incentive plans under which they were granted.

Changes for 2020

Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement

As described above, in December 2019, Liberty Media entered into the 2019 Maffei Employment Agreement. The 2019 Maffei Employment Agreement provides for a five-year employment term commencing on January 1, 2020 and ending on December 31, 2024, with an annual base salary, annual cash performance bonus, initial cash commitment bonus, annual equity awards, upfront awards, perquisites and other benefits described in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement" below. At the same time, our company entered into the amended services agreement. Under the amended services agreement, Liberty Media is responsible for paying or providing annual base salary, the initial commitment bonus, perquisites and other employee benefits, severance benefits and certain reimbursements directly to Mr. Maffei, and a portion of these expenses will be allocated to, and reimbursed by, our company. Additionally, beginning in 2020, our company has agreed to pay directly to Mr. Maffei the portion of the annual cash performance bonus that is allocated to our company and will grant directly to Mr. Maffei the portions of the annual equity awards and the upfront awards that are allocated to our company. For a description of the terms of the 2019 Maffei Employment Agreement, please see "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement."

In the event that Mr. Maffei's services to our company are discontinued and Mr. Maffei remains employed by Liberty Media following such discontinuation (unless the discontinuation of Mr. Maffei's services to us is for cause (as defined in the 2019 Maffei Employment Agreement)), our company will be required to make a termination payment to Liberty Media pursuant to the amended services agreement representing the net present value of the portion of his compensation allocable to us, including the Maffei 2020 Term Options (defined below in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement") if such award has not been granted prior to such date, from the date of the discontinuation of services to us through December 31 of the following calendar year. See "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement" for other payments and benefits that Mr. Maffei may receive in connection with the termination of his employment at Liberty Media or of his services at our company.

Prior to entering into the amended services agreement with Liberty Media, our compensation committee reviewed information from FW Cook with respect to CEO compensation packages at the comparable companies as described above. See "—Executive Compensation Arrangements—Gregory B. Maffei" for a description of the Maffei 2019 Term Options provided under the 2019 Maffei Employment Agreement.

Recoupment Provisions

In those instances where we grant equity-based incentive compensation, we expect to include in the related agreement with the executive a right, in favor of our company, to require the executive to repay or return to the company any cash, stock or other incentive compensation (including proceeds from the disposition of shares received upon exercise of options or stock appreciation rights). That right will arise if (1) a material restatement of any of our financial statements is required and (2) in the reasonable judgment of our compensation committee, (A) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (B) such noncompliance is a result of misconduct on the part of the executive. In determining the amount of such repayment or return, our compensation committee may take into account, among other factors it deems relevant, the extent to which the market value of the applicable series of our common stock was affected by the errors giving rise to the restatement. The cash, stock or other compensation that we may require the executive to repay or return must have been received by the executive during the 12-month period beginning on the date of the first public issuance or the filing with the SEC, whichever occurs earlier, of the financial statement requiring restatement. The compensation required to be repaid or returned will include (1) cash or company stock received by the executive (A) upon the exercise during that 12-month period of any stock appreciation right held by the executive or (B) upon the payment during that 12-month period of any incentive compensation, the value of which is determined by reference to the value of company stock, and (2) any proceeds received by the executive from the disposition during that 12-month period of company stock received by the executive upon the exercise, vesting or payment during that 12-month period of any award of equity-based incentive compensation.

SUMMARY COMPENSATION TABLE

Name and Principal Position (as of 12/31/19)	Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Gregory B. Maffei	2019	—	900,000	2,259,278	9,394,706	—	—	—	12,553,984
President and Chief Executive Officer	2018	—	—	—	—	—	—	—	—
	2017	—	—	—	—	—	—	—	—
Brian J. Wendling(4)	2019	—	—	98,957	—	—	—	—	98,957
Principal Financial Officer	2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Albert E. Rosenthaler	2019	—	—	225,946	—	—	—	—	225,946
Chief Corporate Development Officer	2018	—	—	—	—	—	—	—	—
	2017	—	—	—	—	—	—	—	—
Renee L. Wilm(5)	2019	—	—	52,943	777,883	—	—	—	830,826
Chief Legal Officer	2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Richard N. Baer(6)	2019	—	—	302,566	—	—	—	—	302,566
Former Chief Legal Officer and Chief Administrative Officer	2018	—	—	—	—	—	—	—	—
	2017	—	—	—	—	—	—	—	—
Mark D. Carleton(7)	2019	—	—	225,946	—	—	—	—	225,946
Senior Advisor and Former Chief Financial Officer	2018	—	—	—	—	—	—	—	—
	2017	—	—	—	—	—	—	—	—

(1) Represents only that portion of Mr. Maffei's cash commitment bonus allocated to our company under the amended services agreement in connection with the 2019 Maffei Employment Agreement as described in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement."

(2) Reflects the grant date fair value of the 2019 RSUs granted to our named executive officers during 2019 as described in "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation." The grant date fair value of these awards has been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 9 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

(3) The grant date fair values of the Maffei 2019 Options, Maffei 2019 Term Options and Wilm Options have been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 9 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

(4) Mr. Wendling was promoted to the Principal Financial Officer role at our company effective July 1, 2019, and the Chief Accounting Officer role at our company effective January 1, 2020, and is a named executive officer of our company for the first time. His compensation for 2018 and 2017 has been omitted in reliance upon the SEC's interpretive guidance.

(5) Ms. Wilm assumed the role of Chief Legal Officer of our company effective September 23, 2019.

(6) Mr. Baer resigned as Chief Legal Officer and Chief Administrative Officer of our company effective September 23, 2019.

(7) Mr. Carleton became a Senior Advisor of our company and was no longer Chief Financial Officer of our company effective July 1, 2019.

EXECUTIVE COMPENSATION ARRANGEMENTS

Gregory B. Maffei

2014 and 2019 Option Grants

On December 17, 2014, Mr. Maffei received a one-time grant of 1,500,000 options to purchase shares of LBRDK at an exercise price of $48.10 per share (the **2014 Options**). One-half of the 2014 Options vested on the fourth anniversary of the grant date and the remaining 2014 Options vested on the fifth anniversary of the grant date. The 2014 Options have a term of ten years. Pursuant to the services agreement, as an employee of Liberty Media, Mr. Maffei provides services to our company and is not separately compensated by our company other than equity awards with respect to our common stock.

In the event of a change in control prior to Mr. Maffei's termination, all of the 2014 Options will remain exercisable until the end of the term. If Mr. Maffei had been terminated for cause prior to December 31, 2019 (without a prior change in control occurring), then all vested 2014 Options would have expired on the 90th day following such termination. In all other events of termination or if Mr. Maffei had not been terminated prior to December 31, 2019, all vested 2014 Options would have expired at the end of the term. For information about equity awards granted to Mr. Maffei during 2019, see "—Compensation Discussion and Analysis—Equity Incentive Compensation."

On March 6, 2019, Mr. Maffei received a grant of 41,483 options to purchase shares of LBRDK at an exercise price of $88.99 per share. The options vested on December 31, 2019 and expire on March 6, 2026.

2019 Maffei Employment Agreement

As described above in "Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement," Liberty Media entered into the 2019 Maffei Employment Agreement with Mr. Maffei, effective December 13, 2019. The arrangement provides for a five year employment term beginning January 1, 2020 and ending December 31, 2024, with an annual base salary of $3 million (with no contracted increase) and a one-time cash commitment bonus of $5 million, an annual target cash performance bonus equal to $17 million (with payment subject to the achievement of one or more performance metrics as determined by the applicable company's compensation committee with respect to its allocable portion), upfront equity awards (with an aggregate grant date fair value of $90 million to be granted in two equal tranches) and annual equity awards with an aggregate target grant date fair value of $17.5 million.

Liberty Media paid Mr. Maffei his $5 million cash commitment bonus in 2019, and we were responsible for reimbursing Liberty Media for our allocable portion (currently 18.0%).

Our company's portion of the first tranche of the upfront equity awards has an aggregate grant date fair value of $8,100,000 and consists of the 260,419 Maffei 2019 Term Options. The Maffei 2019 Term Options vest on December 31, 2023, subject to Mr. Maffei's continued employment, except as described below. The second tranche of the upfront equity awards will be granted on or before December 15, 2020, subject to Mr. Maffei's continued employment on such date or the earlier occurrence of a termination of employment due to death, disability, by the issuing company without cause or by Mr. Maffei for good reason, and are expected to consist of time-vested stock options with respect to LBRDK shares (the **Maffei 2020 Term Options**). The Maffei 2020 Term Options will vest on December 31, 2024, subject to Mr. Maffei's continued employment, except as described below.

Termination Payments and Benefits

Mr. Maffei will be entitled to the following payments and benefits from Liberty Media (with Liberty Media being reimbursed by our company for its allocated portion of the severance benefits pursuant to the amended services agreement) if his employment is terminated at Liberty Media under the circumstances described below, subject to the execution of releases by Liberty Media and Mr. Maffei in a form to be mutually agreed. The following discussion also summarizes the termination payments and benefits that Mr. Maffei would be entitled to if his services are terminated at our company under the scenarios described below.

Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason. If Mr. Maffei's employment is terminated by Liberty Media without cause (as defined in the 2019 Maffei Employment Agreement) or if Mr. Maffei terminates his employment for good reason (as defined in the 2019 Maffei Employment Agreement) on or after January 1, 2020, he is entitled to the following: (i) his accrued base salary, any accrued but unpaid bonus for a prior completed year, any unpaid expense reimbursements and any amounts due under applicable law; (ii) a severance payment of two times his base salary during the year of his termination to be paid in equal installments over 24 months; (iii) fully vested shares with an aggregate grant date fair value of $35 million consisting of shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty TripAdvisor, GCI Liberty and us; (iv) full vesting of his upfront equity awards (including the grant and full vesting of the Maffei 2020 Term Options if the termination occurs before they have been granted) and full vesting of the annual equity awards for the year in which the termination occurs (including the grant and full vesting of such annual equity awards if the termination occurs before they have been granted); (v) lump sum cash payment of two times the average annual cash performance bonus paid for the two calendar years ending prior to the termination, but in no event less than two times his target annual cash performance bonus of $17 million, with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty TripAdvisor, GCI Liberty and us; (vi) a lump sum cash payment equal to the greater of (x) $17 million and (y) the annual cash performance bonus otherwise payable for the year of termination, in each case, prorated based on the number of days elapsed within the year of termination (including the date of termination), with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty TripAdvisor, GCI Liberty and us; and (vii) continued use for 12 months after such termination of certain services and perquisites provided by Liberty, including continued use of Liberty Media's aircraft (collectively, the **severance benefits**).

Termination at our Company by our Company without Cause or by Mr. Maffei for Good Reason. In addition, if Mr. Maffei's services at our company are terminated by us without cause (as defined in the 2019 Maffei Employment Agreement) or by Mr. Maffei for good reason (as defined in the 2019 Maffei Employment Agreement) after January 1, 2020, he will be entitled to full vesting of the upfront equity awards and the annual equity awards, in each case, granted by us for the year of his termination, and if Mr. Maffei remains employed by Liberty Media at or following the date of termination of his services to our company, he will also be entitled to payment of our allocated portion of the annual cash performance bonus for the year, prorated for the portion of the calendar year in which Mr. Maffei served as an officer of our company. Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to our company.

Termination by Reason of Death or Disability. In the event of Mr. Maffei's death or disability, he will be entitled to the same payments and benefits as if his services to us had been terminated by us without cause or by Mr. Maffei for good reason.

For Cause Termination at our Company. In the event Mr. Maffei's services to our company are terminated by us for cause, he will forfeit any unvested portion of the upfront equity awards granted by us, and if the termination for cause occurs before December 31 of the relevant grant year, Mr. Maffei will forfeit our allocated portion of the annual cash performance bonus and all of the annual equity awards granted by our company for that grant year. If Mr. Maffei's services are terminated by our company (including for cause) after December 31 of the relevant grant year, but prior to the date on which our compensation committee certifies achievement of the performance metric for our performance-based restricted stock units for the grant year, the award will remain outstanding until such date and will vest to the extent determined by our compensation committee.

Voluntary Termination at our Company without Good Reason. If Mr. Maffei voluntarily terminates the services he provides to us without good reason on or after January 1, 2020, he will be entitled to pro rata vesting of the upfront equity awards granted by our company (based on the number of days that have elapsed from the grant date and a four-year vesting period). If such termination occurs on or after January 1, 2020, he will also be entitled to pro rata vesting of his annual equity awards for the year of termination granted by us (based on the elapsed number of days in the calendar year of termination) and a pro rata payment of our allocated portion of his annual cash performance bonus of $17 million (based upon the elapsed number of days in the calendar year of termination). Any performance-based restricted stock units for the year of termination that are unvested on the date of termination will remain outstanding until the performance criteria are determined and will vest pro rata (based upon the elapsed number of days in the calendar year of termination) to the extent determined by our compensation committee (at a level not less than 100% of the target award). Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to us.

Equity Incentive Plans

The 2019 incentive plan is designed, and prior to its expiration, the Liberty Broadband Corporation 2014 Omnibus Incentive Plan (amended and restated March 11, 2015) as amended (the **2014 incentive plan**) was designed, to provide additional remuneration to eligible officers and employees of our company, our nonemployee directors and independent contractors and employees of Liberty Media or Qurate Retail providing services to us and to encourage their investment in our capital stock, thereby increasing their proprietary interest in our business. Non-qualified stock options, SARs, restricted shares, RSUs, cash awards, performance awards or any combination of the foregoing may be granted under the 2019 incentive plan (collectively, as used in this description of the 2019 incentive plan, **awards**). The maximum number of shares of our common stock with respect to which awards may be granted is 6,000,000 shares, subject to anti-dilution and other adjustment provisions of the 2019 incentive plan. No nonemployee director may be granted during any calendar year awards having a value (as determined on the grant date of such award) in excess of $3 million. Shares of our common stock issuable pursuant to awards will be made available from either authorized but unissued shares or shares that have been issued but reacquired by our company, including shares purchased on the open market. The 2019 incentive plan is administered by the compensation committee with regard to all awards granted under the 2019 incentive plan (other than awards granted to the nonemployee directors which may be administered by our full board of directors or the compensation committee), and the compensation committee has full power and authority to determine the terms and conditions of such awards. The 2019 incentive plan is the only incentive plan under which awards will be made.

In connection with the Broadband Spin-Off, new equity incentive awards with respect to our common stock (**new Broadband awards**) were issued in connection with adjustments made to outstanding equity incentive awards with respect to shares of Liberty Media common stock which had been granted to various directors, officers and employees and consultants of Liberty Media and certain of its subsidiaries pursuant to the various stock incentive plans administered by the Liberty Media board of directors or the compensation committee thereof. These new Broadband awards were issued pursuant to the Liberty Broadband Corporation Transitional Stock Adjustment Plan (the **transitional plan**), which governs the terms and conditions of the new Broadband awards but cannot be used to make any additional grants following the Broadband Spin-Off.

Pay Ratio Information

We are providing the following information about the relationship of the median annual total compensation of our employees and the total compensation of Mr. Maffei, our chief executive officer on December 31, 2019, pursuant to the SEC's pay ratio disclosure rules set forth in Item 402(u) of Regulation S-K. We believe our pay ratio is a reasonable estimate calculated in a manner consistent with the SEC's pay ratio disclosure rules. However, because these rules provide flexibility in determining the methodology, assumptions and estimates used to determine pay ratios and the fact that workforce composition issues differ significantly between companies, our pay ratio may not be comparable to the pay ratios reported by other companies.

To identify our median employee, we first determined our employee population as of December 31, 2019, which consisted of employees located in the U.S. representing all full-time, part-time, seasonal and temporary employees employed by our company and our consolidated subsidiary, Skyhook Holding, Inc., on that date. Using information from our payroll records and Form W-2s, we then measured each employee's gross wages for calendar year 2019, consisting of base salary, commissions, actual bonus payments, long-term incentive cash payments, if any, realized equity award value and taxable fringe benefits. We did not annualize the compensation of employees who were new hires or took a leave of absence in 2019. Also, we did not annualize the compensation of our temporary or seasonal employees. In addition, we did not make any cost-of-living adjustments to the gross wages information.

We determined the median employee's total compensation for calendar year 2019, including any perquisites and other benefits, in the same manner that we determined the total compensation of our named executive officers for purposes of the Summary Compensation Table above. The ratio of our chief executive officer's total annual compensation to that of the median employee was as follows:

Chief Executive Officer Total Annual Compensation	$12,553,984
Median Employee Total Annual Compensation	$ 147,122
Ratio of Chief Executive Officer to Median Employee Total Annual Compensation	85:1

In connection with the execution of the 2019 Maffei Employment Agreement, Mr. Maffei received the Maffei 2019 Term Options. The Maffei 2019 Term Options, granted in December 2019, had an aggregate grant date fair value of $8,338,747. Given that this grant was made outside of our normal, annual compensation practices, we have also included a ratio that eliminates from the total compensation the grant date fair value of the Maffei 2019 Term Options:

Chief Executive Officer Total Annual Compensation (without Maffei 2019 Term Options)	$4,215,237
Median Employee Total Annual Compensation	$ 147,122
Ratio of Chief Executive Officer to Median Employee Total Annual Compensation	29:1

GRANTS OF PLAN-BASED AWARDS

The following table contains information regarding plan-based incentive awards granted during the year ended December 31, 2019 to the named executive officers.

