

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): January 26, 2005

VIACOM INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-09553 (Commission File Number)	04-2949533 (IRS Employer Identification Number)
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1515 Broadway, New York, NY (Address of principal executive offices)	10036 (Zip Code)
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(212) 258-6000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 - Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On January 26, 2005, the Compensation Committee (the "Committee") of the Board of Directors of Viacom Inc. designated the executive officers who will participate in the Viacom Inc. Senior Executive Short-Term Incentive Plan, as amended and restated (the "Senior Executive STIP"), for the 2005 fiscal year and established performance criteria and target awards for each participant. The performance criteria relates to the achievement over a one-year performance period ending December 31, 2005 of a specified level of the Company's operating income (determined in accordance with generally accepted accounting principles in the United States) before depreciation, amortization and inter-company eliminations, as set forth in the Senior Executive STIP. A copy of the Senior Executive STIP has been filed with the Securities and Exchange Commission as Exhibit C to Viacom Inc.'s Proxy Statement dated April 21, 2003.

Also on January 26, 2005, the Committee awarded performance-based restricted share units ("Performance-Based RSUs"), performance-based restricted share units with time vesting ("Performance-Based/Time Vesting RSUs") and stock options ("Options") under the Viacom Inc. 2004 Long-Term Management Incentive Plan (the "LTMIP") to the following executive officers as noted: Sumner M. Redstone, Chairman of the Board and Chief Executive Officer, 115,000 Performance-Based RSUs; Thomas E. Freston, Co-President and Co-Chief Operating Officer, 115,000 Performance-Based RSUs; Leslie Moonves, Co-President and Co-Chief Operating Officer, 115,000 Performance-Based RSUs; Michael D. Fricklas, Executive Vice President, General Counsel and Secretary, 24,077 Performance-Based/Time Vesting RSUs and 133,249 Options; and William A. Roskin,

Executive Vice President, Human Resources and Administration, 12,841 Performance-Based/Time Vesting RSUs and 71,066 Options. Mr. Roskin elected to defer the receipt of any shares of the Company's Class B Common Stock underlying the Performance-Based/Time Vesting RSUs awarded to him that may vest.

The performance criteria established for the Performance-Based RSUs and Performance-Based/Time Vesting RSUs relates to the achievement over a one-year performance period ending December 31, 2005 of a specified level of the Company's operating income (determined in accordance with generally accepted accounting principles in the United States) before depreciation, amortization and inter-company eliminations. The performance criteria for the Performance-Based RSUs and Performance-Based/Time Vesting RSUs are the same as those for the Senior Executive STIP. The Performance-Based RSUs will vest when and if the Committee certifies that the performance criteria established for the one-year performance period for the year ending December 31, 2005 has been achieved. If the certification is made, the Performance-Based/Time Vesting RSUs will vest in four equal annual installments beginning on the later of the date of certification by the Committee that the performance criteria established for the 2005 fiscal year has been achieved and the first anniversary of the date of grant and the second, third and fourth installments will vest, respectively, on the second, third, and fourth anniversaries of the date of grant. If the certification is not made, the Performance-Based RSUs and Performance-Based/Time Vesting RSUs will not vest and will be cancelled immediately. The exercise price for the Option awards is \$37.38 per share of Viacom Inc. Class B Common Stock. The Option awards will vest in four equal annual installments beginning on the first anniversary of the date of grant and expire on the eighth anniversary of the date of grant.

The forms of certificates relating to awards under the LTMIP and the forms of deferral elections relating to restricted share units are attached hereto as exhibits and their terms are incorporated herein by reference. A copy of the LTMIP has been filed with the Securities and Exchange Commission as Annex B to Viacom Inc.'s Proxy Statement dated April 15, 2004.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Exhibit Number -----	Description of Exhibit -----
10.1	Form of Certificate and Terms and Conditions for the Performance-Based Restricted Share Units
10.2	Form of Certificate and Terms and Conditions for the Performance-Based Restricted Share Units with Time Vesting
10.3	Form of Certificate and Terms and Conditions for the Stock Options
10.4	Form of Deferral Elections for Performance-Based Restricted Share Units
10.5	Form of Deferral Elections for Performance-Based Restricted Share Units with Time Vesting

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VIACOM INC.
(Registrant)

By: /s/ MICHAEL D. FRICKLAS

Michael D. Fricklas
Executive Vice President,
General Counsel and Secretary

Date: February 1, 2005

Exhibit Index

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10.4	Form of Deferral Elections for Performance-Based Restricted Share Units
10.5	Form of Deferral Elections for Performance-Based Restricted Share Units with Time Vesting

Viacom Inc.
2004 Long-Term Management Incentive Plan
Performance-Based Restricted Share Units Certificate

NAME: -----

NUMBER OF
RESTRICTED SHARE UNITS: -----

DATE OF GRANT: -----

VIACOM INC.

This certifies that Viacom Inc., a Delaware corporation (the "Company"), has granted to the employee named above (the "Participant"), on the date indicated above (the "Date of Grant"), the number of performance-based restricted share units (the "Restricted Share Units"), indicated above, under the Company's 2004 Long-Term Management Incentive Plan, as amended from time to time (the "Plan"), all on the terms and conditions to this restricted share units certificate attached hereto as part hereof (the "Terms and Conditions").