Name	Grant Date	Committee Action Date	Estimated Future Payouts under Equity Incentive Plan Awards Threshold (#)[1]	Target (#)[1]	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)
Gregory B. Maffei									
LBRDK	03/06/2019[2]	—	—	—	—	—	41,483[3]	88.99	1,055,960
LBRDK	03/06/2019[4]	—	—	25,388	—	—	—	—	2,259,278
LBRDK	12/15/2019	12/14/2019[5]	—	—	—	—	260,419[6]	121.89	8,338,747
Brian J. Wendling									
LBRDK	03/06/2019[4]	—	—	1,112	—	—	—	—	98,957
Albert E. Rosenthaler									
LBRDK	03/06/2019[4]	—	—	2,539	—	—	—	—	225,946
Renee L. Wilm									
LBRDK	11/04/2019	10/30/2019[7]	—	—	—	—	25,123[8]	118.44	777,883
LBRDK	11/04/2019	10/30/2019[7]	—	447	—	—	—	—	52,943
Richard N. Baer									
LBRDK	03/06/2019[4]	—	—	3,400[9]	—	—	—	—	302,566
Mark D. Carleton									
LBRDK	03/06/2019[4]	—	—	2,539	—	—	—	—	225,946

(1) The terms of each of the 2019 RSUs do not provide for a threshold amount that would be payable upon satisfaction of the performance criteria established by the compensation committee. The amounts in the Target column represent the target amount that would have been payable to the award holder assuming our compensation committee determined not to reduce such payout after considering the performance of each named executive officer. For the actual 2019 RSUs that vested, see "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(2) Award granted under the 2014 incentive plan.

(3) Vested in full on December 31, 2019.

(4) Award granted under the 2014 incentive plan. Reflects the date on which our compensation committee established the terms of the 2019 RSUs as described under "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(5) Award granted under the 2019 incentive plan. Reflects the date on which our compensation committee established the terms of the Maffei 2019 Term Options as described under "—Executive Compensation Arrangement—Gregory B. Maffei—2019 Maffei Employment Agreement."

(6) Vests in full on December 31, 2023.

(7) Reflects the date on which our compensation committee established the terms of the Wilm Options and Wilm 2019 RSUs.

(8) Vests 50% on September 23, 2022 and 50% on September 23, 2023.

(9) Vested 75% on October 4, 2019, and the remaining 25% was forfeited in connection with Mr. Baer's resignation from our company.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table contains information regarding unexercised options and unvested RSUs which were outstanding as of December 31, 2019 and held by the named executive officers (with the exception of Mr. Baer, who had no outstanding equity awards as of December 31, 2019).

	Option Awards					Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)**
Gregory B. Maffei							
Option Awards							
LBRDK	1,500,000	—	—	48.10	12/17/2024	—	—
LBRDK	41,483	—	—	88.99	03/06/2026	—	—
LBRDK	—	260,419(1)	—	121.89	12/15/2026	—	—
RSU Award							
LBRDK	—	—	—	—	—	25,388(2)	3,192,541
Brian J. Wendling							
RSU Award							
LBRDK	—	—	—	—	—	1,112(2)	139,834
Albert E. Rosenthaler							
RSU Award							
LBRDK	—	—	—	—	—	2,539(2)	319,279
Renee L. Wilm							
Option Award							
LBRDK	—	25,123(3)	—	118.44	11/04/2026	—	—
RSU Award							
LBRDK	—	—	—	—	—	447(2)	56,210
Mark D. Carleton							
RSU Award							
LBRDK	—	—	—	—	—	2,539(2)	319,279

(1) Vests in full on December 31, 2023.

(2) Represents the target number of 2019 RSUs that each of Mr. Maffei, Mr. Wendling, Mr. Rosenthaler, Ms. Wilm and Mr. Carleton, respectively, could earn based on performance in 2019.

(3) Vests 50% on September 23, 2022 and 50% on September 23, 2023.

OPTION EXERCISES AND STOCK VESTED

The following table sets forth information concerning the exercise of vested options and the vesting of RSUs held by our named executive officers, in each case, during the year ended December 31, 2019.

Name	Option Awards: Number of shares acquired on exercise (#)(1)	Option Awards: Value realized on exercise ($)	Stock Awards: Number of shares acquired on vesting (#)(1)	Stock Awards: Value realized on vesting ($)
Gregory B. Maffei				
LBRDA	290,395	24,573,225	—	—
LBRDK	586,838	49,253,313	—	—
Brian J. Wendling				
LBRDA	—	—	—	—
LBRDK	—	—	—	—
Albert E. Rosenthaler				
LBRDA	—	—	—	—
LBRDK	—	—	—	—
Renee L. Wilm				
LBRDA	—	—	—	—
LBRDK	—	—	—	—
Richard N. Baer				
LBRDA	—	—	—	—
LBRDK	—	—	2,550	268,184
Mark D. Carleton				
LBRDA	18,248	1,177,178	—	—
LBRDK	36,878	2,383,425	—	—

(1) Includes shares withheld in payment of withholding taxes at election of holder.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The following table sets forth the potential payments to our named executive officers if their employment with our company had terminated or a change in control had occurred, in each case, as of December 31, 2019, other than Mr. Baer who resigned in September 2019. In the event of such a termination or change in control, the actual amounts may be different due to various factors. In addition, we may enter into new arrangements or modify these arrangements from time to time.

The amounts provided in the tables are based on the closing market price on December 31, 2019 for our Series C common stock, which was $125.75. The value of the options shown in the table is based on the spread between the exercise price of the award and this closing market price.

The circumstances giving rise to these potential payments and a brief summary of the provisions governing their payout are described below and in the footnotes to the table (other than those described under "—Executive Compensation Arrangements," which are incorporated by reference herein).

Voluntary Termination

Each of the named executive officers, other than Ms. Wilm, holds equity awards that were issued under the transitional plan. The 2014 Options and Maffei 2019 Options held by Mr. Maffei and the 2019 RSUs held by Messrs. Maffei, Wendling, Rosenthaler, Baer and Carleton were issued under the 2014 incentive plan. The Maffei 2019 Term Options, Wilm Options and Wilm 2019 RSUs were issued under the 2019 incentive plan. Under these plans and the related award agreements, in the event of a voluntary termination of his or her employment with our company for any reason, each named executive officer generally would only have a right to the equity grants that vested prior to his or her termination date. However, if Mr. Maffei had voluntarily terminated his employment as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Additionally, vesting of 75% of the Baer 2019 RSUs was accelerated following Mr. Baer's departure from our company in September 2019, and the value realized upon such vesting is reflected in "—Option Exercises and Stock Vested" above. Our named executive officers are not entitled to any severance payments or other benefits upon a voluntary termination of his or her employment for any reason. Other than as described above, no severance benefits would have been due to Mr. Maffei upon a voluntary termination during 2019. The foregoing discussion assumes that the named executive officers voluntarily terminated his or her respective employment without good reason. See "—Termination Without Cause or for Good Reason" below for a discussion of potential payments and benefits upon a named executive officer's voluntary termination of his or her employment for good reason.

Termination for Cause

All outstanding equity grants constituting options, whether unvested or vested but not yet exercised, and unvested RSUs under the existing incentive plans would generally be forfeited by any named executive officer (other than Mr. Maffei in the case of equity grants constituting vested options or similar rights) who is terminated for "cause." However, if Mr. Maffei's employment had been terminated for cause as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Unless there is a different definition in the applicable award agreement, each of the transitional plan, the 2014 incentive plan and the 2019 incentive plan define "cause" as insubordination, dishonesty, incompetence, moral turpitude, other misconduct of any kind and the refusal to perform duties and responsibilities for any reason other than illness or incapacity; *provided* that, if such termination is within 12 months after a change in control (as described below), "cause" means a felony conviction for fraud, misappropriation or embezzlement. With respect to Mr. Maffei's equity grants, including the 2014 Options and the Maffei 2019 Term Options, "cause," as defined in the award agreement, means (i) Mr. Maffei's willful failure to follow the lawful instructions of the board of directors of our company; (ii) the commission by Mr. Maffei of any fraud, misappropriation or misconduct that causes demonstrable material injury to our company or its subsidiaries; (iii) Mr. Maffei's conviction of, or plea of guilty or nolo contendere to, a felony; or (iv) Mr. Maffei's failure to comply in any material respect with any written agreement between him and our company or any of our subsidiaries if such failure causes demonstrable material injury to our company or any of our subsidiaries, except that Mr. Maffei is entitled to certain procedural and cure rights relating to a termination for cause, except in the case of a termination for cause based on a felony conviction. Mr. Maffei has certain continuing rights under his award agreements, including for his 2014 Options, to exercise vested options following a termination for "cause." See "—Executive Compensation Arrangements."

Termination Without Cause or for Good Reason

Pursuant to the award agreements for the 2014 Options and Maffei 2019 Options, Mr. Maffei's 2014 Options and Maffei 2019 Options would have remained outstanding and expire at the end of the term upon a termination of his employment by our company without cause or by him for good reason. As of December 31, 2019, Mr. Maffei's unvested equity awards consisted of the Maffei 2019 Term Options and the Maffei 2019 RSUs. The Maffei 2019 Term Options would have been forfeited upon a termination of his employment without cause or for good reason as of December 31, 2019. If Mr. Maffei's employment had been terminated by our company without cause or by him for good reason as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Mr. Maffei would not have been entitled to any severance pay or other benefits from our company upon a termination without cause or for good reason, assuming a termination date as of December 31, 2019.

As of December 31, 2019, the only unvested equity awards of Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm were their 2019 RSUs and the Wilm Options. The 2019 RSUs held by these officers would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee if these officers had been terminated without cause as of December 31, 2019. The Wilm Options provide for vesting upon a termination of employment without cause of those options that would have vested during the 12-month period following the termination date if such person had remained an employee, plus a pro rata portion of the remaining unvested options based on the portion of the vesting period elapsed through the termination date. None of these officers is entitled to any severance pay or other benefits upon a termination without cause.

Death

In the event of death of any of the named executive officers as of December 31, 2019, the incentive plans and applicable award agreements would have provided for vesting in full of any outstanding options and unvested RSUs. See "—Executive Compensation Arrangements" above. None of the named executive officers would have been entitled to any severance pay or other benefits from our company if he or she had died while employed by our company, assuming a termination date as of December 31, 2019.

Disability

If the employment of any of the named executive officers had been terminated as of December 31, 2019 due to disability, which is defined in the incentive plans or applicable award agreements, such plans or agreements provide for vesting in full of any outstanding options and unvested RSUs. See "—Executive Compensation Arrangements" above. None of the named executive officers would have been entitled to any severance pay or other benefits from our company upon a termination due to disability, assuming a termination date as of December 31, 2019.

Change in Control

In case of a change in control, the incentive plans provide for vesting in full of any outstanding options (other than the Maffei 2019 Term Options) and unvested RSUs held by the named executive officers. A change in control is generally defined as:

- The acquisition by a non-exempt person (as defined in the incentive plans) of beneficial ownership of at least 20% of the combined voting power of the then outstanding shares of our company ordinarily having the right to vote in the election of directors, other than pursuant to a transaction approved by our board of directors.
- The individuals constituting our board of directors over any two consecutive years cease to constitute at least a majority of the board, subject to certain exceptions that permit the board to approve new members by approval of at least two-thirds of the remaining directors.
- Any merger, consolidation or binding share exchange that causes the persons who were common stockholders of our company immediately prior thereto to lose their proportionate interest in the common stock or voting power of the successor or to have less than a majority of the combined voting power of the then outstanding shares ordinarily having the right to vote in the election of directors, the sale of substantially all of the assets of the company or the dissolution of the company.

In the case of a change in control described in the last bullet point, our compensation committee may determine not to accelerate the existing equity awards of the named executive officers if equivalent awards will be substituted for the existing awards. For purposes of the tabular presentation below, we have assumed that our named executive officers' existing unvested equity awards, other than the Maffei 2019 Term Options, would vest in full in the case of a change in control described in the last bullet.

Benefits Payable Upon Termination or Change in Control

Name	Voluntary Termination Without Good Reason ($)	Termination for Cause ($)	Termination Without Cause or for Good Reason ($)	Death ($)	Disability ($)	After a Change in Control ($)
Gregory B. Maffei						
Options	117,999,915(1)	117,999,915(1)	117,999,915(2)	119,005,132(3)	119,005,132(3)	117,999,915(4)
RSUs	3,192,541(5)	3,192,541(5)	3,192,541(2)	3,192,541(3)	3,192,541(3)	3,192,541(4)
Total	121,192,456	121,192,456	121,192,456	122,197,673	122,197,673	121,192,456
Brian J. Wendling						
RSUs	—(5)	—(5)	139,834(6)	139,834(3)	139,834(3)	139,834(4)
Total	—	—	139,834	139,834	139,834	139,834
Albert E. Rosenthaler						
RSUs	—(5)	—(5)	319,279(6)	319,279(3)	319,279(3)	319,279(4)
Total	—	—	319,279	319,279	319,279	319,279
Renee L. Wilm						
Options	—(5)	—(5)	64,072(6)	183,649(3)	183,649(3)	183,649(4)
RSUs	—(5)	—(5)	56,210(6)	56,210(3)	56,210(3)	56,210(4)
Total	—	—	120,282	239,859	239,859	239,859
Mark D. Carleton						
RSUs	—(5)	—(5)	319,279(6)	319,279(3)	319,279(3)	319,279(4)
Total	—	—	319,279	319,279	319,279	319,279

(1) Based on the number of vested options held by the named executive officer as of December 31, 2019. For more information, see the "Outstanding Equity Awards at Fiscal Year-End" table above.

(2) If Mr. Maffei's employment had been terminated by our company without cause or by him for good reason as of December 31, 2019, his 2014 Options and Maffei 2019 Options would have remained outstanding and expire at the end of the term, his Maffei 2019 Term Options would have been forfeited and his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee.

(3) Based on the number of options, whether unvested or vested but not yet exercised, and unvested RSUs held by the named executive officer as of December 31, 2019. Also, if Mr. Maffei's employment had terminated due to death or disability as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. For more information, see the "Outstanding Equity Awards at Fiscal Year-End" table above.

(4) Based on (i) the number of 2014 Options and Maffei 2019 Options held by Mr. Maffei, (ii) the number of unvested 2019 RSUs held by Messrs. Maffei, Wendling, Rosenthaler and Carleton and Ms. Wilm and (iii) the number of unvested Wilm Options held by Ms. Wilm. Upon a change in control, we have assumed for purposes of the tabular presentation above that the 2019 RSUs and the Wilm Options would vest in full.

(5) If Mr. Maffei's employment had been terminated without good reason or for cause as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Each of Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm would have forfeited his or her 2019 RSUs if his or her employment had been terminated without good reason or for cause as of December 31, 2019. Ms. Wilm would have forfeited her Wilm Options if her employment had been terminated by her without good reason or by the company for cause as of December 31, 2019.

(6) Based on (i) the number of unvested 2019 RSUs held by Messrs. Wendling, Rosenthaler and Carleton and Ms. Wilm at December 31, 2019 and (ii) the number of unvested Wilm Options that would have vested pursuant to the forward-vesting provisions in her award agreement if she had been terminated without cause at December 31, 2019. For more information see "the "Outstanding Equity Awards at Fiscal Year-End" table and above.

DIRECTOR COMPENSATION

NONEMPLOYEE DIRECTORS

Director Fees

Each of our directors who is not an employee of, or service provider to, our company is paid an annual fee of $159,000 (which we refer to as the **director fee**) for 2020 ($156,000 for 2019), of which fee each director was permitted to elect to receive 50%, 75% or 100% of such director fee in RSUs or options to purchase LBRDK, which will vest one year from the date of grant, with the remainder payable in cash. The awards issued to our directors with respect to their service on our board in 2019 were issued in December 2018. See "—Director RSU Grants" and "—Director Option Grants" below for information on the equity awards granted in 2019 to the nonemployee directors with respect to service on our board in 2020. Fees for service on our audit committee, compensation committee and nominating and corporate governance committee are the same for 2019 and 2020, with each member thereof receiving an additional annual fee of $15,000, $10,000 and $10,000, respectively, for his or her participation on each such committee, except that the chairman of each such committee instead receives an additional annual fee of $25,000, $15,000 and $15,000, respectively, for his participation on that committee. The cash portion of the director fees and the fees for participation on committees are payable quarterly in arrears.

Equity Incentive Plans

As discussed above, awards granted to our nonemployee directors under the 2019 incentive plan are currently administered by our full board of directors. Our board of directors has full power and authority to grant eligible persons the awards described below and to determine the terms and conditions under which any awards are made. The 2019 incentive plan is designed to provide additional remuneration to our nonemployee directors and independent contractors, among others, and to encourage their investment in our capital stock, thereby increasing their proprietary interest in our business. Our board of directors may grant non-qualified stock options, SARs, restricted shares, RSUs, cash awards, performance awards or any combination of the foregoing under the 2019 incentive plan.

As described above, in connection with the Broadband Spin-Off, our company's board of directors adopted the transitional plan, which governs the terms and conditions of awards issued in the Broadband Spin-Off in connection with adjustments made to awards previously granted by Liberty Media with respect to its common stock.

Director RSU Grants

Pursuant to our director compensation policy described above and the 2019 incentive plan, on December 10, 2019, Dr. Green was granted RSUs with respect to 677 shares of LBRDK. The RSUs will vest on the first anniversary of the grant date, or on such earlier date that the grantee ceases to be a director because of death or disability and, unless our board of directors determines otherwise, will be forfeited if the grantee resigns or is removed from the board before the vesting date.

Director Option Grants

Pursuant to our director compensation policy described above and the 2019 incentive plan, on December 10, 2019, Mr. Wargo was granted options to purchase 5,289 LBRDK shares, and Mr. Welsh was granted options to purchase 2,645 LBRDK shares, at an exercise price equal to $118.43, which was the closing price of such stock on the grant date. The options will become exercisable on the first anniversary of the grant date, or on such earlier date that the grantee ceases to be a director because of death or disability, and, unless our board determines otherwise, will be terminated without becoming exercisable if the grantee resigns or is removed from the board before the vesting date. Once vested, the options will remain exercisable until the seventh anniversary of the grant date, or, if earlier, until the first business day following the first anniversary of the date the grantee ceases to be a director.

Stock Ownership Guidelines

In March 2016, our board of directors adopted stock ownership guidelines that require each nonemployee director (other than Mr. Malone) to own shares of our company's stock equal to at least 1.5 times the value of the nonemployee director fee. Nonemployee directors will have five years from the later of (i) the effective date of the guidelines and (ii) the nonemployee director's initial appointment to our board to comply with these guidelines.

DIRECTOR COMPENSATION TABLE

Name[1]	Fees Earned or Paid in Cash ($)	Stock Awards ($)[2][3]	Option Awards ($)[2][4]	All Other Compensation ($)	Total ($)
John C. Malone	—	—	—	—	—
Richard R. Green	118,000	80,177	—	—	198,177
J. David Wargo	40,000	—	164,929	—	204,929
John E. Welsh III	123,000	—	82,480	18,431[5]	223,911

(1) John C. Malone, the Chairman of the Board of our company, received no compensation for serving as a director of our company during 2019. Gregory B. Maffei, who served as a director of our company in 2019 and is currently a named executive officer, received no compensation for serving as a director of our company during 2019. Julie D. Frist was not a director of our company during 2019.

(2) As of December 31, 2019, our then-serving directors (other than Mr. Maffei, whose equity awards are listed in "Outstanding Equity Awards at Fiscal Year-End" above) held the following equity awards:

	John C. Malone	Richard R. Green	J. David Wargo	John E. Welsh III
Options (#)				
LBRDK	—	21,707	36,896	20,655
RSUs (#)				
LBRDK	—	677	—	—

(3) Reflects the grant date fair value of RSUs awarded to Dr. Green, which has been computed based on the closing price of LBRDK shares on the grant date in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures.

(4) The aggregate grant date fair value of the stock option awards has been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 9 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

(5) Includes health insurance premiums of $18,431 paid by our company for the benefit of John E. Welsh III.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of December 31, 2019 with respect to shares of our common stock authorized for issuance under our equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders:			
Liberty Broadband Corporation 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015), as amended			—[1]
LBRDA	—	—	
LBRDB	—	—	
LBRDK	1,612,807	$ 50.02	
Liberty Broadband Corporation 2019 Omnibus Incentive Plan			5,689,521[2]
LBRDA	—	—	
LBRDB	—	—	
LBRDK	309,355	$121.34	
Equity compensation plans not approved by security holders:			
Liberty Broadband Corporation Transitional Stock Adjustment Plan, as amended[3]			—[3]
LBRDA	4,166	$ 47.92	
LBRDB	—	—	
LBRDK	9,383	$ 46.45	
Total			
LBRDA	4,166		
LBRDB	—		
LBRDK	1,931,545		
			5,689,521

(1) Upon adoption of the 2019 incentive plan, the board of directors ceased making any further grants under the 2014 incentive plan.

(2) The 2019 incentive plan permits grants of, or with respect to, shares of any series of our common stock, subject to a single aggregate limit.

(3) The transitional plan was previously approved by our board of directors and our former parent company, Liberty Media, as sole stockholder, in connection with the Broadband Spin-Off. The transitional plan governs the terms and conditions of awards with respect to our company's common stock that were granted in connection with adjustments made to awards granted by Liberty Media with respect to its common stock. As a result, no further grants are permitted under this plan.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Under our Code of Business Conduct and Ethics and Corporate Governance Guidelines, if a director or executive officer has an actual or potential conflict of interest (which includes being a party to a proposed "related party transaction" (as defined by Item 404 of Regulation S-K)), the director or executive officer should promptly inform the person designated by our board to address such actual or potential conflicts. No related party transaction may be effected by our company without the approval of the audit committee of our board or another independent body of our board designated to address such actual or potential conflicts.

STOCKHOLDER PROPOSALS

This proxy statement relates to our annual meeting of stockholders for the calendar year 2020 which will take place on May 19, 2020. Based solely on the date of our 2020 annual meeting and the date of this proxy statement, (i) a stockholder proposal must be submitted in writing to our Corporate Secretary and received at our executive offices at 12300 Liberty Boulevard, Englewood, Colorado 80112, by the close of business on December 16, 2020 in order to be eligible for inclusion in our proxy materials for the annual meeting of stockholders for the calendar year 2021 (the **2021 annual meeting**), and (ii) a stockholder proposal, or any nomination by stockholders of a person or persons for election to the board of directors, must be received at our executive offices at the foregoing address not earlier than February 18, 2021 and not later than March 22, 2021 to be considered for presentation at the 2021 annual meeting. We currently anticipate that the 2021 annual meeting will be held during the second quarter of 2021. If the 2021 annual meeting takes place more than 30 days before or 30 days after May 19, 2021 (the anniversary of the 2020 annual meeting), a stockholder proposal, or any nomination by stockholders of a person or persons for election to the board of directors, will instead be required to be received at our executive offices at the foregoing address not later than the close of business on the tenth day following the first day on which notice of the date of the 2021 annual meeting is communicated to stockholders or public disclosure of the date of the 2021 annual meeting is made, whichever occurs first, in order to be considered for presentation at the 2021 annual meeting.

All stockholder proposals for inclusion in our proxy materials will be subject to the requirements of the proxy rules adopted under the Exchange Act, our charter and bylaws and Delaware law.

ADDITIONAL INFORMATION

We file periodic reports, proxy materials and other information with the SEC. You may inspect such filings on the Internet website maintained by the SEC at *www.sec.gov*. Additional information can also be found on our website at *www.libertybroadband.com*. (Information contained on any website referenced in this proxy statement is not incorporated by reference in this proxy statement.) **If you would like to receive a copy of our 2019 Form 10-K, or any of the exhibits listed therein, please call or submit a request in writing to Investor Relations, Liberty Broadband Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112, Tel. No. (844) 826-8735, and we will provide you with the 2019 Form 10-K without charge, or any of the exhibits listed therein upon the payment of a nominal fee (which fee will be limited to the expenses we incur in providing you with the requested exhibits).**

FORWARD LOOKING STATEMENTS

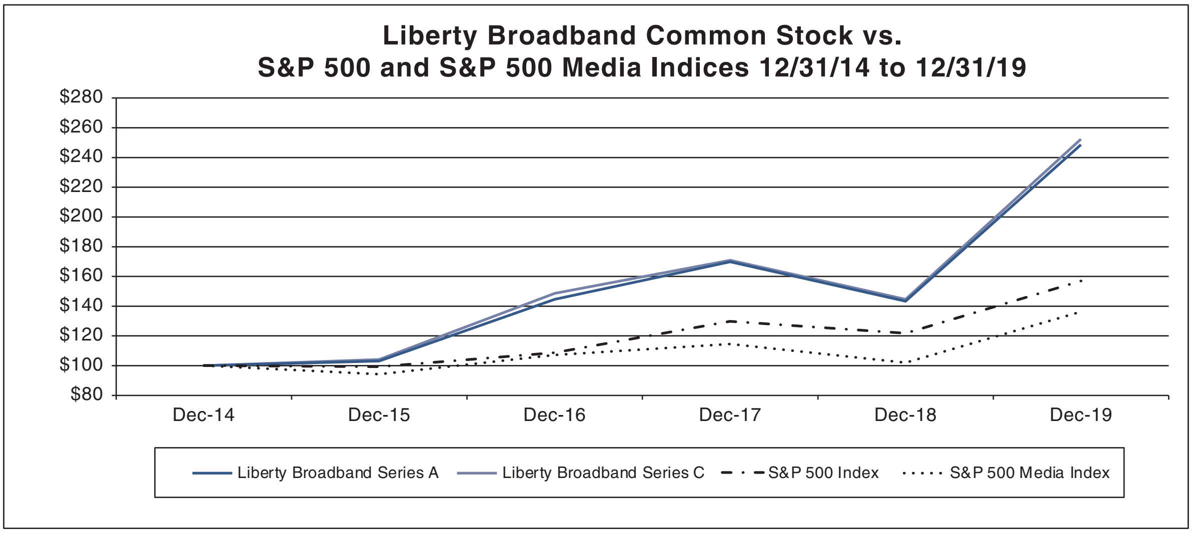
Certain statements in this Annual Report constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our business, product and marketing strategies; new service and product offerings; future expenses; anticipated changes to regulations; the recognition of deferred revenue; the recoverability of our goodwill and other long-lived assets; competition; the performance, results of operations and cash flows of our equity affiliate; our projected sources and uses of cash; indebtedness and the anticipated non-material impact of certain contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. In particular, statements under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “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:

- Charter Communications, Inc.’s (“Charter”) ability to sustain and grow revenue and cash flow from operations by offering video, Internet, voice, mobile, advertising and other services to residential and commercial customers, to adequately meet the customer experience demands in its service areas and to maintain and grow its customer base, particularly in the face of increasingly aggressive competition, the need for innovation and the related capital expenditures;
- the impact of competition from other market participants, including but not limited to incumbent telephone companies, direct broadcast satellite operators, wireless broadband and telephone providers, digital subscriber line providers, fiber to the home providers, and providers of video content over broadband Internet connections;
- Charter’s ability to obtain programming at reasonable prices or to raise prices to offset, in whole or in part, the effects of higher programming costs (including retransmission consents);
- Charter’s ability to develop and deploy new products and technologies, including mobile products and any other consumer services and service platforms;
- the effects of governmental regulation on the business of our equity affiliate and our operating subsidiary, including costs, disruptions and possible limitations on Charter’s operating flexibility related to, and its ability to comply with, regulatory conditions applicable to Charter as a result of the Time Warner Cable merger and the Bright House transactions;
- general business conditions, economic uncertainty or downturn (including due to the novel coronavirus outbreak), unemployment levels and the level of activity in the housing sector;
- any events that disrupt Charter’s or Skyhook Holding, Inc.’s networks, information systems or properties and impair their operating activities or negatively impact either company’s reputation;
- failure to protect the security of personal information about the customers of our operating subsidiary and equity affiliate, subjecting us to costly government enforcement actions or private litigation and reputational damage;
- changes in, or failure or inability to comply with, government regulations, including, without limitation, regulations of the Federal Communications Commission, and adverse outcomes from regulatory proceedings;
- the ability to retain and hire key personnel;
- the ability of suppliers and vendors to deliver products, equipment, software and services;
- the outcome of any pending or threatened litigation;
- changes in the nature of key strategic relationships with partners, vendors and joint venturers;
- the availability and access, in general, of funds to meet debt obligations prior to or when they become due and to fund operations and necessary capital expenditures, either through (i) cash on hand, (ii) free cash flow, or (iii) access to the capital or credit markets;
- the ability of Charter and our company to comply with all covenants in their and our respective debt instruments, any violation of which, if not cured in a timely manner, could trigger a default of other obligations under cross-default provisions; and
- our ability to successfully monetize certain of our assets.

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 any risk factors identified and other cautionary statements contained in this Annual Report and in our publicly filed documents, including our most recent Forms 10-K and 10-Q. 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 Charter, a public company 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. Information contained in this Annual Report concerning Charter has been derived from the reports and other information filed by it with the SEC. If you would like further information about Charter, 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.

STOCK PERFORMANCE

The following graph compares the percentage change in the cumulative total stockholder return on an investment in Liberty Broadband Series A and Series C common stock from December 31, 2014 through December 31, 2019 to the S&P 500 Index and S&P 500 Media Index.



	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Liberty Broadband Series A	$100.00	$103.11	$144.66	$169.79	$143.36	$248.67
Liberty Broadband Series C	$100.00	$104.09	$148.68	$170.94	$144.58	$252.41
S&P 500 Index	$100.00	$ 99.27	$108.74	$129.86	$121.76	$156.92
S&P 500 Media Index	$100.00	$ 94.28	$107.17	$114.49	$102.03	$136.33

FINANCIAL INFORMATION

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

Market Information

Our Series A and Series C common stock trade on the Nasdaq Global Select Market under the symbols “LBRDA” and “LBRDK,” respectively. Our Series B common stock is quoted on the OTC Markets under the symbol “LBRDB”, but it is not actively traded. 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 quarterly range of high and low sales prices of our Series B common stock for the years ended December 31, 2019 and 2018. There is no established public trading market for our Series B common stock, which is quoted on the OTC Markets. Such over-the-counter market quotations reflect inter-dealer prices without dealer mark-ups, mark-downs or commissions, and may not necessarily represent actual transactions.

	Liberty Broadband Corporation Series B (LBRDB)	
	High	Low
2018		
First quarter	$ 94.05	86.17
Second quarter	$ 77.22	68.32
Third quarter	$ 84.93	79.09
Fourth quarter	$ 84.70	74.50
2019		
First quarter	$ 90.50	75.85
Second quarter	$ 100.85	96.95
Third quarter	$ 108.85	98.60
Fourth quarter	$ 124.20	109.75

Holders

As of January 31, 2020, there were 731, 47 and 946 holders of our Series A, Series B and Series C 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 2020 Annual Meeting of Stockholders.

Purchases of Equity Securities by the Issuer

There were no repurchases of Liberty Broadband Series A, B or C common stock during the three months ended December 31, 2019. During the three months ended December 31, 2019, 2,336 shares of Series A and 4,660 shares of Series C

Liberty Broadband common stock were surrendered by our officers and employees to pay withholding taxes and other deductions in connection with the vesting of their restricted stock.

Selected Financial Data.

The following tables present selected historical information relating to our financial condition and results of operations for the past five years. The following data should be read in conjunction with our consolidated financial statements.

	December 31,				
	2019	2018	2017	2016	2015
Summary Balance Sheet Data:	amounts in thousands				
Cash and cash equivalents	$ 49,724	83,103	81,257	205,728	655,079
Investments in available for sale securities (1)	$ —	—	—	—	439,560
Investment in affiliates, accounted for using the equity method (1)	$ 12,194,674	12,004,376	11,835,613	9,315,253	2,372,699
Total assets	$ 12,256,342	12,098,437	11,931,789	9,590,960	3,565,741
Long-term debt	$ 572,944	522,928	497,370	198,512	399,703
Net deferred income tax liabilities (2)	$ 999,757	965,829	932,593	504,644	—
Total equity (3)	$ 10,667,946	10,598,618	10,486,901	8,473,092	3,148,219

	Years Ended December 31,				
	2019	2018	2017	2016	2015
Summary Statement of Operations Data:	amounts in thousands, except per share amounts				
Revenue	$ 14,859	22,256	13,092	30,586	91,182
Operating income (loss)	$ (29,277)	(12,014)	(25,478)	(21,160)	58,955
Share of earnings (losses) of affiliate (1)(4)	$ 286,401	166,146	2,508,991	641,544	(120,962)
Gain (loss) on dilution of investment in affiliate (1)	$ (79,329)	(43,575)	(17,872)	770,766	(7,198)
Realized and unrealized gains (losses) on financial instruments	$ 1,170	3,659	3,098	94,122	2,619
Net earnings (loss) attributable to Liberty Broadband shareholders	$ 117,216	69,953	2,033,667	917,303	(50,187)
Basic earnings (loss) per common share (5)	$ 0.65	0.39	11.19	6.03	(0.49)
Diluted earnings (loss) per common share (5)	$ 0.64	0.38	11.10	6.00	(0.49)

(1) As discussed in note 5 to the accompanying consolidated financial statements, on May 18, 2016 Time Warner Cable merged with Charter, causing a significant increase in Share of earnings (losses) of affiliate and gain on dilution of investment in affiliate in 2016. As a result of the merger transaction, Time Warner Cable is no longer accounted for as an available for sale security as of December 31, 2016.

(2) The increase in deferred tax liabilities is due to recognition of deferred tax liabilities at the closing of the transactions, further increased in 2016, 2017, 2018 and 2019 by share of earnings in the equity investment in Charter.

(3) As discussed in note 8 to the accompanying consolidated financial statements, in connection with the Time Warner Cable Merger, in May 2016, Liberty Broadband funded its purchase of Charter Class A common stock using proceeds of $4.4 billion related to subscriptions for approximately 78.3 million newly issued shares of Liberty Broadband Series C common stock.

(4) Share of earnings (losses) of affiliate increased in 2016 due primarily to Charter releasing approximately $3.3 billion of its preexisting valuation allowance, which was recognized directly to income tax benefit for the year ended December 31, 2016. Additionally, Charter recognized $9.1 billion of income tax benefit, as a result of the enactment of the Tax Cuts and Jobs Act (the "Tax Act") in 2017. See further discussion in Management's Discussion and Analysis of Financial Condition and Results of Operations regarding the tax reform implications.