William A. Roskin
Executive Vice President,
Human Resources and
Development

Viacom Inc.
2004 Long-Term Management Incentive Plan
Terms and Conditions to the Performance-Based Restricted Share Units Certificate

ARTICLE I

TERMS OF RESTRICTED SHARE UNITS

Section 1.1 Grant of Performance-Based Restricted Share Units. The Performance-Based Restricted Share Units (the "Restricted Share Units") have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the [Insert Date of Grant] grant of Restricted Share Units provided simultaneously on-line or attached hereto (the "Restricted Share Units Certificate") and the Terms and Conditions contained herein (collectively, the "Certificate") and (B) the Plan, the terms of which are hereby incorporated by reference. A copy of the Plan is being provided simultaneously on-line or attached hereto. Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Restricted Share Units Certificate or the Plan. Each Restricted Share Unit shall entitle the Participant to receive one share of Class B Common Stock, subject to the terms and conditions set forth in the Certificate and the Plan.

Section 1.2 Terms of Restricted Share Units.

(a) Vesting. Subject to the other terms and conditions contained in the Certificate and in the Plan, the Restricted Share Units shall vest and become non-forfeitable upon certification by the Committee that the performance goal

described below (the "Performance Goal") established by the Committee for the [Insert Date of Period] (the "Performance Period") has been achieved. If the Committee determines that the Performance Goal established for the Restricted Share Units for the Performance Period has not been achieved, the Restricted Share Units will not vest, and will be immediately cancelled in their entirety and the Participant's rights with respect to such Restricted Shares will cease. The Performance Goal for the Performance Period is [Insert Description of Performance Goal], subject to adjustment pursuant to Section 2.2 hereof.

(b) Settlement. On the date the Restricted Share Units vest, all restrictions contained in the Certificate and in the Plan shall lapse as to the Restricted Share Units and the Restricted Share Units shall be payable in shares of Class B Common Stock, which may be evidenced in such manner as the Committee in its discretion shall deem appropriate, including, without limitation, book-entry, registration or issuance of one or more stock certificates. Settlement of vested Restricted Share Units shall be made as soon as practicable after the vesting date. If stock certificates are issued, such certificates shall be delivered to the Participant or such certificates shall be credited to a brokerage account if the Participant so directs; provided, however, that such certificates shall bear such legends as the Committee, in its sole discretion, may determine to be necessary or advisable in order to comply with applicable U.S. federal or state securities laws. If permitted by the Committee, the Participant may elect to defer settlement of the Restricted Share Units in accordance with procedures established by the Committee from time to time.

(c) Dividend Equivalents. Dividend Equivalents shall accrue on the Restricted Share Units until the Restricted Share Units are settled. The Company shall credit the accrual of the Dividend Equivalents to the Participant's account at such time and in such manner as determined by the Committee, in its sole discretion. The Company shall maintain a bookkeeping record with

respect to the amount of the Dividend Equivalents credited to the Participant's account. The Dividend Equivalents that have been credited to the Participant's account shall be paid in shares of Class B Common Stock when the Restricted Share Units are settled. Payment of Dividend Equivalents that have been credited to the Participant's account will not be made with respect to any Restricted Share Units that do not vest and are cancelled. If the Participant is permitted to defer settlement of the Restricted Share Units, the Dividend Equivalents credited to the Participant's account with respect to such Restricted Share Units shall be converted, on the date on which the Restricted Share Units vest and on each anniversary thereof until the Restricted Share Units are settled, into additional whole and/or fractional Restricted Share Units, based on the Fair Market Value of the Class B Common Stock on the vesting date and such additional Restricted Shares Units shall be deferred subject to the same terms and conditions as the Restricted Share Units to which the Dividend Equivalents originally related. Additionally, during the period in which settlement of the Restricted Share Units are deferred, such Restricted Shares Units shall earn additional Dividend Equivalents. Such additional Dividend Equivalents shall be converted into additional whole and/or fractional Restricted Share Units, based on the Fair Market Value of the Class B Common Stock on each anniversary of the vesting date of such Restricted Share Units. The Dividend Equivalents shall be settled at the same time and in the same manner as the original underlying Restricted Share Units.

(d) Termination of Employment, Retirement, Permanent Disability or Death. In the event that (i) the Participant's employment with the Company or any of its Subsidiaries ends by reason of voluntary termination by the Participant, termination by the Company or any of its Subsidiaries other than a Termination for Cause, termination by the Company or any of its Subsidiaries due to a Termination for Cause or the Participant's Retirement, or (ii) the Participant's Permanent Disability or death occurs, prior to the date or dates on which the Restricted Share Units vest in accordance with Section 1.2(a) hereof, the Participant shall forfeit all unvested Restricted Share Units as of the date of such event, unless the Committee determines otherwise and provides that some or all of such Participant's unvested Restricted Share Units shall vest as of the date of such event, in which case, certificates representing shares of Class B Common Stock shall be delivered in accordance with Section 1.2(b) hereof, to the Participant or, in the case of the Participant's death, to the person or persons who acquired the right to receive such certificates by will or the laws of descent and distribution. A "termination of employment" occurs, for purposes of the Restricted Share Units, when a Participant is no longer an employee of the Company or any of its Subsidiaries. Unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the Restricted Share Units, on the date on which the Participant's employing company ceases to be a Subsidiary.

ARTICLE II

ADJUSTMENT OF AWARDS

Section 2.1 Effect of Certain Corporate Changes. In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off or recapitalization that changes the character or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number and kind of securities subject to the Restricted Share Units, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made

available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

Section 2.2 Adjustment of Performance Goal. In the event that, during the Performance Period, any merger, consolidation, combination, reorganization, recapitalization, acquisition, divestiture, spin-off, liquidation, dissolution, sale of assets, or other similar corporate transaction or event, or any other extraordinary event or circumstance occurs which has the effect, as determined by the Committee, in its sole discretion, of distorting the Performance Goal, including, without limitation, changes in accounting standards, the Committee may adjust or modify, as determined by the Committee in its sole discretion, the calculation of the Performance Goal, to the extent necessary to prevent reduction or enlargement of the award of the Restricted Share Units for such Performance Period attributable to such transaction, circumstance or event. Such adjustments by the Committee shall be conclusive and binding on all persons for all purposes.