(5) We issued 85,761,332 common shares, which is the aggregate number of shares of Series A, Series B and Series C common stock outstanding upon the completion of the Broadband Spin-Off on November 4, 2014. Additionally, Liberty Broadband distributed subscription rights, which were priced at a discount to the market value, to all holders of Liberty Broadband common stock as of the rights record date. Because of the discount, the rights offering is considered a stock dividend which requires retroactive treatment for prior periods for the weighted average shares outstanding based on a

factor determined by the fair value per share immediately prior to the rights exercise and the theoretical fair value after the rights exercise. The number of shares issued upon completion of the Broadband Spin-Off, adjusted for the rights factor, was used to determine both basic and diluted earnings (loss) per share ("EPS") for the years ended December 31, 2013 and 2012 and for the period from January 1, 2014 through the date of the Broadband Spin-Off, as no Company equity awards were outstanding prior to the Broadband Spin-Off. Basic EPS subsequent to the Broadband Spin-Off was computed using the weighted average number of shares outstanding ("WASO"), adjusted for the rights factor, from the date of the completion of the Broadband Spin-Off through January 9, 2015, the date on which the rights offering was fully subscribed. Diluted EPS subsequent to the Broadband Spin-Off was computed using the WASO from the date of the completion of the Broadband Spin-Off through January 9, 2015, adjusted for the rights factor and potentially dilutive equity awards outstanding during the same period. Subsequent to January 9, 2015, basic EPS was computed using the WASO during the period, and diluted EPS was computed using the WASO adjusted for potentially dilutive equity awards outstanding during the period.

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. Additionally, see note 3 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

During May 2014, the board of directors of Liberty Media Corporation and its subsidiaries ("Liberty") authorized management to pursue a plan to spin-off to its stockholders common stock of a wholly-owned subsidiary, Liberty Broadband Corporation ("Liberty Broadband"), and to distribute subscription rights to acquire shares of Liberty Broadband's common stock (the "Broadband Spin-Off"). At the time of the Broadband Spin-Off, Liberty Broadband was comprised of, (i) Liberty's former interest in Charter Communications, Inc. ("Legacy Charter"), (ii) Liberty's former wholly-owned subsidiary TruePosition, Inc. ("TruePosition"), (iii) Liberty's former minority equity investment in Time Warner Cable, Inc. ("Time Warner Cable", "TWC", "Legacy Time Warner Cable" or "Legacy TWC"), (iv) certain deferred tax liabilities, as well as liabilities related to the Time Warner Cable written call options and (v) initial indebtedness, pursuant to margin loans entered into prior to the completion of the Broadband Spin-Off. The Broadband Spin-Off was accounted for at historical cost due to the pro rata nature of the distribution to holders of Liberty common stock. In the Broadband Spin-Off, record holders of Liberty Series A, Series B and Series C common stock received one-fourth of a share of the corresponding series of Liberty Broadband common stock for each share of Liberty common stock held by them, with cash paid in lieu of fractional shares. In addition, following the completion of the Broadband Spin-Off, on December 10, 2014, stockholders received a subscription right to acquire one share of Series C Liberty Broadband common stock for every five shares of Liberty Broadband common stock. The Broadband Spin-Off and rights offering were intended to be tax-free to stockholders of Liberty. During September 2015, Liberty entered into a closing agreement with the IRS which provided that the Broadband Spin-Off qualified for tax-free treatment.

On May 18, 2016, Time Warner Cable merged with Legacy Charter (the "Time Warner Cable Merger"). In connection with the Time Warner Cable Merger, Legacy Charter underwent a corporate reorganization, resulting in CCH I, LLC, a former subsidiary of Legacy Charter ("Charter"), becoming the new publicly traded parent company. Also on May 18, 2016, the previously announced acquisition of Bright House Networks, LLC ("Bright House" or "Legacy Bright House") from Advance/Newhouse Partnership ("A/N") by Charter (the "Bright House Transaction") was completed. In connection with the Time Warner Cable Merger and Bright House Transaction, Liberty Broadband entered into certain agreements with Legacy Charter, Charter, Liberty Interactive Corporation ("Liberty Interactive") and Time Warner Cable. In connection with the Time Warner Cable Merger and Bright House Transaction (collectively, the "Transactions"), Liberty Broadband exchanged its shares of Time Warner Cable for shares of Charter and purchased additional shares of Charter. As a result, and pursuant to proxy agreements with GCI Liberty, Inc. and A/N, Liberty Broadband controls 25.01% of the aggregate voting power of Charter. In addition, in connection with the Time Warner Cable Merger, Liberty Broadband funded its purchase of shares of Charter Class A common stock using proceeds of $4.4 billion related to subscriptions for approximately 78.3 million newly issued shares of Liberty Broadband Series C common stock.

The financial information represents a combination of the historical financial information of Skyhook, Liberty Broadband's interest in Charter, Liberty's former minority equity investment in Time Warner Cable and certain deferred tax liabilities. This financial information refers to the combination of the aforementioned subsidiary, investments, and financial instruments, as "Liberty Broadband," "the Company," "us," "we" and "our" here and in the notes to the consolidated financial statements, except as the context otherwise requires.

Strategies and Challenges

Executive Summary

Skyhook Holding, Inc. (formerly known as "TruePosition") markets and sells two primary products: (1) a location determination service called the Precision Location Solution; and (2) a location intelligence and data insights service called Geospatial Insights. Skyhook's revenue is derived from the sale and integration of its Precision Location Solution (including the licensing of software and data components that make up that solution) and the licensing of Geospatial Insights data. In addition, Skyhook earns revenue through entering into licensing agreements with companies to utilize its underlying intellectual property (including patents).

Charter is the second largest cable operator in the United States and a leading broadband communications services company providing video, Internet and voice services to approximately 29.2 million residential and small and medium business customers at December 31, 2019. Charter offers mobile services to residential customers and recently launched mobile service to small and medium business customers. In addition, Charter sells video and online advertising inventory to local, regional and national advertising customers and tailored communications and managed solutions to larger enterprise customers. Charter also owns and operates regional sports networks and local sports, news and community channels. Liberty acquired its interest in Charter on May 1, 2013. At December 31, 2019, Liberty Broadband owned approximately 54.1 million shares of Charter Class A common stock, representing an approximate 26% economic ownership interest in Charter's issued and outstanding shares. Upon the closing of the Time Warner Cable Merger, the Second Amended and Restated Stockholders Agreement, dated as of May 23, 2015, by and among Legacy Charter, Charter, Liberty Broadband and A/N, as amended (the "Stockholders Agreement"), became fully effective. Under the Stockholders Agreement, we have the right to designate three directors to the Charter board of directors, subject to certain exclusions and requirements. Charter has agreed to cause the appointment of at least one of our designees to serve on the nominating and corporate governance, finance, audit and compensation and benefits committees of the board, provided they meet the independence and other qualifications for membership on those committees.

Key Drivers of Revenue

Skyhook earns revenue from the sale and integration of its Precision Location Solution (including the licensing of software and data components that make up that solution) and the licensing of Geospatial Insights data. In addition, Skyhook earns revenue from licensing its intellectual property (including patents) to other enterprises. Prior to 2016, Skyhook also earned significant revenue from the sale of hardware and the licensing of its U-TDOA Service, and from professional and support services related thereto.

Charter's revenue is principally derived from the monthly fees customers pay for the residential and commercial video, Internet and voice services provided. Charter also earns revenue from one-time installation fees and advertising sales. Charter's marketing organization creates and executes marketing programs intended to grow customer relationships, increase the number of services they sell per relationship, retain existing customers and cross-sell additional products to current customers.

Current Trends Affecting Our Business

Skyhook's location determination services compete against (1) other satellite and terrestrial based location technology offerings, such as GPS; (2) other providers of WiFi and cell-based positioning, such as Google, Inc. ("Google") and HERE, a former subsidiary of Nokia; and (3) other in-house developed location solutions. In the smartphone location provider market, because Apple and Google control a large percentage of the market share for smartphone operating systems and both offer location provider services free as part of the iOS and Android markets, Skyhook is constrained in the distribution and monetization of the Precision Location Solution in that market. There are also a number of new location technologies in development which may further increase competition to be a location solution for new devices (including Internet of Things devices and wearable) and which may require Skyhook to meet more stringent accuracy standards. In addition, Skyhook's context services compete against other geofencing and location data offerings from other niche location companies.

Charter faces intense competition for residential customers, both from existing competitors and, as a result of the rapid development of new technologies, services and products, from new entrants. Charter faces triple play competition, consisting of wireline multichannel video, wireline Internet, and wireline voice service from three primary competitors. With respect to its residential business, Charter competes with other providers of video, high-speed Internet access, telephone services, and other sources of home entertainment. Specifically, newer categories of competitors include virtual multichannel video programming distributors such as AT&T TV NOW, Sling TV, YouTube TV and Hulu Live. In the broadband communications industry, Charter's principal competitors for video services are DBS service providers and telephone companies that offer video services. Charter's principal competitors for high-speed Internet services are the broadband services provided by telephone companies, including fiber-to-the-home, fiber-to-the-node, DSL and wireless broadband offerings. A growing number of commercial areas, such as retail malls, restaurants and airports, offer WiFi Internet service. Numerous local governments are also considering or actively pursuing publicly subsidized WiFi Internet access networks. These options offer alternatives to cable-based Internet access. Charter's principal competitors for voice and mobile services are other mobile and wireline phone providers, as well as other forms of communication, such as instant messaging, social networking services, video conferencing and email. The increase in the number of different technologies capable of carrying voice services and the number of alternative communication options available to customers as well as the replacement of wireline services by wireless have intensified the competitive environment in which Charter operates its residential voice service.

Skyhook and Charter must stay abreast of rapidly evolving technological developments and offerings to remain competitive and increase the utility of their products and services. These companies must be able to incorporate new technologies into their products and services in order to address the needs of their customers.

Results of Operations—Consolidated

Consolidated operating results:

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Revenue	$ 14,859	22,256	13,092
Operating expenses, excluding stock-based compensation			
Operating expense	9,337	7,886	10,557
Selling, general and administrative	22,413	17,898	18,951
Stock-based compensation	10,511	5,707	5,292
Depreciation and amortization	1,875	2,779	3,770
Operating income (loss)	$ (29,277)	(12,014)	(25,478)
Less impact of stock-based compensation and depreciation and amortization	12,386	8,486	9,062
Adjusted OIBDA	$ (16,891)	(3,528)	(16,416)

Revenue

Revenue decreased $7.4 million and increased $9.2 million for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The decrease in revenue in 2019 was primarily due to a license agreement in the prior year, partially offset by increased net revenue from existing customers, coupled with new customer growth. The increase in revenue in 2018 was primarily due to a new license agreement. On February 16, 2018, Skyhook entered into a license agreement pursuant to which Skyhook agreed to grant to the licensee a perpetual, non-exclusive, non-transferable, worldwide license to patents and patent applications owned by Skyhook. In exchange for this grant, the licensee agreed to pay a one-time lump sum payment of $8.5 million that was recognized as revenue during the three months ended March 31, 2018.

Operating expense and selling, general and administrative expenses

Operating and selling, general and administrative expenses, increased collectively by $6.0 million and decreased by $3.7 million for December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The increase in operating expenses in 2019 was primarily due to increased personnel, data acquisition and cloud computing costs. The increase in selling, general and administrative expense in 2019 was primarily due to increased professional service fees at the corporate level of $4.6 million. During the year ended December 31, 2019, this increase was partially offset by decreased costs associated with entering into the license agreement in the prior year at Skyhook. The decrease in 2018 was primarily as a result of decreased expenses resulting from headcount reductions and other cost containment measures taken by Skyhook in late 2017, partially offset by increased legal expenses of $976 thousand and other costs associated with the license agreement.

Stock-based compensation

Stock-based compensation expense increased $4.8 million and $415 thousand for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The increase in stock-based compensation during 2019 was primarily due to an increase in the number of restricted stock units of Liberty Broadband Series C common stock granted during the first quarter of 2019. The increase in stock-based compensation during 2018 was primarily due to an increase in the fair value of outstanding awards under Skyhook's long-term incentive plans as of December 31, 2018 as compared to December 31, 2017, coupled with additional grants of awards and the ongoing vestings of outstanding grants.

Depreciation and amortization

Depreciation and amortization decreased $904 thousand and $991 thousand for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The decrease in depreciation and amortization expense during 2019 and 2018 was due to certain assets becoming fully depreciated.

Operating Income (Loss)

Operating income (loss) declined $17.3 million and improved $13.5 million for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods, due to the items discussed above.

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 businesses and make decisions about allocating resources among our businesses. 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.

Adjusted OIBDA declined $13.4 million and improved $12.9 million in the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. Adjusted OIBDA for the years ended December 31, 2019, 2018 and 2017 included $12.2 million, $6.7 million, and $6.9 million of corporate selling, general and administrative expenses, respectively. The decrease in Adjusted OIBDA for the year ended December 31, 2019 is due to decreased revenue of $7.4 million, discussed above, coupled with higher operating and selling, general and administrative expenses, discussed above. The increase in Adjusted OIBDA for the year ended December 31, 2018 is due to increased revenue of $9.2 million, discussed above, coupled with lower operating expenses of $3.7 million, discussed above.

Other Income and Expense:

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

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Other income (expense):			
Interest expense	$ (25,166)	(23,302)	(19,570)
Share of earnings (losses) of affiliate	286,401	166,146	2,508,991
Gain (loss) on dilution of investment in affiliate	(79,329)	(43,575)	(17,872)
Realized and unrealized gains (losses) on financial instruments, net	1,170	3,659	3,098
Other, net	1,359	963	1,431
	$ 184,435	103,891	2,476,078

Interest expense

Interest expense increased $1.9 million and $3.7 million during the years ended December 31, 2019 and 2018, respectively. The increase in 2019 was driven by additional amounts outstanding on the credit agreement governing a multi-draw margin loan agreement credit facility entered into in 2017 by a bankruptcy remote wholly owned subsidiary of Liberty Broadband (as amended, the "Amended 2017 Margin Loan") during 2019, as well as an increase in the weighted average interest rate during 2019 compared to the prior year. The increase in 2018 was attributable to additional amounts outstanding on the Amended 2017

Margin Loan during 2018 as compared to the prior year, as well as an increase in our weighted average interest rate and LIBOR during 2018 as compared to the prior year.

Share of earnings (losses) of affiliates

Share of earnings from affiliates increased $120.3 million and decreased $2,342.8 million during the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. Share of earnings (losses) from affiliates is attributable to the Company's ownership interest in Charter. In May 2013, the Company acquired its initial investment in Legacy Charter. Upon acquisition, the Company allocated the excess basis, between the book basis of Legacy Charter and fair value of the shares acquired, and ascribed remaining useful lives of 7 years and 13 years to property and equipment and customer relationships, respectively, and indefinite lives to franchise fees, trademarks and goodwill. Outstanding debt is amortized over the contractual period using the straight-line method. Amortization related to debt and intangible assets with identifiable useful lives is included in the Company's share of earnings (losses) from affiliates line item in the accompanying consolidated statements of operations and aggregated $124 million, $119 million, and $277 million, net of related taxes, for the years ended December 31, 2019, 2018 and 2017, respectively.

The following is a discussion of Charter's stand alone results of operations. In order to provide a better understanding of Charter's operations, we have included a summarized presentation of Charter's results from operations. Charter is a separate publicly traded company and additional information about Charter can be obtained through its website and public filings, which are not incorporated by reference. The amounts included in the table below, derived from Charter's public filings, represent Charter's results for each of the years ended December 31, 2019, 2018 and 2017.

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Revenue	$ 45,764	43,634	41,581
Operating expenses, excluding stock-based compensation	(29,012)	(27,810)	(26,626)
Adjusted OIBDA	16,752	15,824	14,955
Depreciation and amortization	(9,926)	(10,318)	(10,588)
Stock-based compensation	(315)	(285)	(261)
Operating income	6,511	5,221	4,106
Other expenses, net	(4,080)	(3,535)	(3,078)
Net income (loss) before income taxes	2,431	1,686	1,028
Income tax benefit (expense)	(439)	(180)	9,087
Net income (loss)	$ 1,992	1,506	10,115

Charter's revenue increased $2.1 billion during both of the years ended December 31, 2019 and 2018, as compared to the corresponding prior years. Revenue growth primarily reflects increases in the number of residential Internet and commercial business customers, price adjustments as well as the launch of Charter's mobile service in the second half of 2018 offset by a decrease in video customers.

The increase in revenue during 2019 and 2018 was partially offset by the net impact of an increase in operating expenses, excluding stock-based compensation, of $1.2 billion in each of the respective years. Operating costs also increased due to an increase in programming costs as a result of contractual rate adjustments, including renewals and increases in amounts paid for retransmission consents partly offset by lower video customers and pay-per-view during the years ended December 31, 2019 and 2018. Charter expects programming expenses to continue to increase in future periods due to a variety of factors, including annual increases imposed by programmers with additional selling power as a result of media consolidation, increased demands by owners of broadcast stations for payment for retransmission consent or linking carriage of other services to retransmission consent, and additional programming, particularly new services. Charter has been unable to fully pass these increases on to its customers and do not expect to be able to do so in the future without a potential loss of customers.

Operating costs also increased due to incremental mobile costs which were comprised of mobile device costs, and mobile services and operating costs. As Charter continues to launch its mobile service and scale the business, it is expected that these investments will have continued negative impacts on operating costs and Adjusted OIBDA.

Charter's Adjusted OIBDA in 2019 and 2018 increased as a result of the above discussion. Increases in both of these periods primarily were the result of an increase in residential and commercial revenue partially offset by increases in programming costs and other expenses.

Depreciation and amortization expense decreased $392 million and $270 million during the years ended December 31, 2019 and 2018, respectively. The decreases in both years were primarily due to a decrease in depreciation and amortization as certain assets acquired from Legacy TWC and Legacy Bright House become fully depreciated offset by an increase in depreciation as a result of more recent capital expenditures.

Other expenses increased $545 million and $457 million in the years ended December 31, 2019 and 2018, respectively, compared to the corresponding prior year periods. Net interest expense increased by $257 million and $450 million during the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The increase in 2019, as compared to the corresponding prior period, is primarily due to an increase in weighted average debt outstanding of approximately $3.0 billion primarily as a result of the issuance of notes in 2019 for general corporate purposes including stock buybacks and debt repayments, offset by a decrease in weighted average interest rates. The increase in 2018 as compared to the corresponding prior year period was primarily due to an increase in weighted average debt outstanding of approximately $6.6 billion primarily as a result of the issuance of notes in 2018 for general corporate purposes including stock buybacks. In addition, other expenses increased in 2019, as compared to the corresponding prior year period, due to other pension costs primarily as a result of a remeasurement loss recorded in 2019 versus a remeasurement gain in 2018.

Income tax expense increased $259 million and $9.3 billion during the years ended December 31, 2019 and 2018, respectively, compared to the corresponding prior year periods. The income tax expense in 2019 was primarily the result of higher pretax income and lower benefit from state tax rate changes. The income tax benefit for the year ended December 31, 2017 of $9.1 billion was primarily due to the impact of the 2017 tax reform, which was enacted on December 22, 2017.

Gain (loss) on dilution of investment in equity affiliate

The loss on dilution of investment in affiliate during 2019 and 2018 is primarily due to the issuance of Charter common stock from the exercise of stock options held by employees and other third parties, as prices below Liberty Broadband's book basis per share. As Liberty Broadband's ownership in Charter changes due to exercises of Charter warrants and stock options, a loss is recorded with the effective sale of common stock, because the exercise price of Charter warrants or stock options is typically lower than the book value of the Charter shares held by Liberty Broadband.

Realized and unrealized gains (losses) on financial instruments, net

Realized and unrealized gains on financial instruments, net decreased $2.5 million and increased $0.6 million for each of the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The realized gains during the years ended December 31, 2019, 2018 and 2017 were related to zero-strike call options (see note 4 in the accompanying consolidated financial statements for additional discussion).

Other, net

Other, net increased $396 thousand and decreased $468 thousand for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. The increase in 2019 was primarily due to increases in dividend and interest income as a result of higher interest rates in the current year. The decrease in 2018 was primarily due to decreases in dividend and interest income as a result of lower cash balances during 2018.

Income taxes

Our effective tax rate for the years ended December 31, 2019, 2018 and 2017 was 24%, 24% and 17%, respectively. During 2019, our effective tax rate was higher than the federal tax rate of 21% primarily due to state income taxes. During 2018, our effective tax rate was higher than the federal tax rate of 21% primarily due to state income taxes, partially offset by unrealized gains attributable to the Company's own stock which is not recognized for tax purposes. During 2017, our effective tax rate was lower than the federal tax rate of 35% primarily due to the effect of changes in the U.S. federal corporate tax rate from 35% to 21% on deferred taxes partially offset by the effect of state income taxes.

Net earnings (losses)

We had net earnings of $117.2 million, $70.0 million and $2,033.7 million for the years ended December 31, 2019, 2018 and 2017, respectively. The change in net earnings (losses) was the result of the above-described fluctuations in our revenue, expenses and other gains and losses.

Liquidity and Capital Resources

As of December 31, 2019, substantially all of our cash and cash equivalents are invested in U.S. Treasury securities, other government securities or government guaranteed funds, AAA rated money market funds and other highly rated financial and corporate debt instruments.

The following are potential sources of liquidity: available cash balances, cash generated by the operating activities of our privately-owned subsidiaries (to the extent such cash exceeds the working capital needs of the subsidiaries and is not otherwise restricted), proceeds from asset sales, monetization of our other investments, outstanding debt facilities including $425 million available to be drawn under our Amended 2017 Margin Loan Agreement until August 19, 2020, debt and equity issuances, and dividend and interest receipts.

As of December 31, 2019, Liberty Broadband had a cash balance of $49.7 million.

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Cash flow information			
Net cash provided (used) by operating activities	$ (37,563)	(26,260)	(30,031)
Net cash provided (used) by investing activities	$ (500)	(41)	(56)
Net cash provided (used) by financing activities	$ 4,684	28,147	(94,384)

The increase in cash used by operating activities in 2019 was primarily driven by the decrease in operating income, offset slightly by timing differences in working capital accounts.

The decrease in cash used by operating activities in 2018 was primarily driven by the increase in operating income, as well as the timing of differences in cash receipts and payments.

During the year ended December 31, 2019, net cash flows provided by financing activities were primarily from additional borrowing on the Amended 2017 Margin Loan Facility and the settlement of zero-strike call options, partially offset by the purchase of zero-strike call options and payment of withholding taxes on net settlements of stock-based compensation.

During the year ended December 31, 2018, net cash flows from financing activities were primarily related to the settlement of zero-strike call options, as well as the modification to the Amended 2017 Margin Loan Agreement and a drawdown of $25 million on the Amended 2017 Margin Loan Agreement. During the year ended December 31, 2017, net cash flows from financing activities were primarily related to the net debt repayments of $103 million and settlement of zero-strike call options.

The projected use of our cash will be primarily to fund any operational needs of our subsidiary, to service debt, to reimburse Liberty for amounts due under various agreements, to fund potential investment opportunities, and refinance Liberty Broadband's margin loan, under its Amended 2017 Margin Loan Agreement, maturing in 2021. We expect corporate cash to cover these expenses for the foreseeable future.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

Information about the amount and timing of required payments, both accrued and off-balance sheet, under our contractual obligations, without uncertain tax positions as it is indeterminable when payments will be made, is summarized below.

	Payments due by period				
	Total	Less than 1 year	2 - 3 years	4 - 5 years	After 5 years
	amounts in thousands				
Consolidated contractual obligations					
Long-term debt	$ 575,000	—	575,000	—	—
Interest payments (1)	$ 36,613	22,236	14,377	—	—
Other	$ 2,634	1,762	872	—	—
Total	$ 614,247	23,998	590,249	—	—

(1) Amounts (i) are based on our understanding of debt at December 31, 2019, (ii) assume the interest rates on our variable debt remain constant at the December 31, 2019 rates and (iii) assume that our existing debt is repaid at maturity.

Critical Accounting Estimates and Policies

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 and accounting policies 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. All of these accounting estimates and assumptions, as well as the resulting impact to our financial statements, have been discussed with our audit committee.

Application of the Equity Method of Accounting for Investments in Affiliates. For those investments in affiliates 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. The Company determines the difference between the purchase price of the investee and the underlying equity which results in an excess basis in the investment. This excess basis is allocated to the underlying assets and liabilities of the Company's investee through a purchase accounting exercise and is allocated within memo accounts used for equity accounting purposes. Depending on the applicable underlying assets, these amounts are either amortized over the applicable useful lives or determined to be indefinite lived.

Changes in the Company's proportionate share of the underlying equity of an equity method investee, which result from the issuance of additional equity securities by such equity investee, to investors other than the Company, are recognized in the statement of operations through the gain (loss) on dilution of investment in affiliate line item. We periodically evaluate our equity method investment to determine if decreases in fair value below our cost basis are other than temporary. If a decline in fair value is determined to be other than temporary, we are required to reflect such decline in our consolidated statement of operations. Other than temporary declines in fair value of our equity method investment would be included in share of earnings (losses) of affiliates in our consolidated statement of operations.

The primary factors we consider in our determination of whether declines in fair value are other than temporary are the length of time that the fair value of the investment is below our carrying value; the severity of the decline; and the financial condition, operating performance and near term prospects of the investee. In addition, we consider the reason for the decline in fair value, be it general market conditions, industry specific or investee specific; analysts' ratings and estimates of 12 month share price targets for the investee; changes in stock price or valuation subsequent to the balance sheet date; and our intent and ability to hold the investment for a period of time sufficient to allow for a recovery in fair value. Fair value of our publicly traded cost and equity investments is based on the market prices of the investments at the balance sheet date. Impairments are calculated as the difference between our carrying value and our estimate of fair value. As our assessment of the fair value of our investments and any resulting impairment losses and the timing of when to recognize such charges requires judgment and includes estimates and assumptions, actual results could differ materially from our estimates and assumptions.

Our evaluation of the fair value of our investments and any resulting impairment charges are made as of the most recent balance sheet date. Changes in fair value subsequent to the balance sheet date due to the factors described above are possible. Subsequent decreases in fair value will be recognized in our consolidated statement of operations in the period in which they occur to the extent such decreases are deemed to be other than temporary. Subsequent increases in fair value will be recognized in our consolidated statement of operations only upon our ultimate disposition of the investment.

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.

Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risk in the normal course of business due to our ongoing investing and financial activities. Market risk refers to the risk of loss arising from adverse changes in stock prices and interest 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 could 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 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. In the future, we could 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, 2019, 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
dollar amounts in millions			
$ 575	3.4%	$ —	NA

Our stock in Charter (our equity method affiliate) is publicly traded and not reflected at fair value in our balance sheet. Our investment in Charter is also subject to market risk that is not directly reflected in our financial statements.

Financial Statements and Supplementary Data.

The consolidated financial statements of Liberty Broadband Corporation are included herein, beginning on Page F-18.

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

None.

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, 2019 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 F-14 for *Management's Report on Internal Control Over Financial Reporting.*

See page F-15 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, 2019 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

Other Information.

None.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Liberty Broadband Corporation’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, 2019, 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, 2019, its internal control over financial reporting is effective.

The Company's independent registered public accounting firm that audited the consolidated financial statements and related disclosures in the Annual Report has issued an audit report on the effectiveness of the Company's internal control over financial reporting. This report appears on page F-15 of this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty Broadband Corporation:

Opinion on Internal Control Over Financial Reporting

We have audited Liberty Broadband Corporation and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2019, 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, 2019, 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, 2019 and 2018, 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, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated February 3, 2020 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 3, 2020

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty Broadband Corporation:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Liberty Broadband Corporation and subsidiaries (the Company) as of December 31, 2019 and 2018, 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, 2019, 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, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2019, 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, 2019, 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 3, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 5 to the consolidated financial statements, the Company's equity method investee, Charter Communications, Inc. (Charter), has changed its method of accounting for leases as of January 1, 2019 due to the adoption of Accounting Standard Codification Topic 842, Leases.

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 matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgment. The communication of a critical audit matter 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 matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of Equity Method Accounting for the Company's Investment in Charter

As discussed in Notes 3 and 5 to the consolidated financial statements, the Company has recorded an Investment in Charter of $12.2 billion as of December 31, 2019, accounted for using the equity method. The investment represents 99% of the total assets of the Company as of December 31, 2019. The investment, originally recorded at cost, is adjusted to recognize the Company's share of net earnings or losses as they occur. The Company's investment in Charter differs from the underlying equity of Charter which results in excess basis in the investment. This excess basis is allocated to the underlying assets and liabilities of the Company's investee within memo accounts used for equity accounting.

We identified the evaluation of the equity method of accounting for the Company's investment in Charter as a critical audit matter. Evaluating the Company's application of the equity method of accounting for the Company's investment in Charter required a higher degree of auditor judgment given the nature and extent of audit effort required to address the matter, including the involvement of valuation professionals with specialized skills and knowledge.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's application of its equity method accounting, including the related share of earnings calculation, allocation of excess basis to the memo accounts, and the associated amortization. We performed risk assessment procedures, including sensitivity analyses, and applied auditor judgment to determine the nature and extent of procedures to be performed over the investment. We recalculated (1) the Company's share of earnings of Charter, (2) the allocation of excess basis to the memo accounts, and (3) the related excess basis amortization. We involved valuation professionals with specialized skills and knowledge, who assisted in assessing the allocation of the excess basis, including (1) assessing the valuation methodology used by the Company to estimate the fair value of Charter's assets and liabilities by comparison to generally accepted valuation methodologies, (2) assessing the identification of marketplace transactions used in the model by considering the comparability to Charter, and (3) assessing the allocation of excess basis to the underlying assets and liabilities of Charter by considering comparability to other market transactions.

/s/ KPMG LLP

We have served as the Company's auditor since 2014

Denver, Colorado
February 3, 2020

LIBERTY BROADBAND CORPORATION

Consolidated Balance Sheets

December 31, 2019 and 2018

	2019	2018
	amounts in thousands	
Assets		
Current assets:		
Cash and cash equivalents	$ 49,724	83,103
Other current assets	2,409	1,471
Total current assets	52,133	84,574
Investment in Charter, accounted for using the equity method (note 5)	12,194,674	12,004,376
Other assets	9,535	9,487
Total assets	$ 12,256,342	12,098,437
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,168	3,504
Deferred revenue and other current liabilities	5,971	4,691
Total current liabilities	12,139	8,195
Debt (note 6)	572,944	522,928
Deferred income tax liabilities (note 7)	999,757	965,829
Other liabilities	3,556	2,867
Total liabilities	1,588,396	1,499,819
Equity		
Preferred stock, $.01 par value. Authorized 50,000,000 shares; no shares issued	—	—
Series A common stock, $.01 par value. Authorized 500,000,000 shares; issued and outstanding 26,493,197 and 26,311,681 at December 31, 2019 and 2018, respectively	265	263
Series B common stock, $.01 par value. Authorized 18,750,000 shares; issued and outstanding 2,451,920 and 2,454,520 at December 31, 2019 and 2018, respectively	25	25
Series C common stock, $.01 par value. Authorized 500,000,000 shares; issued and outstanding 152,956,316 and 152,591,939 at December 31, 2019 and 2018, respectively	1,529	1,526
Additional paid-in capital	7,890,084	7,938,357
Accumulated other comprehensive earnings, net of taxes	8,158	7,778
Retained earnings (accumulated deficit)	2,767,885	2,650,669
Total equity	10,667,946	10,598,618
Commitments and contingencies (note 11)		
Total liabilities and equity	$ 12,256,342	12,098,437

See accompanying notes to consolidated financial statements.

LIBERTY BROADBAND CORPORATION

Consolidated Statements of Operations

Years Ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in thousands, except per share amounts		
Revenue:			
Software sales	$ 14,859	22,256	12,320
Service	—	—	772
Total revenue	14,859	22,256	13,092
Operating costs and expenses			
Operating, including stock-based compensation (note 9)	9,450	7,994	10,735
Selling, general and administrative, including stock-based compensation (note 9)	32,811	23,497	24,065
Depreciation and amortization	1,875	2,779	3,770
	44,136	34,270	38,570
Operating income (loss)	(29,277)	(12,014)	(25,478)
Other income (expense):			
Interest expense	(25,166)	(23,302)	(19,570)
Share of earnings (losses) of affiliate (note 5)	286,401	166,146	2,508,991
Gain (loss) on dilution of investment in affiliate (note 5)	(79,329)	(43,575)	(17,872)
Realized and unrealized gains (losses) on financial instruments, net (note 4)	1,170	3,659	3,098
Other, net	1,359	963	1,431
Earnings (loss) before income taxes	155,158	91,877	2,450,600
Income tax benefit (expense)	(37,942)	(21,924)	(416,933)
Net earnings (loss) attributable to Liberty Broadband shareholders	$ 117,216	69,953	2,033,667
Basic earnings (loss) attributable to Series A, Series B and Series C Liberty Broadband shareholders per common share (note 3)	$ 0.65	0.39	11.19
Diluted net earnings (loss) attributable to Series A, Series B and Series C Liberty Broadband shareholders per common share (note 3)	$ 0.64	0.38	11.10

See accompanying notes to consolidated financial statements.

LIBERTY BROADBAND CORPORATION

Consolidated Statements of Comprehensive Earnings (Loss)

Years ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in thousands		
Net earnings (loss)	$ 117,216	69,953	2,033,667
Other comprehensive earnings (loss), net of taxes:			
Share of other comprehensive earnings (loss) of equity affiliate and other	380	(172)	768
Other	—	(474)	—
Other comprehensive earnings (loss), net of taxes	380	(646)	768
Comprehensive earnings (loss) attributable to Liberty Broadband shareholders	$ 117,596	69,307	2,034,435

See accompanying notes to consolidated financial statements.

LIBERTY BROADBAND CORPORATION

Consolidated Statements of Cash Flows

Years ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in thousands		
Cash flows from operating activities:			
Net earnings (loss)	$ 117,216	69,953	2,033,667
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,875	2,779	3,770
Stock-based compensation	10,511	5,707	5,292
Cash payments for stock-based compensation	(209)	(342)	(525)
Share of (earnings) losses of affiliate, net	(286,401)	(166,146)	(2,508,991)
(Gain) loss on dilution of investment in affiliate	79,329	43,575	17,872
Realized and unrealized (gains) losses on financial instruments, net	(1,170)	(3,659)	(3,098)
Deferred income tax expense (benefit)	37,940	21,569	416,838
Other, net	1,680	1,838	2,030
Changes in operating assets and liabilities:			
Current and other assets	(820)	1,476	2,310
Payables and other liabilities	2,486	(3,010)	804
Net cash provided by operating activities	(37,563)	(26,260)	(30,031)
Cash flows from investing activities:			
Capital expended for property and equipment	(500)	(41)	(70)
Other investing activities, net	—	—	14
Net cash used in investing activities	(500)	(41)	(56)
Cash flows from financing activities:			
Borrowings of debt	50,000	158,000	500,000
Repayments of debt	—	(133,000)	(600,000)
Proceeds (payments) from issuances of financial instruments	(46,330)	(142,824)	(149,368)
Proceeds (payments) from settlements of financial instruments	47,500	146,483	155,683
Payment to former parent under tax sharing agreement related to net settlement of Awards	(49,718)	—	—
Other financing activities, net	3,232	(512)	(699)
Net cash provided by (used in) financing activities	4,684	28,147	(94,384)
Net increase (decrease) in cash, cash equivalents and restricted cash	(33,379)	1,846	(124,471)
Cash, cash equivalents and restricted cash, beginning of period	83,103	81,257	205,728
Cash, cash equivalents and restricted cash, end of period	$ 49,724	83,103	81,257

Supplemental disclosure to the consolidated statements of cash flows:

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Cash paid for interest	$ 23,908	21,948	17,496
Cash paid (received) for taxes	$ 5	(730)	(1,787)

See accompanying notes to consolidated financial statements.