ARTICLE III

DEFINITIONS

As used herein, the following terms shall have the following meanings:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Certificate" shall mean the Restricted Share Units Certificate, together with the Terms and Conditions contained herein.

(c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value \$0.01 per share, of the Company.

(d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules and regulations promulgated thereunder.

(e) "Committee" shall mean the Compensation Committee of the Board (or such other Committee(s) as may be appointed or designated by the Board to administer the Plan).

(f) "Company" shall mean Viacom Inc., a Delaware corporation.

(g) "Date of Grant" shall be the date set forth on the Restricted Share Units Certificate.

(h) "Dividend Equivalent" shall mean an amount in cash equal to the regular cash dividend that would have been paid on the number of shares of Class B Common Stock underlying the Restricted Share Units.

(i) "Fair Market Value" of a share of Class B Common Stock on a given date shall be the 4:00 p.m. (New York time) closing price on such date on the New York Stock Exchange or other principal stock exchange on which the Class B Common Stock is then listed, as reported by The Wall Street Journal (Northeast edition) or as reported by any other authoritative source selected by the Company.

(j) "Participant" shall mean the employee named on the Restricted Share Units Certificate.

(k) "Performance Goal" shall have the meaning set forth in Section 1.2(a) hereof.

(l) "Performance Period" shall mean the period of time set forth in Section 1.2(a) hereof.

(m) "Permanent Disability" shall have the same meaning as such term or a similar term has in the long-term disability policy maintained by the Company or a Subsidiary thereof for the Participant and that is in effect on the date of the onset of the Participant's Permanent Disability unless the Committee determines otherwise.

(n) "Plan" shall mean the Viacom Inc. 2004 Long-Term Management Incentive Plan, as amended from time to time.

(o) "Restricted Share Units" shall mean the contractual right granted to the Participant to receive shares of Class B Common Stock, subject to the terms and conditions set forth in the Certificate and the Plan.

(p) "Restricted Share Units Certificate" shall have the meaning set forth in Section 1.1 hereof.

(q) "Retirement" shall mean the resignation or termination of employment after attainment of an age and years of service required for payment of an immediate pension pursuant to the terms of any qualified defined benefit retirement plan maintained by the Company or a Subsidiary in which the Participant participates; provided, however, that no resignation or termination prior to a Participant's 60th birthday shall be deemed a retirement unless the Committee so determines in its sole discretion; and provided, further, that the resignation or termination of employment other than a Termination for Cause after attainment of age 60 shall be deemed a retirement if the Participant does not participate in a qualified defined benefit retirement plan maintained by the Company or a Subsidiary.

(r) "Subsidiary" shall mean a corporation (or a partnership or other enterprise) in which the Company owns or controls, directly or indirectly, more than 50% of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable equity participation and voting power).

(s) "Termination for Cause" shall mean a termination of employment with the Company or any of its Subsidiaries which, as determined by the Committee, is by reason of (i) "cause" as such term or a similar term is defined in any employment agreement that is in effect and applicable to the Participant, or (ii) if there is no such employment agreement or if such employment agreement contains no such term, unless the Committee determines otherwise, the Participant's: (A) dishonesty; (B) conviction of embezzlement, fraud or other conduct which would constitute a felony; (C) willful unauthorized disclosure of confidential information; (D) failure, neglect of or refusal to substantially perform the duties of the Participant's employment; or (E) any other act or omission which is a material breach of the Company's policies regarding employment practices or the applicable federal, state and local laws prohibiting discrimination or which is materially injurious to the financial condition or business reputation of the Company or any Subsidiary thereof.

ARTICLE IV

MISCELLANEOUS

Section 4.1 No Rights to Awards or Continued Employment. Neither the Certificate, the Plan nor any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, nor to be entitled to any remuneration or benefits not set forth in the Plan or the Certificate, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason.

Section 4.2 Restriction on Transfer. The rights of the Participant with respect to the Restricted Share Units shall be exercisable during the Participant's lifetime only by the Participant and shall not be transferable by the Participant to whom the Restricted Share Units are granted, except by will or the laws of descent and distribution; provided, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.3 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to withhold from any payment made under the Plan to the Participant or a Participant's estate or any permitted transferee an amount sufficient to satisfy any federal, state, local and/or other tax withholding requirement. The Committee, in its discretion, may, as a condition to the settlement of the Restricted Share Units, payment of the Dividend Equivalents or delivery of any certificate(s) for shares of Class B Common Stock, require that an additional amount be paid in cash equal to the amount of any federal, state, local and/or other tax withholding requirement or, alternatively, permit the Participant to satisfy such tax withholding requirement by withholding shares of Class B Common Stock subject to the applicable Restricted Share Units and/or Dividend Equivalents.

Section 4.4 Stockholder Rights. The grant of Restricted Share Units under the Certificate shall not entitle the Participant or a Participant's estate or any permitted transferee to any rights of a holder of shares of Class B Common Stock, other than when and until the Participant, the Participant's estate or the permitted transferee is registered on the books and records of the Company as a stockholder and share certificates are delivered to such party upon settlement of the Restricted Share Units or payment of the Dividend Equivalents. Unless otherwise determined by the Committee in its discretion, no adjustment shall be made for dividends or distributions or other rights in respect of any shares of Class B Common Stock for which the record date is prior to the date on which the Participant, a Participant's estate or any permitted transferee shall become the registered holder of such shares of Class B Common Stock.