LIBERTY BROADBAND CORPORATION

Consolidated Statements of Equity

Years ended December 31, 2019, 2018 and 2017

	Preferred Stock	Common stock Series A	Common stock Series B	Common stock Series C	Additional paid-in capital	Accumulated other comprehensive earnings	Retained earnings (accumulated deficit)	Total equity
					amounts in thousands			
Balance at December 31, 2016	$ —	262	25	1,530	7,945,883	7,656	517,736	8,473,092
Net earnings (loss)	—	—	—	—	—	—	2,033,667	2,033,667
Other comprehensive earnings (loss)	—	—	—	—	—	768	—	768
Stock-based compensation	—	—	—	—	5,358	—	—	5,358
Issuance of common stock upon exercise of stock options	—	—	—	1	2,456	—	—	2,457
Cumulative effect of accounting change at Charter	—	—	—	—	—	—	17,361	17,361
Non-cash settlement of financial instrument	—	—	—	(5)	(45,797)	—	—	(45,802)
Balance at December 31, 2017	—	262	25	1,526	7,907,900	8,424	2,568,764	10,486,901
Net earnings (loss)	—	—	—	—	—	—	69,953	69,953
Other comprehensive earnings (loss)	—	—	—	—	—	(646)	—	(646)
Stock-based compensation	—	—	—	—	5,402	—	—	5,402
Issuance of common stock upon exercise of stock options	—	1	—	—	737	—	—	738
Cumulative effect of accounting change (note 3)	—	—	—	—	—	—	1,223	1,223
Cumulative effect of accounting change at Charter	—	—	—	—	—	—	10,729	10,729
Noncontrolling interest activity at Charter	—	—	—	—	24,318	—	—	24,318
Balance at December 31, 2018	—	263	25	1,526	7,938,357	7,778	2,650,669	10,598,618
Net earnings (loss)	—	—	—	—	—	—	117,216	117,216
Other comprehensive earnings (loss)	—	—	—	—	—	380	—	380
Stock-based compensation	—	—	—	—	10,216	—	—	10,216
Issuance of common stock upon exercise of stock options	—	—	—	1	4,481	—	—	4,482
Payment to former parent under tax sharing agreement related to net settlement of Awards	—	—	—	—	(49,921)	—	—	(49,921)
Noncontrolling interest activity at Charter and other	—	2	—	2	(13,049)	—	—	(13,045)
Balance at December 31, 2019	$ —	265	25	1,529	7,890,084	8,158	2,767,885	10,667,946

See accompanying notes to consolidated financial statements.

(1) Basis of Presentation

During May 2014, the board of directors of Liberty Media Corporation and its subsidiaries ("Liberty") authorized management to pursue a plan to spin-off to its stockholders common stock of a wholly-owned subsidiary, Liberty Broadband Corporation ("Liberty Broadband" or the "Company"), and to distribute subscription rights to acquire shares of Liberty Broadband's common stock (the "Broadband Spin-Off"). At the time of the Broadband Spin-off, Liberty Broadband was comprised of (i) Liberty's former interest in Charter Communications, Inc. ("Legacy Charter"), (ii) Liberty's former wholly-owned subsidiary TruePosition, Inc. ("TruePosition"), (iii) Liberty's former minority equity investment in Time Warner Cable, Inc. ("Time Warner Cable"), (iv) certain deferred tax liabilities, as well as liabilities related to the Time Warner Cable written call options and (v) initial indebtedness, pursuant to margin loans entered into prior to the completion of the Broadband Spin-Off. These financial statements refer to Liberty Broadband Corporation as "Liberty Broadband," "the Company," "us," "we" and "our" in the notes to the consolidated financial statements. The Broadband Spin-Off was accounted for at historical cost due to the pro rata nature of the distribution to holders of Liberty common stock.

In the Broadband Spin-Off, record holders of Liberty Series A, Series B and Series C common stock received one-fourth of a share of the corresponding series of Liberty Broadband common stock for each share of Liberty common stock held by them, with cash paid in lieu of fractional shares. In addition, following the completion of the Broadband Spin-Off, on December 10, 2014, Liberty Broadband stockholders received a subscription right to acquire one share of Series C Liberty Broadband common stock for every five shares of Liberty Broadband common stock. See note 8 for additional information related to the rights offering.

Following the Broadband Spin-Off, Liberty and Liberty Broadband operate as separate, publicly traded companies, and neither has any stock ownership, beneficial or otherwise, in the other. In connection with the Broadband Spin-Off, Liberty (for accounting purposes a related party of the Company) and Liberty Broadband entered into certain agreements in order to govern certain of the ongoing relationships between the two companies after the Broadband Spin-Off and to provide for an orderly transition. These agreements include a reorganization agreement, a services agreement, a facilities sharing agreement and a tax sharing agreement.

The reorganization agreement provides for, among other things, the principal corporate transactions (including the internal restructuring) required to effect the Broadband Spin-Off, certain conditions to the Broadband Spin-Off and provisions governing the relationship between Liberty Broadband and Liberty with respect to and resulting from the Broadband Spin-Off. The tax sharing agreement provides for the allocation and indemnification of tax liabilities and benefits between Liberty and Liberty Broadband and other agreements related to tax matters. Pursuant to the services agreement, Liberty provides Liberty Broadband with general and administrative services including legal, tax, accounting, treasury and investor relations support. See below for a description of an amendment to the services agreement in December 2019. Under the facilities sharing agreement, Liberty Broadband shares office space with Liberty and related amenities at Liberty's corporate headquarters. Liberty Broadband will reimburse Liberty for direct, out-of-pocket expenses incurred by Liberty in providing these services which will be negotiated semi-annually. Under these various agreements, amounts reimbursable to Liberty were approximately $54.2 million and $3.5 million for the years ended December 31, 2019 and 2018, respectively.

In December 2019, the Company entered into an amendment to the services agreement with Liberty in connection with Liberty's entry into a new employment arrangement with Gregory B. Maffei, the Company's President and Chief Executive Officer. Under the amended services agreement, components of his compensation will either be paid directly to him by each of the Company, Liberty TripAdvisor Holdings, Inc., GCI Liberty, Inc., and Qurate Retail, Inc. (collectively, the "Service Companies") or reimbursed to Liberty, in each case, based on allocations among Liberty and the Service Companies set forth in the amended services agreement, currently set at 18% for the Company. The new agreement 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, 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, 2019 related to our company's allocable portion of these upfront awards.

On May 18, 2016, Time Warner Cable merged with Charter (the "Time Warner Cable Merger"). In connection with the Time Warner Cable Merger, Legacy Charter underwent a corporate reorganization, resulting in CCH I, LLC ("Charter"), a former subsidiary of Charter, becoming the new publicly traded parent company. Also on May 18, 2016, the previously announced acquisition of Bright House Networks, LLC ("Bright House") from Advance/Newhouse Partnership ("A/N") by Charter (the "Bright House Transaction") was completed. In connection with the Time Warner Cable Merger and Bright House Transaction, Liberty Broadband entered into certain agreements with Legacy Charter, Charter (for accounting purposes a related party of the Company), Liberty Interactive Corporation ("Liberty Interactive" (now known as Qurate Retail, Inc.), for accounting purposes a related party of the Company) and Time Warner Cable. As a result of the Time Warner Cable Merger and Bright House Transaction (collectively, the "Transactions"), Liberty Broadband exchanged its shares of Time Warner Cable for shares of Charter and purchased additional shares of Charter. As a result, and pursuant to proxy agreements with GCI Liberty, Inc. (the "GCI Liberty Agreement") and A/N (the "A/N Proxy"), Liberty Broadband controls 25.01% of the aggregate voting power of Charter. See note 5 for additional detail regarding these transactions and corresponding agreements.

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and represent the historical consolidated financial information of Skyhook, the Company's interest in Charter, the Company's former minority equity investment in Time Warner Cable and certain deferred tax liabilities. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements.

(2) Description of Business

Skyhook Holding, Inc. (formerly known as TruePosition) was originally incorporated on November 24, 1992 to provide technology for locating wireless phones and other mobile devices. TruePosition offered a passive network-based location system based on its patented U-TDOA technology ("U-TDOA Service") to provide E-9-1-1 services domestically and to enhance services in support of commercial applications and national security law enforcement worldwide. In February 2014, TruePosition acquired 100% of the outstanding common shares of Skyhook Wireless, Inc., for approximately $57.5 million in cash. Skyhook Wireless, Inc. was an alternative location services provider that offered a positioning system that used device-based measurements, as opposed to TruePosition's network-based technology.

In May 2016, TruePosition and Skyhook Wireless, Inc. combined operations in order to focus on the development and sale of Skyhook's device-based location technology, and TruePosition subsequently changed its name to Skyhook Holding, Inc. Skyhook Holding, Inc. and Skyhook Wireless, Inc. are referred to collectively herein as "Skyhook."

Today, Skyhook markets and sells two primary products: (1) a location determination service called the Precision Location Solution; and (2) a location intelligence and data insights service called Geospatial Insights.

Skyhook's Precision Location Solution works by collecting nearby radio signals (such as information from WiFi access points, cell towers, IP addresses and other radio beacons) that are observed by a mobile device. Skyhook's Geospatial Insights product uses location data to analyze foot traffic patterns and better understand the real-world behavior of consumers. Skyhook's revenue is derived from the sale and integration of its Precision Location Solution (including the licensing of software and data components that make up that solution) and the licensing of Geospatial Insights data. In addition, Skyhook earns revenue through entering into licensing agreements with companies to utilize its underlying intellectual property (including patents).

Charter is the second largest cable operator in the United States and a leading broadband communications services company providing video, Internet and voice services to approximately 29.2 million residential and small and medium business customers at December 31, 2019. Charter offers mobile services to residential customers and recently launched mobile service to small and medium business customers. In addition, Charter sells video and online advertising inventory to local, regional and national advertising customers and tailored communications and managed solutions to larger enterprise customers. Charter also owns and operates regional sports networks and local sports, news and community channels.

(3) Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash consists of cash deposits held in global financial institutions. Cash equivalents consist of highly liquid investments with original maturities of three months or less at the time of acquisition. Cash that has restrictions upon its usage has been excluded from cash and cash equivalents.

Derivative Instruments and Hedging Activities

All of the Company's derivatives, whether designated in hedging relationships or not, are recorded on the balance sheet at fair value. None of the Company's derivatives are currently designated as hedges, as a result, changes in the fair value of the derivative are recognized in earnings.

The fair value of certain of the Company's derivative instruments are estimated using the Black Scholes Merton option-pricing model ("Black-Scholes model"). The Black-Scholes 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 obtained 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 was 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 was required in estimating the Black-Scholes variables. The Company had no outstanding derivative instruments at December 31, 2019 or December 31, 2018.

Investment in Equity Method Affiliate

For those investments in affiliates 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. The Company determines the difference between the purchase price of the investee and the underlying equity which results in an excess basis in the investment. This excess basis is allocated to the underlying assets and liabilities of the Company's investee through a purchase accounting exercise and is allocated within memo accounts used for equity accounting purposes. Depending on the applicable underlying assets, these amounts are either amortized over the applicable useful lives or determined to be indefinite lived. Changes in the Company's proportionate share of the underlying equity of an equity method investee, which result from the issuance of additional equity securities by such equity investee, are recognized in the statement of operations through the gain (loss) on dilution of investment in affiliate line item. We periodically evaluate our equity method investment to determine if decreases in fair value below our cost basis are other than temporary. If a decline in fair value is determined to be other than temporary, we are required to reflect such decline in our consolidated statement of operations. Other than temporary declines in fair value of our equity method investment would be included in share of earnings (losses) of affiliate in our consolidated statement of operations.

The primary factors we consider in our determination of whether declines in fair value are other than temporary are the length of time that the fair value of the investment is below our carrying value; the severity of the decline; and the financial condition, operating performance and near term prospects of the investee. In addition, we consider the reason for the decline in fair value, be it general market conditions, industry specific or investee specific; analysts' ratings and estimates of 12 month share price targets for the investee; changes in stock price or valuation subsequent to the balance sheet date; and our intent and ability to hold the investment for a period of time sufficient to allow for a recovery in fair value. Fair value of our publicly traded cost and equity investments is based on the market prices of the investments at the balance sheet date. Impairments are calculated as the difference between our carrying value and our estimate of fair value. As our assessment of the fair value of our investments and any resulting impairment losses and the timing of when to recognize such charges requires judgment and includes estimates and assumptions, actual results could differ materially from our estimates and assumptions.

As Liberty Broadband does not control the decision making process or business management practices of our affiliate accounted for using the equity method, Liberty Broadband relies on management of its affiliate to provide it with accurate financial information prepared in accordance with GAAP that the Company uses in the application of the equity method. In addition, Liberty Broadband relies on the audit reports that are provided by the affiliate's independent auditors on the financial statements of such affiliate. The Company is not aware, however, of any errors in or possible misstatements of the financial information provided by its equity affiliate that would have a material effect on Liberty Broadband's consolidated financial statements. See note 5 for additional discussion regarding our investment in Charter and the Transactions that occurred during the second quarter of 2016.

Foreign Currency Translation and Transaction Gains and Losses

The functional currency of the Company is the United States ("U.S.") dollar. 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.

Revenue Recognition

As of January 1, 2018, the Company adopted the Accounting Standards Updates ("ASU") amending revenue recognition guidance using the modified retrospective method for all contracts reflecting the aggregate effect of modifications prior to the date of adoption. Results for reporting periods beginning after January 1, 2018 are presented under the new guidance, while prior period amounts were not adjusted and continue to be reported under the accounting standards in effect for those periods.

Upon adoption, we recognized a net cumulative effect of applying the new revenue guidance as a net increase to the opening balance of retained earnings of $1.2 million, as well as an increase to other current assets of $0.3 million, an increase to deferred income tax liabilities of $0.4 million and a decrease to deferred revenue and other current liabilities of $1.3 million, primarily due to changes in the timing of revenue recognition. The impact of the new accounting guidance to our consolidated statement of operations was not meaningful for the years ended December 31, 2019 and 2018, and we do not expect it to be meaningful going forward.

Skyhook earns revenue from the sale and integration of its Precision Location Solution (including the licensing of software and data components that make up that solution) and the licensing of Geospatial Insights data. In addition, Skyhook earns revenue through entering into licensing agreements with companies to utilize its underlying intellectual property.

Revenue is recognized upon transfer of control of promised products or services to its customers in an amount that reflects the consideration expected to be received in exchange for those products and services.

Skyhook sells its Precision Location Solution and Geospatial Insights data via fixed fee, usage basis or revenue share licensing arrangements. Revenue for fixed fee arrangements is recognized on a straight-line basis over the performance period. Revenue for usage based contracts or revenue share arrangements is recognized upon transfer of the service to its customers. Contracts with customers often include multiple products and services, which in general are not distinct within the context of the contract. Transaction prices of individual products and services are not allocated to specific performance obligations and are recognized ratably.

Skyhook recognizes fees received from intellectual property licensing at the inception of a license term for perpetual licenses when there are no ongoing performance obligations. Revenue recognition is deferred when there are ongoing performance obligations. In such circumstances, revenue would be allocated to the performance obligation and recognized upon the transfer of control of the promised product or service.

Deferred Revenue. At January 1, 2019, deferred revenue liabilities consisted of $4.3 million and $1.9 million, included in deferred revenue and other current liabilities and other liabilities, respectively. Of this $6.2 million that was recorded as deferred revenue, $4.3 million was recognized as revenue during the year ended December 31, 2019. At December 31, 2019, the related balance consisted of $4.8 million and $1.8 million, included in deferred revenue and other current liabilities, and other liabilities, respectively. Of this $6.6 million that was recorded as deferred revenue, we expect to recognize approximately 97% over the next three years.

At January 1, 2018, deferred revenue liabilities consisted of $4.5 million and $2.3 million, included in deferred revenue and other current liabilities, and other liabilities, respectively. Of this $6.8 million that was recorded as deferred revenue, $4.2 million was recognized as revenue during the year ended December 31, 2018. At December 31, 2018, the related balance consisted of $4.3 million and $1.9 million, included in deferred revenue and other current liabilities, and other liabilities, respectively.

Accounting Policies Elected. The Company elected to exclude all taxes assessed by a governmental authority from the measurement of the transaction price.

Practical Expedients Utilized. The Company has elected to apply the new revenue guidance only to those contracts that were not completed contracts as of December 31, 2017 and considered contract modifications that occurred prior to January 1, 2018 as combined with the original contract. Subsequent to January 1, 2018, the Company considers each modification separately in accordance with the new guidance.

Significant Judgments. The Company estimates variable consideration at the most likely amount to which we expect to be entitled. The estimate of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of our anticipated performance and all historical, current and forecast information that is reasonably available to us.

Stock-Based Compensation

As more fully described in note 9, Liberty Broadband has granted to its directors, employees and employees of certain of its subsidiaries, restricted stock and stock options to purchase shares of Liberty Broadband common stock (collectively, “Awards”). Liberty Broadband 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). Liberty Broadband 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 of Liberty were assumed by Liberty Broadband at the time of the Broadband Spin-Off.