Section 4.5 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan nor the Certificate shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for

Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.6 Interpretation. In the event of any conflict between the provisions of the Certificate (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Certificate and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the Restricted Share Units, the provisions of such employment agreement shall be deemed controlling to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate.

Section 4.7 Breach of Covenants. In the event that the Committee makes a good faith determination that the Participant committed a material breach of the restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property in any employment or other agreement applicable to the Participant during the one year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, the Participant will be required to return the shares of Class B Common Stock received by him or her in settlement of the Restricted Share Units and payment of the Dividend Equivalents or, if such shares of Class B Common Stock were sold by the Participant, return any proceeds realized on the sale of such shares of Class B Common Stock during the one year period prior to such breach or any time after such breach occurs.

Section 4.8 Governmental Regulations. The Restricted Share Units shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.9 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of the Certificate.

Section 4.10 Governing Law. The Certificate and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware.

Viacom Inc.
2004 Long-Term Management Incentive Plan
Performance-Based Restricted Share Units

with Time Vesting Certificate

NAME: -----

NUMBER OF
RESTRICTED SHARE UNITS: -----

DATE OF GRANT: -----

VIACOM INC.

This certifies that Viacom Inc., a Delaware corporation (the "Company"), has granted to the employee named above (the "Participant"), on the date indicated above (the "Date of Grant"), the number of performance-based restricted share units with time vesting (the "Restricted Share Units"), indicated above, under the Company's 2004 Long-Term Management Incentive Plan, as amended from time to time (the "Plan"), all on the terms and conditions to this restricted share units certificate attached hereto as part hereof (the "Terms and Conditions").

William A. Roskin
Executive Vice President,
Human Resources and
Development

Viacom Inc.
2004 Long-Term Management Incentive Plan
Terms and Conditions to the Performance-Based Restricted Share Units Certificate

with Time Vesting

ARTICLE I

TERMS OF RESTRICTED SHARE UNITS

Section 1.1 Grant of Performance-Based Restricted Share Units with Time Vesting. The Performance-Based Restricted Share Units with Time Vesting (the "Restricted Share Units") have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the [Insert Date of Grant] grant of Restricted Share Units provided simultaneously on-line or attached hereto (the "Restricted Share Units Certificate") and the Terms and Conditions contained herein (collectively, the "Certificate") and (B) the Plan, the terms of which are hereby incorporated by reference. A copy of the Plan is being provided simultaneously on-line or attached hereto. Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Restricted Share Units Certificate or the Plan. Each Restricted Share Unit shall entitle the Participant to receive one share of Class B Common Stock, subject to the terms and conditions set forth in the Certificate and the Plan.

Section 1.2 Terms of Restricted Share Units.

(a) Vesting. Subject to the other terms and conditions contained in the Certificate and in the Plan and subject to the Committee certifying that the performance goal (the "Performance Goal") described below established by the Committee for the [Insert Date of Period] (the "Performance Period") has been achieved, the Restricted Share Units shall vest in four equal annual installments as follows: (i) the first installment shall vest on the later of the date on which the Committee so certifies that the Performance Goal has been achieved and the first anniversary of the Date of Grant; and (ii) the second, third and fourth installments shall vest, respectively, on the second, third, and fourth anniversaries of the Date of Grant. Notwithstanding anything to the contrary in this Section 1.2(d), in the event that the Committee determines that the Performance Goal established for the Restricted Share Units for the Performance Period has not been achieved, the Restricted Share Units will not vest, and will be immediately cancelled in their entirety and the Participant's rights with respect to such Restricted Share Units will cease. The Performance Goal for the Performance Period is [Insert Description of Performance Goal], subject to adjustment pursuant to Section 2.2 hereof.

(b) Settlement. On the date each portion of the Restricted Share Units vest, all restrictions contained in the Certificate and in the Plan shall lapse as to that portion of the Restricted Share Units and that portion of the vested Restricted Share Units shall be payable in shares of Class B Common Stock, which may be evidenced in such manner as the Committee in its discretion shall deem appropriate, including, without limitation, book-entry, registration or issuance of one or more stock certificates. Settlement of vested Restricted Share Units shall be made as soon as practicable after the vesting dates. If stock certificates are issued, such certificates shall be delivered to the Participant or such certificates shall be credited to a brokerage account if the Participant so directs; provided, however, that such certificates shall bear such legends as the Committee, in its sole discretion, may determine to be necessary or advisable in order to comply with applicable U.S. federal or state securities laws. If permitted by

the Committee, the Participant may elect to defer settlement of the Restricted Share Units in accordance with procedures established by the Committee from time to time.

(c) Dividend Equivalents. Dividend Equivalents shall accrue on the Restricted Share Units until the Restricted Share Units are settled. The Company shall credit the accrual of the Dividend Equivalents to the Participant's account at such time and in such manner as determined by the Committee, in its sole discretion. The Company shall maintain a bookkeeping record with respect to the amount of the Dividend Equivalents credited to the Participant's account. The Dividend Equivalents that have been credited to the Participant's account shall be paid in shares of Class B Common Stock when the Restricted Share Units are settled. Payment of Dividend Equivalents that have been credited to the Participant's account will not be made with respect to any Restricted Share Units that do not vest and are cancelled. If the Participant is permitted to defer settlement of the Restricted Share Units, the Dividend Equivalents credited to the Participant's account with respect to such Restricted Share Units shall be converted, on the date on which the Restricted Share Units vest and on each anniversary thereof until the Restricted Share Units are settled, into additional whole and/or fractional Restricted Share Units, based on the Fair Market Value of the Class B Common Stock on the vesting date and such additional Restricted Shares Units shall be deferred subject to the same terms and conditions as the Restricted Share Units to which the Dividend Equivalents originally related. Additionally, during the period in which settlement of the Restricted Share Units are deferred, such Restricted Shares Units shall earn additional Dividend Equivalents. Such additional Dividend Equivalents shall be converted into additional whole and/or fractional Restricted Share Units, based on the Fair Market Value of the Class B Common Stock on each anniversary of the vesting date of such Restricted Share Units. The Dividend Equivalents shall be settled at the same time and in the same manner as the original underlying Restricted Share Units.

(d) Termination of Employment, Retirement, Permanent Disability or Death. In the event that (i) the Participant's employment with the Company or any of its Subsidiaries ends by reason of voluntary termination by the Participant, termination by the Company or any of its Subsidiaries other than a Termination for Cause, termination by the Company or any of its Subsidiaries due to a Termination for Cause or the Participant's Retirement, or (ii) the Participant's Permanent Disability or death occurs, prior to the date or dates on which the Restricted Share Units vest in accordance with Section 1.2(a) hereof, the Participant shall forfeit all unvested Restricted Share Units as of the date of such event, unless the Committee determines otherwise and provides that some or all of such Participant's unvested Restricted Share Units shall vest as of the date of such event, in which case, certificates representing shares of Class B Common Stock shall be delivered in accordance with Section 1.2(b) hereof, to the Participant or, in the case of the Participant's death, to the person or persons who acquired the right to receive such certificates by will or the laws of descent and distribution. A "termination of employment" occurs, for purposes of the Restricted Share Units, when a Participant is no longer an employee of the Company or any of its Subsidiaries. Unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the Restricted Share Units, on the date on which the Participant's employing company ceases to be a Subsidiary.

ARTICLE II

ADJUSTMENT OF AWARDS

Section 2.1 Effect of Certain Corporate Changes. In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off or recapitalization that changes the character or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number and kind of securities subject to the Restricted Share Units, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

Section 2.2 Adjustment of Performance Goal. In the event that, during the Performance Period, any merger, consolidation, combination, reorganization, recapitalization, acquisition, divestiture, spin-off, liquidation, dissolution, sale of assets, or other similar corporate transaction or event, or any other extraordinary event, circumstance occurs which has the effect, as determined by the Committee, in its sole discretion, of distorting the Performance Goal, including, without limitation, changes in accounting standards, the Committee may adjust or modify, as determined by the Committee in its sole discretion, the calculation of the Performance Goal, to the extent necessary to prevent reduction or enlargement of the award of the Restricted Share Units for such Performance Period attributable to such transaction, circumstance or event. Such adjustments by the Committee shall be conclusive and binding on all persons for all purposes.

ARTICLE III

DEFINITIONS

As used herein, the following terms shall have the following meanings:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Certificate" shall mean the Restricted Share Units Certificate, together with the Terms and Conditions contained herein.

(c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value \$0.01 per share, of the Company.

(d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules and regulations promulgated thereunder.

(e) "Committee" shall mean the Compensation Committee of the Board (or such other Committee(s) as may be appointed or designated by the Board to administer the Plan).

(f) "Company" shall mean Viacom Inc., a Delaware corporation.

(g) "Date of Grant" shall be the date set forth on the Restricted Share Units Certificate.

(h) "Dividend Equivalent" shall mean an amount in cash equal to the regular cash dividend that would have been paid on the number of shares of Class B Common Stock underlying the Restricted Share Units.

(i) "Fair Market Value" of a share of Class B Common Stock on a given date shall be the 4:00 p.m. (New York time) closing price on such date on the New York Stock Exchange or other principal stock exchange on which the Class B Common Stock is then listed, as reported by The Wall Street Journal (Northeast edition) or as reported by any other authoritative source selected by the Company.

(j) "Participant" shall mean the employee named on the Restricted Share Units Certificate.

(k) "Performance Goal" shall have the meaning set forth in Section 1.2(a) hereof.

(l) "Performance Period" shall mean the period of time set forth in Section 1.2(a) hereof.

(m) "Permanent Disability" shall have the same meaning as such term or a similar term has in the long-term disability policy maintained by the Company or a Subsidiary thereof for the Participant and that is in effect on the date of the onset of the Participant's Permanent Disability unless the Committee determines otherwise.

(n) "Plan" shall mean the Viacom Inc. 2004 Long-Term Management Incentive Plan, as amended from time to time.

(o) "Restricted Share Units" shall mean the contractual right granted to the Participant to receive shares of Class B Common Stock, subject to the terms and conditions set forth in the Certificate and the Plan.

(p) "Restricted Share Units Certificate" shall have the meaning set forth in Section 1.1 hereof.

(q) "Retirement" shall mean the resignation or termination of employment after attainment of an age and years of service required for payment of an immediate pension pursuant to the terms of any qualified defined benefit retirement plan maintained by the Company or a Subsidiary in which the Participant participates; provided, however, that no resignation or termination prior to a Participant's 60th birthday shall be deemed a retirement unless the Committee so determines in its sole discretion; and provided, further, that the resignation or termination of employment other than a Termination for Cause after attainment of age 60 shall be deemed a retirement if the Participant does not participate in a qualified defined benefit retirement plan maintained by the Company or a Subsidiary.