Additionally, Skyhook sponsors long-term incentive plans (“LTIPs”) which provide for the granting of phantom stock units (“PSUs”), and phantom stock appreciation rights (“PARs”) to employees, directors, and consultants of Skyhook. Skyhook measures the cost of employee services received in exchange for awards of equity instruments based on the grant-date fair value of the award and recognizes that cost ratably over the period during which the employee is required to provide service (usually the vesting period of the award). Skyhook measures the cost of employee services received in exchange for awards of liability instruments (such as PSUs and PARs that will be settled in cash) based on the current fair value of the award, and remeasures the fair value of the award at each reporting date. The consolidated statements of operations includes stock-based compensation related to Skyhook awards.

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 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 interest expense in the accompanying consolidated statements of operations. Any accrual of penalties related to underpayment of income taxes on uncertain tax positions is included in other income (expense) 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.

Certain Risks and Concentrations

The Skyhook business is subject to certain risks and concentrations including dependence on relationships with its customers. The Company's largest customers, that accounted for greater than 10% of revenue, aggregated 58% of total revenue for the year ended December 31, 2019, 66% of total revenue for the year ended December 31, 2018 and 57% for the year ended December 31, 2017.

Contingent Liabilities

Periodically, we review 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. We provide 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 financial statements. Significant judgment is required to determine the probability that a liability has been incurred and whether such liability is reasonably estimable. We base accruals made 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 Earnings (Loss)

Comprehensive earnings (loss) consists of net earnings (loss), cumulative foreign currency translation adjustments, unrealized gains and losses on available-for-sale securities, net of tax and the Company's share of the comprehensive earnings (loss) of our equity method affiliate.

Earnings per 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.

	Years ended December 31,		
	2019	2018	2017
	number of shares in thousands		
Basic WASO	181,531	181,325	181,772
Potentially dilutive shares	1,253	1,264	1,374
Diluted WASO	182,784	182,589	183,146

Potential common shares excluded from diluted EPS because their inclusion would be antidilutive for the years ended December 31, 2019, 2018 and 2017 are approximately 309 thousand, 10 thousand and zero, respectively.

Reclasses and adjustments

Certain prior period amounts have been reclassified for comparability with the current year presentation.

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 the application of the equity method of accounting for its affiliates and accounting for income taxes to be its most significant estimates.

(4) 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.

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

	December 31, 2019			December 31, 2018		
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 thousands					
Cash equivalents	$ 48,174	48,174	—	67,329	67,329	—

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 long-term 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 our long-term debt bears interest at a variable rate and therefore is also considered to approximate fair value.

Realized and Unrealized Gains (Losses) on Financial Instruments

Realized and unrealized gains (losses) on financial instruments are comprised of changes in the fair value of the following:

	Years ended December 31,		
	2019	2018	2017
	(amounts in thousands)		
Derivative instruments (1)	1,170	3,659	3,098
	$ 1,170	3,659	3,098

(1) See note 8 for a summary of the Company's zero-strike call option activity.

(5) Investment in Charter Accounted for Using the Equity Method

Through a number of prior years' transactions, Liberty Broadband has acquired an interest in Charter. The investment in Charter is accounted for as an equity method affiliate based on our voting and ownership interest and the board seats held by individuals appointed by Liberty Broadband. As of December 31, 2019, the carrying value of Liberty Broadband's ownership in Charter was approximately $12,195 million. The market value of Liberty Broadband's ownership in Charter as of December 31, 2019 was approximately $26,229 million, which represented an approximate economic ownership of 26% of the outstanding equity of Charter as of that date.

Pursuant to the proxy agreements with GCI Liberty, Inc. and A/N, Liberty Broadband has an irrevocable proxy to vote certain shares of Charter common stock owned beneficially or of record by GCI Liberty, Inc. and A/N following the closing of the Time Warner Cable Merger, for a five year term subject to extension upon the mutual agreement of both parties, subject to certain limitations.

Liberty Broadband's overall voting interest is diluted by the outstanding A/N interest in a subsidiary of Charter because the A/N interest has voting rights in Charter. As a result of the A/N Proxy and the GCI Liberty, Inc. Agreement, Liberty Broadband controls 25.01% of the aggregate voting power of Charter following the completion of the Time Warner Cable Merger and the Bright House Transaction and is Charter's largest stockholder.

Additionally, so long as the A/N Proxy is in effect, if A/N proposes to transfer common units of Charter Communications Holdings, LLC (which units are exchangeable into Charter shares and which will, under certain circumstances, result in the conversion of certain shares of Charter class B common stock into Charter shares) or Charter shares, in each case, constituting either (i) shares representing the first 7.0% of the outstanding voting power of Charter held by A/N or (ii) shares representing the last 7.0% of the outstanding voting power of Charter held by A/N, Liberty Broadband will have a right of first refusal ("ROFR") to purchase all or a portion of any such securities A/N proposes to transfer. The purchase price per share for any securities sold to Liberty Broadband pursuant to the ROFR will be the volume-weighted average price of Charter shares for the two trading day period before the notice of a proposed sale by A/N, payable in cash. Certain transfers are permitted to affiliates of A/N, subject to the transferee entity entering into an agreement assuming the transferor's obligations under the A/N Proxy.

During the years ended December 31, 2019, 2018 and 2017, there was a dilution loss of $79 million, $44 million, and $18 million, respectively, in the Company's investment in Charter. The dilution losses are attributable to stock option exercises by employees and other third parties at prices below Liberty Broadband's book basis per share.

During the years ended December 31, 2019, 2018 and 2017, the Company recorded $380 thousand, $172 thousand and $768 thousand, respectively, of its share of Charter's other comprehensive earnings (loss), net of income taxes. Charter records gains and losses related to the fair value of its interest rate swap agreements which qualify as hedging activities in other comprehensive earnings (loss). The pre-tax portion of Liberty Broadband's share of Charter's other comprehensive earnings was $0.5 million, $0.2 million and $1.2 million for the years ended December 31, 2019, 2018 and 2017, respectively.

The excess basis has been allocated within memo accounts used for equity method accounting purposes as follows (amounts in millions):

	Years ended December 31, 2019	2018
Property and equipment	$ 225	328
Customer relationships	1,043	721
Franchise fees	1,996	1,821
Trademarks	29	29
Goodwill	1,630	1,202
Debt	(9)	(105)
Deferred income tax liability	(817)	(698)
	$ 4,097	3,298

Property and equipment and customer relationships have weighted average remaining useful lives of approximately 5 years and 10 years, respectively, and indefinite lives to franchise fees, trademarks and goodwill. The excess basis of outstanding debt is amortized over the contractual period using the straight-line method. The increase in excess basis for the year ended December 31, 2019, was primarily due to Charter's share buyback program. Included in our share of earnings from Charter of $286 million, $166 million and $2,509 million for the years ended December 31, 2019, 2018 and 2017, respectively, are $124 million, $119 million and $277 million, respectively, of losses, net of taxes, due to the amortization of the excess basis related to assets with identifiable useful lives and debt.

Accounting Changes

Charter adopted the new leasing standard as of January 1, 2019, using the modified retrospective approach with a cumulative-effect adjustment recorded at the beginning of the period of adoption. The new standard resulted in the recording of leased assets and lease liabilities for Charter's operating leases of approximately $1.1 billion and $1.2 billion, respectively, as of January 1, 2019. The difference between the leased assets and lease liabilities primarily represents the prior year end deferred rent liabilities balance, resulting from historical straight-lining of operating leases, which was effectively reclassified upon adoption to reduce the measurement of the leased assets. The adoption of the standard did not have an impact on Charter's shareholders equity, results from operations and cash flows.

Charter adopted several new accounting standards during the year ended December 31, 2018, including the new revenue guidance and guidance related to tax consequences of intra-entity asset transfers (other than the transfer of inventory). Upon adoption of the standards, Charter recognized an increase to total shareholders' equity of $69 million during the year ended December 31, 2018.

Summarized financial information for Charter is as follows:

Consolidated Balance Sheets

	December 31, 2019	December 31, 2018
	amounts in millions	
Current assets	$ 6,537	2,944
Property and equipment, net	34,591	35,126
Goodwill	29,554	29,554
Intangible assets	74,775	76,884
Other assets	2,731	1,622
Total assets	$ 148,188	146,130
Current liabilities	$ 12,385	12,095
Deferred income taxes	17,711	17,389
Long-term debt	75,578	69,537
Other liabilities	3,703	2,837
Equity	38,811	44,272
Total liabilities and equity	$ 148,188	146,130

Consolidated Statements of Operations

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Revenue	$ 45,764	43,634	41,581
Cost and expenses:			
Operating costs and expenses (excluding depreciation and amortization)	29,224	27,860	26,541
Depreciation and amortization	9,926	10,318	10,588
Other operating expenses, net	103	235	346
	39,253	38,413	37,475
Operating income	6,511	5,221	4,106
Interest expense, net	(3,797)	(3,540)	(3,090)
Loss on extinguishment of debt	(25)	—	(40)
Other income (expense), net	(258)	5	52
Income tax (expense) benefit	(439)	(180)	9,087
Net earnings (loss)	1,992	1,506	10,115
Less: Net income attributable to noncontrolling interests	(324)	(276)	(220)
Net Income (loss) attributable to Charter shareholders	$ 1,668	1,230	9,895

(6) Debt

Amended 2017 Margin Loan Facility

On August 19, 2019, a bankruptcy remote wholly owned subsidiary of the Company ("SPV"), entered into Amendment No. 2 to its multi-draw margin loan credit facility (the "Amended 2017 Margin Loan Facility" and, the credit agreement governing such facility, the "Amended 2017 Margin Loan Agreement") with Wilmington Trust, National Association as the successor administrative agent, BNP Paribas, Dublin Branch, as the successor calculation agent, and the lenders thereunder. SPV is permitted, subject to certain funding conditions, to borrow term loans up to an aggregate principal amount equal to $1.0 billion. SPV will also have the ability from time to time to request additional loans in an aggregate principal amount of up to $1.0 billion on an uncommitted basis subject to certain conditions. SPV had borrowed $575 million and $525 million as of December 31, 2019 and 2018, respectively. SPV has $425 million available to be drawn until August 19, 2020. The maturity date of the loans under the Amended 2017 Margin Loan Agreement is August 24, 2021 (except for any incremental loans incurred thereunder to the extent SPV and the incremental lenders agree to a later maturity date). Borrowings under the Amended 2017 Margin Loan Agreement bear interest at the three-month LIBOR rate plus a per annum spread of 1.5%, unless it is unlawful for the applicable lender to fund or maintain loans based on LIBOR or there are material restrictions on the applicable lender to do so, in which case borrowings under the Amended 2017 Margin Loan Agreement will either (a) bear interest at 0.5% plus the higher of (i) the federal funds rate plus ½ of 1%, (ii) the prime rate and (iii) LIBOR plus 1% for each day during such period or (b) be prepaid. Borrowings outstanding under this margin loan bore interest at a rate of 3.4% per annum at December 31, 2019, and was calculated as LIBOR plus 1.5%. Interest is payable quarterly in arrears beginning on September 29, 2017. SPV used available cash and a portion of the proceeds of the loans under the Amended 2017 Margin Loan Facility to repay the two margin loan agreements entered into by a wholly-owned special purpose subsidiary of the Company on October 30, 2014 and two margin loan agreements entered into by another wholly-owned special purpose subsidiary of the Company on March 21, 2016.

The Amended 2017 Margin Loan Agreement contains various affirmative and negative covenants that restrict the activities of SPV (and, in some cases, the Company and its subsidiaries with respect to shares of Charter owned by the Company and its subsidiaries). The Amended 2017 Margin Loan Agreement does not include any financial covenants. The Amended 2017 Margin Loan Agreement also contains restrictions related to additional indebtedness and events of default customary for margin loans of this type.

SPV's obligations under the Amended 2017 Margin Loan Agreement are secured by first priority liens on a portion of the Company's ownership interest in Charter, sufficient for SPV to meet the loan to value requirements under the Amended 2017 Margin Loan Agreement. The Amended 2017 Margin Loan Agreement indicates that no lender party shall have any voting rights with respect to the shares transferred, except to the extent that a lender party buys any shares in a sale or other disposition made pursuant to the terms of the loan agreements. As of December 31, 2019, 6.8 million shares of Charter with a value of $3.3 billion were pledged as collateral pursuant to the Amended 2017 Margin Loan Agreement.

(7) Income Taxes

On December 22, 2017, the U.S. government enacted the Tax Act. The Tax Act made broad and complex changes to the U.S. tax code, the most significant of which was a reduction to the U.S. federal corporate tax rate from 35 percent to 21 percent. The Company reflected the income tax effects of the Tax Act for which the accounting was known as of December 31, 2017. As of December 31, 2018, the Company had completed its analysis of the tax effects of the Tax Act.

Income tax benefit (expense) consists of:

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Current:			
Federal	$ —	—	(11)
State and local	(2)	(355)	(84)
	(2)	(355)	(95)
Deferred:			
Federal	(30,841)	(17,501)	(301,837)
State and local	(7,099)	(4,068)	(115,001)
	(37,940)	(21,569)	(416,838)
Income tax benefit (expense)	$ (37,942)	(21,924)	(416,933)

Income tax benefit (expense) differs from the amounts computed by applying the applicable U.S. federal income tax rate of 21% in 2019 and 2018 and 35% in 2017 as a result of the following:

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Computed expected tax benefit (expense)	$ (32,583)	(19,294)	(857,710)
State and local taxes, net of federal income taxes	(5,414)	(3,831)	(74,805)
Change in valuation allowance	(249)	380	(1,208)
Change in tax rate - other	18	(27)	—
Change in tax rate - U.S. tax reform	—	—	515,773
Derivative instrument	246	768	1,084
Other	40	80	(67)
Income tax (expense) benefit	$ (37,942)	(21,924)	(416,933)

For the year ended December 31, 2019, the significant reconciling item, as noted in the table above, is the result of state income taxes.

For the year ended December 31, 2018, the significant reconciling items, as noted in the table above, are the result of state income taxes, partially offset by unrealized gains attributable to the Company's own stock which is not recognized for tax purposes.

For the year ended December 31, 2017, the significant reconciling items, as noted in the table above, are the result of the effect of the change in the U.S. federal corporate tax rate from 35% to 21% on deferred taxes and the effect of state income taxes. The Company recorded a discrete net tax benefit of $516 million in the period ending December 31, 2017. This net benefit primarily consisted of a net benefit for the corporate rate reduction.

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,	
	2019	2018
	amounts in thousands	
Deferred tax assets:		
Tax loss and tax credit carryforwards	$ 66,329	56,056
Accrued stock-based compensation	7,969	5,571
Deferred revenue	1,562	1,430
Other	114	44
Total deferred tax assets	75,974	63,101
Less: valuation allowance	(8,021)	(7,773)
Net deferred tax assets	67,953	55,328
Deferred tax liabilities:		
Investments	(1,067,492)	(1,020,869)
Intangible assets	(46)	(261)
Other	(74)	(27)
Total deferred tax liabilities	(1,067,612)	(1,021,157)
Net deferred tax asset (liability)	$ (999,659)	(965,829)

The Company's valuation allowance increased $0.2 million in 2019, which affected tax expense during the year ended December 31, 2019.

At December 31, 2019, the Company had a deferred tax liability on investments of $1,067.5 million due to its share of earnings in its equity investment in Charter.

At December 31, 2019, Liberty Broadband had federal and state net operating losses, capital loss carryforwards, interest expense carryforwards and tax credit carryforwards for income tax purposes aggregating $66.3 million (on a tax effected basis). Of the $66.3 million, $17.1 million are carryforwards with no expiration. The remaining carryforwards expire at certain future dates. These carryforwards are expected to be utilized prior to expiration, except for $8.0 million which based on current projections, may expire unused and accordingly are subject to a valuation allowance. The carryforwards that are expected to be utilized will begin to expire in 2020.

As of December 31, 2019, the Company had not recorded tax reserves related to unrecognized tax benefits for uncertain tax positions.

As of December 31, 2019, the IRS has completed its examination of Liberty Broadband's 2016, 2017 and 2018 tax years. Liberty Broadband's 2019 tax year is being examined as part of the IRS's Compliance Assurance Process "CAP" program. Because Liberty Broadband's ownership of Charter is less than the required 80%, Charter is not consolidated with Liberty Broadband for federal income tax purposes.

(8) Stockholders' Equity

In the Broadband Spin-Off, record holders of Liberty Series A, Series B and Series C common stock received one-fourth of a share of the corresponding series of Liberty Broadband common stock for each share of Liberty common stock held by them, with cash paid in lieu of fractional shares. This resulted in the issuance of an aggregate 85,761,332 shares of Series A, Series B and Series C common stock.

In addition, following the completion of the Broadband Spin-Off, on December 10, 2014, stockholders received a subscription right to acquire one share of Liberty Broadband Series C common stock for every five shares of Liberty Broadband common stock they held as of the rights record date. Accordingly, 17,277,224 shares of Series C common stock were issued to those rightsholders exercising basic and, as applicable, oversubscription privileges. The subscription rights were issued to raise capital for general corporate purposes of Liberty Broadband.

In connection with the Time Warner Cable Merger in May 2016, Liberty Broadband funded its purchase of shares of Charter Class A common stock using proceeds of $4.4 billion related to subscriptions for approximately 78.3 million newly issued shares of Liberty Broadband Series C common stock, par value $0.01 per share (the "Series C Shares"), at a price per share of $56.23. The purchasers of the Series C Shares were Liberty Interactive through its Liberty Ventures Group (approximately 42.7 million shares) and certain other third party investors, which all invested on substantially similar terms. The Liberty Ventures Group was later attributed to GCI Liberty, Inc. in a split-off transaction, including its interest in Series C Shares of the Company. As a result of the issuance of the Series C Shares in connection with the Transactions, GCI Liberty, Inc.'s non-voting economic ownership in Liberty Broadband was 23.5% as of December 31, 2019.