(r) "Subsidiary" shall mean a corporation (or a partnership or other enterprise) in which the Company owns or controls, directly or indirectly, more than 50% of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable equity participation and voting power).

(s) "Termination for Cause" shall mean a termination of employment with the Company or any of its Subsidiaries which, as determined by the Committee, is by reason of (i) "cause" as such term or a similar term is defined in any employment agreement that is in effect and applicable to the Participant, or (ii) if there is no such employment agreement or if such employment agreement contains no such term, unless the Committee determines otherwise, the

Participant's: (A) dishonesty; (B) conviction of embezzlement, fraud or other conduct which would constitute a felony; (C) willful unauthorized disclosure of confidential information; (D) failure, neglect of or refusal to substantially perform the duties of the Participant's employment; or (E) any other act or omission which is a material breach of the Company's policies regarding employment practices or the applicable federal, state and local laws prohibiting discrimination or which is materially injurious to the financial condition or business reputation of the Company or any Subsidiary thereof.

ARTICLE IV

MISCELLANEOUS

Section 4.1 No Rights to Awards or Continued Employment. Neither the Certificate, the Plan nor any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, nor to be entitled to any remuneration or benefits not set forth in the Plan or the Certificate, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason.

Section 4.2 Restriction on Transfer. The rights of the Participant with respect to the Restricted Share Units shall be exercisable during the Participant's lifetime only by the Participant and shall not be transferable by the Participant to whom the Restricted Share Units are granted, except by will or the laws of descent and distribution; provided, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.3 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to withhold from any payment made under the Plan to the Participant or a Participant's estate or any permitted transferee an amount sufficient to satisfy any federal, state, local and/or other tax withholding requirement. The Committee, in its discretion, may, as a condition to the settlement of the Restricted Share Units, payment of the Dividend Equivalents or delivery of any certificate(s) for shares of Class B Common Stock, require that an additional amount be paid in cash equal to the amount of any federal, state, local and/or other tax withholding requirement or, alternatively, permit the Participant to satisfy such tax withholding requirement by withholding shares of Class B Common Stock subject to the applicable Restricted Share Units and/or Dividend Equivalents.

Section 4.4 Stockholder Rights. The grant of Restricted Share Units under the Certificate shall not entitle the Participant or a Participant's estate or any permitted transferee to any rights of a holder of shares of Class B Common Stock, other than when and until the Participant, the Participant's estate or the permitted transferee is registered on the books and records of the Company as a stockholder and share certificates are delivered to such party upon settlement of the Restricted Share Units or payment of the Dividend Equivalents. Unless otherwise determined by the Committee in its discretion, no adjustment shall be made for dividends or distributions or other rights in respect of any shares of Class B Common Stock for which the record date is prior to the date on which the Participant, a Participant's estate or any permitted transferee shall become the registered holder of such shares of Class B Common Stock.

Section 4.5 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan nor the Certificate shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.6 Interpretation. In the event of any conflict between the provisions of the Certificate (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Certificate and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the Restricted Share Units, the provisions of such employment agreement shall be deemed controlling to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate.

Section 4.7 Breach of Covenants. In the event that the Committee makes a good faith determination that the Participant committed a material breach of the restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property in any employment or other agreement applicable to the Participant during the one year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, the Participant will be required to return the shares of Class B Common Stock received by him or her in settlement of the Restricted Share Units and payment of the Dividend Equivalents or, if such shares of Class B Common Stock were sold by the Participant, return any proceeds realized on the sale of such shares of Class B Common Stock during the one year period prior to such breach or any time after such breach occurs.

Section 4.8 Governmental Regulations. The Restricted Share Units shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.9 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of the Certificate.

Section 4.10 Governing Law. The Certificate and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware.

Viacom Inc.
2004 Long-Term Management Incentive Plan
Stock Option Certificate

NAME: -----
NUMBER OF SHARES: -----
EXERCISE PRICE: -----
DATE OF GRANT: -----
EXPIRATION DATE: -----

VIACOM INC.

This certifies that Viacom Inc., a Delaware corporation (the "Company"), has granted to the employee named above (the "Participant"), on the date indicated above (the "Date of Grant"), non-qualified stock options (the "Stock Options") to purchase the number of shares of the Class B Common Stock, par value \$0.01 per share, of the Company ("Class B Common Stock") indicated above, for a purchase price per share equal to the price (the "Exercise Price") shown above, under the Company's 2004 Long-Term Management Incentive Plan, as amended from time to time (the "Plan"), all on the terms and conditions to this stock option certificate attached hereto as part hereof (the "Terms and Conditions").

William A. Roskin
Executive Vice President,
Human Resources and
Development

Viacom Inc.
2004 Long-Term Management Incentive Plan
Terms and Conditions to the Stock Option Certificate

ARTICLE I

TERMS OF STOCK OPTIONS

Section 1.1 Grant of Stock Options. The Stock Options have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the [Insert Date of Grant] grant of Stock Options provided simultaneously on-line or attached hereto (the "Stock Option Certificate") and the Terms and Conditions contained herein (collectively, the "Certificate") and (B) the Plan, the terms of which are hereby incorporated by reference. A copy of the Plan is being provided simultaneously on-line or attached hereto. Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Stock Option Certificate or the Plan. The Stock Options are not intended to be, or qualify as, "Incentive Stock Options" within the meaning of Section 422 of the Code.

Section 1.2 Terms of Stock Options.

(a) Vesting. The Stock Options shall be exercisable only to the extent the Participant is vested therein. The Stock Options shall vest in four installments of an equal whole number of Stock Options on each of the first, second, third and fourth anniversary of the Date of Grant (any remaining Stock Options shall vest on whichever of the preceding vesting dates shall be determined by the Company in accordance with its customary procedures).

(b) Option Period. Except as provided in Section 1.2(c) hereof, the period during which the Stock Options may be exercised shall expire on the eighth anniversary of the Date of Grant (the "Expiration Date").

(c) Exercise in the Event of Termination of Employment, Retirement, Permanent Disability or Death.

(i) Termination other than for Cause, or due to Retirement, Permanent Disability or Death. Except as otherwise provided in this Section 1.2 or as otherwise determined by the Committee, in the event of the Participant's termination of employment other than a Termination for Cause or due to the Participant's Retirement, Permanent Disability or death, the Participant's Outstanding Stock Options can be exercised in accordance with the following provisions:

(A) if the Participant ceases to be an employee of the Company or any of its Subsidiaries by reason of the voluntary termination by the Participant or the termination by the Company or any of its Subsidiaries other than a Termination for Cause, his or her Outstanding Stock Options may be exercised to the extent then exercisable until the earlier of six months after the date of such termination or the Expiration Date;

(B) if the Participant ceases to be an employee of the Company or any of its Subsidiaries by reason of the Participant's Retirement, the Participant may exercise his or her Outstanding Stock Options to the extent exercisable on the date of Retirement until the earlier of the third anniversary of such date or the Expiration Date;

- (C) if the Permanent Disability of the Participant occurs, his or her Outstanding Stock Options may be exercised to the extent exercisable upon the date of the onset of such Permanent Disability until the earlier of the third anniversary of such date or the Expiration Date; and
- (D) if a Participant dies during a period during which his or her Stock Options could have been exercised by him or her, his or her Outstanding Stock Options may be exercised to the extent exercisable at the date of death by the person who acquired the right to exercise such Stock Options by will or the laws of descent and distribution or permitted transfer until the earlier of the second anniversary of the date of death or the Expiration Date.

Except as otherwise provided in this Section 1.2 or as otherwise determined by the Committee, upon the occurrence of an event described in clauses (A), (B), (C) or (D) of this Section 1.2(c)(i), all rights with respect to Stock Options that are not vested as of such event will be relinquished. A "termination of employment" occurs, for purposes of the Stock Options, when a Participant is no longer an employee of the Company or any of its Subsidiaries. Unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the Stock Options, on the date on which the Participant's employing company ceases to be a Subsidiary.

- (ii) Termination for Cause. If the Participant's employment with the Company or any of its Subsidiaries ends due to a Termination for Cause then, unless the Committee in its discretion determines otherwise, all Outstanding Stock Options, whether or not then vested, shall terminate effective as of the date of such termination.
- (iii) Exercise Periods following Termination of Employment, Retirement, Permanent Disability or Death. For the purposes of determining the dates on which Stock Options may be exercised following a termination of employment or Retirement, Permanent Disability or death, the day following the date of termination of employment or Retirement, Permanent Disability or death shall be the first day of the exercise period and the Stock Options may be exercised up to and including the last business day falling within the exercise period. Thus, if the last day of the exercise period is not a business day, then the last date the Stock Options may be exercised is the last business day preceding the end of the exercise period.

Section 1.3 Exercise of Stock Options.

(a) Whole or Partial Exercise. The Participant may exercise all vested Outstanding Stock Options granted hereunder in whole at one time or in part in increments of 100 Stock Options (or in the entire number of Outstanding Stock Options in which the Participant is vested, if such number is less than 100) by notice to the Administrator, Long-Term Incentive Plans, Viacom Inc., 1515 Broadway, New York, New York 10036, or to such agent(s) for the Company ("Agent") as the Company may from time to time specify, in such manner and at such address as may be specified from time to time by the Company. Such notice shall (i) state the number of whole Stock Options being exercised, and (ii) be signed (or otherwise authorized in a manner acceptable to the Company) by the person or persons so exercising the Stock Options and, in the event the Stock Options are being exercised (pursuant to Section 1.2(c)(i) hereof) by any person or persons other than the Participant accompanied by proof satisfactory to the Company's counsel of the right of such person or persons to exercise the Stock Options.

Information concerning any Agent and its address may be obtained by contacting the Administrator, Long-Term Incentive Plans.

(b) Payment of Aggregate Option Price. Full payment of the aggregate Exercise Price (which shall be determined by multiplying the number of Stock Options being exercised by the Exercise Price as set forth on the Stock Option Certificate) shall be made on or before the settlement date for the shares of Class B Common Stock issued pursuant to the exercise of the Stock Options. Unless otherwise provided by the Committee, such Exercise Price shall be paid in cash (e.g. personal bank check, certified check or official bank check). In accordance with the rules and procedures established by the Committee for this purpose, the Stock Options may be exercised through a "cashless exercise" procedure, approved by the Committee, involving a broker or dealer, that affords the Participant the opportunity to sell immediately some or all of the shares underlying the exercised portion of the Stock Options in order to generate sufficient cash to pay the Exercise Price of the Stock Options. In addition, if the Company so permits, the Exercise Price may be paid in whole or in part using a net share settlement procedure or through the withholding of shares subject to the Stock Options with a value equal to the Exercise Price. In accordance with Section 4.3 hereof, the Participant shall make an arrangement acceptable to the Company to pay to the Company an amount sufficient to satisfy the combined federal, state, local or other withholding tax obligations which arise in connection with the exercise of such Stock Options.