The Company had an outstanding zero-strike call option on 704,908 Series C Shares at December 31, 2016, which expired in March 2017. The Company prepaid a premium of $47.9 million in December 2016. Liberty Broadband exercised its option to settle the contract in cash in March 2017 for cash proceeds of $50.0 million. The Company entered into another zero-strike call option on 527,156 shares of Liberty Broadband Series C common stock and prepaid a premium of $47.7 million in October 2017. Upon expiration of the contract in December 2017, the Company physically settled the contract by purchasing 527,156 shares of Liberty Broadband Series C common stock at a price of $90.54 per share. As of December 31, 2018, the Company had no zero-strike call options outstanding. In September 2019, the Company entered into a zero-strike call option on 460,675 shares of Liberty Broadband Series C common stock and prepaid a premium of $46.3 million. Upon expiration of the contract in December 2019, the Company exercised its option to settle the contract in cash for proceeds of $47.5 million. As of December 31, 2019, the Company had no zero-strike call options outstanding. The Company accounted for the zero-strike call option as a financial instrument asset due to its settlement provisions. Accordingly, changes in the fair value of the asset are included in realized and unrealized gains (losses) on financial instruments in the accompanying statement of operations.

Preferred Stock

Liberty Broadband's preferred stock is issuable, from time to time, with such designations, preferences and relative participating, optional or other rights, qualifications, limitations or restrictions thereof, as shall be stated and expressed in a resolution or resolutions providing for the issue of such preferred stock adopted by Liberty Broadband's board of directors. As of December 31, 2019, no shares of preferred stock were issued.

Common Stock

Liberty Broadband's Series A common stock has one vote per share, Liberty Broadband's Series B common stock has ten votes per share and Liberty Broadband's Series C common stock has no votes per share (except as otherwise required by applicable law). Each share of the Series B common stock is exchangeable at the option of the holder for one share of Series A common stock. All series of our common stock participate on an equal basis with respect to dividends and distributions.

As of December 31, 2019, there were 4 thousand shares of Series A and 1.9 million shares of Series C common stock reserved for issuance under exercise privileges of outstanding stock options.

(9) Stock-Based Compensation

Included in the accompanying consolidated statements of operations are the following amounts of stock-based compensation for the years ended December 31, 2019, 2018 and 2017 (amounts in thousands).

	December 31,		
	2019	2018	2017
Operating expense	$ 113	108	178
Selling, general and administrative	10,398	5,599	5,114
	$ 10,511	5,707	5,292

Liberty Broadband - Incentive Plans

Pursuant to the Liberty Broadband 2019 Omnibus Incentive Plan, the Company may grant Awards to be made in respect of a maximum of 6.0 million shares of Liberty Broadband common stock. Awards generally vest over 1-5 years and have a term of 7-10 years. Liberty Broadband issues new shares upon exercise of equity awards.

Liberty Broadband – Grants of Stock Options

During the year ended December 31, 2019, Liberty Broadband granted 302 thousand options to purchase shares of Series C Liberty Broadband common stock and 25 thousand performance-based restricted stock units ("RSUs") of Series C Liberty Broadband common stock to our CEO. Such options had a weighted average grant-date fair value ("GDFV") of $31.12 per share. The RSUs had a GDFV of $88.99 per share at the time they were granted. The options mainly vest on December 31, 2023 and the RSUs cliff vest one year from the month of grant, subject to 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. This grant includes the first upfront option grant related to the CEO's new employment agreement. See discussion in note 1 regarding the new compensation agreement with the Company's CEO.

Also during the year ended December 31, 2019, Liberty Broadband granted to its employees 41 thousand options to purchase shares of Series C Liberty Broadband common stock. Such options had a weighted average GDFV of $32.21 and vest between three and five years.

During the years ended December 31, 2019, 2018 and 2017, Liberty Broadband granted 8 thousand, 10 thousand and 16 thousand options, respectively, to purchase shares of Series C Liberty Broadband common stock to its non-employee directors with a weighted average GDFV of $31.18, $24.04 and $22.68 per share, respectively, which cliff vest over a one year vesting period. There were no options to purchase shares of Series A common stock granted during 2019.

The Company has calculated the GDFV for all of its equity classified awards and any subsequent remeasurement of its liability classified awards using the Black-Scholes Model. The Company estimates the expected term of the Awards based on historical exercise and forfeiture data. For grants made in 2019, 2018 and 2017, the range of expected terms was 5.3 to 6.3 years. The volatility used in the calculation for Awards is based on the historical volatility of Liberty Broadband common stock. For grants made in 2019, 2018 and 2017, the range of volatilities was 24.4% to 25.7%. The Company uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject option.

Liberty Broadband – Outstanding Awards

The following tables present the number and weighted average exercise price ("WAEP") of Awards to purchase Liberty Broadband 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, 2019	393	$ 33.31		
Granted	—	$ —		
Exercised	(389)	$ 33.16		
Forfeited/Cancelled	—	$ —		
Outstanding at December 31, 2019	4	$ 47.92	2.0	$ —
Exercisable at December 31, 2019	4	$ 47.92	2.0	$ —

	Series C	WAEP	Weighted average remaining contractual life	Aggregate intrinsic value
	(in thousands)		(in years)	(in millions)
Outstanding at January 1, 2019	2,356	$ 43.77		
Granted	351	$ 117.52		
Exercised	(775)	$ 33.14		
Forfeited/Cancelled	—	$ —		
Outstanding at December 31, 2019	1,932	$ 61.43	5.3	$ 124
Exercisable at December 31, 2019	1,622	$ 50.00	4.9	$ 123

The Company had no outstanding Series B options during 2019.

As of December 31, 2019, the total unrecognized compensation cost related to unvested Liberty Broadband Awards was approximately $9.7 million. Such amount will be recognized in the Company's consolidated statements of operations over a weighted average period of approximately 2.5 years.

As of December 31, 2019, Liberty Broadband reserved 1.9 million shares of Series A and Series C common stock for issuance under exercise privileges of outstanding stock Awards.

Liberty Broadband – Exercises

The aggregate intrinsic value of all options exercised during the years ended December 31, 2019, 2018 and 2017 was $91.7 million, $3.0 million and $8.1 million, respectively.

Liberty Broadband – Restricted Shares

The aggregate fair value of all Series A and Series C restricted shares of Liberty Broadband common stock that vested during the years ended December 31, 2019, 2018 and 2017 was $2.6 million, $112 thousand and $116 thousand, respectively.

As of December 31, 2019, the Company had approximately 47 thousand unvested restricted shares of Series A and Series C Liberty Broadband common stock held by certain directors, officers and employees of the Company with a weighted average GDFV of $84.85 per share.

Skyhook equity incentive plans

Long-Term Incentive Plans

Skyhook has a long-term incentive plan which provides for the granting of PARs and PSUs to employees, directors, and consultants of Skyhook that is not significant to Liberty Broadband. As of December 31, 2019 and 2018, $1.2 million and $1.1 million, respectively, are included in other liabilities for the fair value (Level 2) of the Company's LTIP obligations.

(10) Employee Benefit Plans

Employees of Skyhook participate in a separate defined-contribution plan administered by Skyhook (the "Skyhook 401(k) Plan"). The Skyhook 401(k) Plan provides for employees to make contributions by salary reductions for investment in several mutual funds and/or a self-directed brokerage account pursuant to Section 401(k) of the Internal Revenue Code.

Pursuant to the existing Skyhook 401(k) Plan, Skyhook employees are eligible for 100% matching contributions for each dollar contributed up to 10%, subject to certain limitations. For the years ended December 31, 2019, 2018 and 2017, Skyhook contributed approximately $0.8 million, $0.8 million and $1.0 million, respectively.

(11) Commitments and Contingencies

Leases

Skyhook leases various properties under operating leases expiring at various times through 2022. The aggregate minimum annual lease payments under the noncancelable operating leases as of December 31, 2019 are as follows (amounts in thousands):

	Operating Leases
2020	$ 630
2021	432
2022	440
Total lease payments	1,502
Less: imputed interest	144
Total lease liabilities	$ 1,358

Skyhook's two principal facilities are under lease through December 2020 and December 2022, respectively. Total operating lease cost for the year ended December 31, 2019 was $0.7 million. Total rental expense for the years ended December 31, 2018 and 2017 was $1.0 million and $1.1 million, respectively.

General Litigation

In the ordinary course of business, the Company and its consolidated subsidiaries are parties to legal proceedings and claims involving alleged infringement of third-party intellectual property rights, 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.

Off-Balance Sheet Arrangements

Liberty Broadband did not have any 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.

(12) Segment Information

Liberty Broadband identifies its reportable segments as (A) those consolidated companies that represent 10% or more of its consolidated annual revenue, annual Adjusted OIBDA or total assets and (B) those equity method affiliates whose share of earnings or losses represent 10% or more of Liberty Broadband's annual pre-tax earnings (losses).

Liberty Broadband evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue and Adjusted OIBDA. In addition, Liberty Broadband reviews nonfinancial measures such as subscriber growth.

For segment reporting purposes, Liberty Broadband defines Adjusted OIBDA as revenue less operating expenses and selling, general and administrative expenses (excluding stock-based compensation). Liberty Broadband 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, 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 earnings, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. Liberty Broadband generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

For the year ended December 31, 2019, Liberty Broadband has identified the following consolidated company and equity method investment as its reportable segments:

- Skyhook— a wholly owned subsidiary of the Company that provides the Precision Location Solution (a location determination service) and Geospatial Insights product (a location intelligence and data insights service).
- Charter—an equity method investment that is one of the largest providers of cable services in the United States, offering a variety of entertainment, information and communications solutions to residential and commercial customers.

Liberty Broadband's operating segments are strategic business units that offer different products and services. They are managed separately because each segment requires different technologies, distribution channels and marketing strategies. The accounting policies of the segments that are also consolidated companies are the same as those described in the Company's summary of significant accounting policies in the Company's annual financial statements. We have included amounts attributable to Charter in the tables below. Although Liberty Broadband owns less than 100% of the outstanding shares of Charter, 100% of the Charter amounts are included in the schedule below and subsequently eliminated in order to reconcile the account totals to the Liberty Broadband consolidated financial statements.

Performance Measures

	Years ended December 31,					
	2019		2018		2017	
	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA
	amounts in thousands					
Skyhook	$ 14,859	(4,704)	22,256	3,161	13,092	(9,496)
Charter	45,764,000	16,752,000	43,634,000	15,824,000	41,581,000	14,955,000
Corporate and other	—	(12,187)	—	(6,689)	—	(6,920)
	45,778,859	16,735,109	43,656,256	15,820,472	41,594,092	14,938,584
Eliminate equity method affiliate	(45,764,000)	(16,752,000)	(43,634,000)	(15,824,000)	(41,581,000)	(14,955,000)
Consolidated Liberty Broadband	$ 14,859	(16,891)	22,256	(3,528)	13,092	(16,416)

Other Information

	December 31, 2019			December 31, 2018		
	Total assets	Investments in affiliates	Capital expenditures	Total assets	Investments in affiliates	Capital expenditures
	amounts in thousands					
Skyhook	$ 18,145	—	500	21,763	—	41
Charter	148,188,000	—	7,195,000	146,130,000	—	9,125,000
Corporate and other	12,238,197	12,194,674	—	12,076,674	12,004,376	—
	160,444,342	12,194,674	7,195,500	158,228,437	12,004,376	9,125,041
Eliminate equity method affiliate	(148,188,000)	—	(7,195,000)	(146,130,000)	—	(9,125,000)
Consolidated Liberty Broadband	$ 12,256,342	12,194,674	500	12,098,437	12,004,376	41

Revenue by Geographic Area

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
United States	$ 12,507	19,946	10,315
Other countries	2,352	2,310	2,777
	$ 14,859	22,256	13,092

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

	Years ended December 31,		
	2019	2018	2017
	amounts in thousands		
Consolidated segment Adjusted OIBDA	$ (16,891)	(3,528)	(16,416)
Stock-based compensation	(10,511)	(5,707)	(5,292)
Depreciation and amortization	(1,875)	(2,779)	(3,770)
Operating income (loss)	(29,277)	(12,014)	(25,478)
Interest expense	(25,166)	(23,302)	(19,570)
Share of earnings (loss) of affiliates, net	286,401	166,146	2,508,991
Gain (loss) on dilution of investment in affiliate	(79,329)	(43,575)	(17,872)
Realized and unrealized gains (losses) on financial instruments, net	1,170	3,659	3,098
Other, net	1,359	963	1,431
Earnings (loss) before income taxes	$ 155,158	91,877	2,450,600

(13) Quarterly Financial Information (Unaudited)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	amounts in thousands, except per share amounts			
2019:				
Revenue	$ 3,458	3,747	3,713	3,941
Operating income (loss)	$ (6,201)	(7,166)	(7,588)	(8,322)
Net earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders	$ (14,301)	12,052	27,496	91,969
Basic earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders per common share	$ (0.08)	0.07	0.15	0.51
Diluted earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders per common share	$ (0.08)	0.07	0.15	0.50

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	amounts in thousands, except per share amounts			
2018:				
Revenue	$ 11,791	3,371	3,518	3,576
Operating income (loss)	$ 2,246	(5,071)	(4,096)	(5,093)
Net earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders	$ (15,070)	10,580	59,639	14,804
Basic earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders per common share	$ (0.08)	0.06	0.33	0.08
Diluted earnings (loss) attributable to Liberty Broadband Corporation Series A, Series B and Series C stockholders per common share	$ (0.08)	0.06	0.33	0.08

LIBERTY BROADBAND CORPORATION
CORPORATE DATA

Board of Directors

John C. Malone
Chairman of the Board
Liberty Broadband Corporation

Julie D. Frist
Vice Chair
CapStar Financial Holdings, Inc.

Richard R. Green
Retired President and Chief Executive Officer
CableLabs®

Gregory B. Maffei
President and Chief Executive Officer
Liberty Broadband Corporation

J. David Wargo
Founder and President
Wargo & Company, Inc.

John E. Welsh III
President
Avalon Capital Partners LLC

Executive Committee

Gregory B. Maffei
John C. Malone

Compensation Committee

J. David Wargo (Chairman)
Julie D. Frist
Richard R. Green
John E. Welsh III

Audit Committee

John E. Welsh III (Chairman)
Richard R. Green
J. David Wargo

Nominating & Corporate Governance Committee

Richard R. Green (Chairman)
Julie D. Frist
J. David Wargo
John E. Welsh III

Senior Officers

Gregory B. Maffei
President and Chief Executive Officer

Renee L. Wilm
Chief Legal Officer

Albert E. Rosenthaler
Chief Corporate Development Officer

Courtnee A. Chun
Chief Portfolio Officer

Brian J. Wendling
Chief Accounting Officer and Principal Financial Officer

Corporate Secretary

Michael E. Hurelbrink

Corporate Headquarters

12300 Liberty Boulevard
Englewood, CO 80112
(720) 875-5700

Stock Information

Series A Common Stock (LBRDA) and Series C Common Stock (LBRDK) trade on the NASDAQ Global Select Market.

Series B Common Stock (LBRDB) is quoted on the OTC Markets.

CUSIP Numbers

LBRDA – 530307 107
LBRDB – 530307 206
LBRDK – 530307 305

Transfer Agent

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https://shareholder.broadridge.com/lbc

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On the Internet

Visit the Liberty Broadband Corporation website at www.libertybroadband.com

Financial Statements

Liberty Broadband Corporation financial statements are filed with the Securities and Exchange Commission. Copies of these financial statements can be obtained from the Transfer Agent or through the Liberty Broadband Corporation website.

Liberty BROADBAND

OUR ENVIRONMENT

Liberty believes in working to keep our environment cleaner and healthier. We are proud to have our headquarters overlooking the Colorado Rockies. Every day, Liberty takes steps to preserve the natural beauty of the surroundings that we are privileged to enjoy.

ELECTRONIC DELIVERY

We encourage Liberty stockholders to voluntarily elect to receive future proxy and annual report materials electronically.

- If you are a registered stockholder, please visit ***www.proxyvote.com*** for simple instructions.
- Beneficial shareowners can elect to receive future proxy and annual report materials electronically as well as vote their shares online at ***www.proxyvote.com***.
  ▸ Faster ▸ Economical ▸ Cleaner ▸ Convenient

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to vote using your mobile device, sign up for e-delivery or download annual meeting materials.

▸ Liberty's initiative in reducing its carbon footprint by promoting electronic delivery of shareholder materials has had a positive effect on the environment. Based upon 2019 statistics, voluntary receipt of e-delivery resulted in the following environmental savings:

- Using approximately 12 fewer tons of wood, or 69 fewer trees
- Using approximately 74 million fewer BTUs, or the equivalent of the amount of energy used by 88 residential refrigerators operated/year
- Using approximately 52,100 fewer pounds of greenhouse gases, including carbon dioxide, or the equivalent to 5 cars/year
- Saving approximately 62,000 gallons of water, or the equivalent of approximately 2-1/2 swimming pools
- Saving approximately 3,410 pounds of solid waste
- Reducing hazardous air pollutants by approximately 5 pounds

Environmental impact estimates calculated using the Environmental Paper Network Paper Calculator. For more information visit ***www.papercalculator.org***.

2020 ANNUAL MEETING OF STOCKHOLDERS

24 Tuesday, May 19, 2020

8:15 a.m. Mountain Time

The 2020 Annual Meeting of Stockholders will be held via the Internet as a virtual meeting. See our Proxy Statement for additional information.

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