(c) Issuance of Share Certificates. Upon satisfaction of the conditions set forth in Section 1.3(b) hereof, the Company shall deliver (or cause to be delivered) a certificate or certificates for the shares of Class B Common Stock issued pursuant to the exercise of the Stock Options to the Participant.

(d) Outstanding Stock Options. The number of shares of Class B Common Stock subject to the Stock Options that is set forth on the Stock Option Certificate may not reflect the number of Outstanding Stock Options due to Stock Option exercises or adjustments pursuant to Article II.

ARTICLE II

EFFECT OF CERTAIN CORPORATE CHANGES

In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off or recapitalization that changes the character or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number of shares and kind of securities subject to the Stock Options, and the Exercise Price of the Stock Options, in each case, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

ARTICLE III

DEFINITIONS

As used herein, the following terms shall have the following meanings:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Certificate" shall mean the Stock Option Certificate, together with the Terms and Conditions contained herein.

(c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value \$0.01 per share, of the Company.

(d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules and regulations promulgated thereunder.

(e) "Committee" shall mean the Compensation Committee of the Board (or such other Committee(s) as may be appointed or designated by the Board to administer the Plan.)

(f) "Company" shall mean Viacom Inc., a Delaware corporation.

(g) "Date of Grant" shall be the date set forth on the Stock Option Certificate.

(h) "Expiration Date" shall be the date set forth on the Stock Option Certificate and in Section 1.2(b) hereof.

(i) "Exercise Price" shall be the amount set forth on the Stock Option Certificate, which amount shall be equal to the Fair Market Value of a share of Class B Common Stock on the Date of Grant.

(j) "Fair Market Value" of a share of Class B Common Stock on a given date shall be the 4:00 p.m. (New York time) closing price on such date on the New York Stock Exchange or other principal stock exchange on which the Class B Common Stock is then listed, as reported by The Wall Street Journal (Northeast edition) or as reported by any other authoritative source selected by the Company.

(k) "Outstanding Stock Option" shall mean a Stock Option granted to the Participant which has not yet been exercised and which has not yet expired or been terminated in accordance with its terms.

(l) "Participant" shall mean the employee named on the Stock Option Certificate.

(m) "Permanent Disability" shall have the same meaning as such term or a similar term has in the long-term disability policy maintained by the Company or a Subsidiary thereof for the Participant and that is in effect on the date of the onset of the Participant's Permanent Disability, unless the Committee determines otherwise.

(n) "Plan" shall mean the Viacom Inc. 2004 Long-Term Management Incentive Plan, as amended from time to time.

(o) "Retirement" shall mean the resignation or termination of employment after attainment of an age and years of service required for payment of an immediate pension pursuant to the terms of any qualified defined benefit retirement plan maintained by the Company or a Subsidiary in which the Participant participates; provided, however, that no resignation or termination prior to a Participant's 60th birthday shall be deemed a retirement unless the Committee so determines in its sole discretion; and provided, further, that the resignation or termination of employment other than a Termination for Cause after attainment of age 60 shall be deemed a retirement if the Participant does not participate in a qualified defined benefit retirement plan maintained by the Company or a Subsidiary.

(p) "Stock Option" shall mean the contractual right granted to the Participant to purchase shares of Class B Common Stock at such time and price, and subject to such other terms and conditions, as set forth in the Certificate and the Plan.

(q) "Stock Option Certificate" shall have the meaning set forth in Section 1.1 hereof.

(r) "Subsidiary" shall mean a corporation (or a partnership or other enterprise) in which the Company owns or controls, directly or indirectly, more than 50% of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable equity participation and voting power).

(s) "Termination for Cause" shall mean a termination of employment with the Company or any of its Subsidiaries which, as determined by the Committee, is by reason of (i) "cause" as such term or a similar term is defined in any employment agreement that is in effect and applicable to the Participant, or (ii) if there is no such employment agreement or if such employment agreement contains no such term, unless the Committee determines otherwise, the Participant's: (A) dishonesty; (B) conviction of embezzlement, fraud or other conduct which would constitute a felony; (C) willful unauthorized disclosure of confidential information; (D) failure, neglect of or refusal to substantially perform the duties of the Participant's employment; or (E) any other act or omission which is a material breach of the Company's policies regarding employment practices or the applicable federal, state and local laws prohibiting discrimination or which is materially injurious to the financial condition or business reputation of the Company or any Subsidiary thereof.

ARTICLE IV

MISCELLANEOUS

Section 4.1 No Rights to Awards or Continued Employment. Neither the Certificate, the Plan nor any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, nor to be entitled to any remuneration or benefits not set forth in the Plan or the Certificate, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason.

Section 4.2 Restriction on Transfer. The rights of the Participant with respect to the Stock Options shall be exercisable during the Participant's lifetime only by the Participant and shall not be transferable by the Participant to whom the Stock Options are granted, except by will or the laws of descent and distribution; provided, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.3 Taxes. As a condition to the exercise of the Stock Options, the Participant shall make a payment in cash equal to the amount of any federal, state, local and/or other taxes owed as a result of such exercise. In accordance with the rules and procedures established by the Committee for this purpose, the Participant may satisfy such withholding obligations through a "cashless exercise" procedure as described in Section 1.3(b). In addition, if the Company so permits, the Participant may satisfy such withholding obligations through a net share settlement procedure or the withholding of shares subject to the applicable Stock Options.

Section 4.4 Stockholder Rights. The grant of Stock Options under the Certificate shall not entitle the Participant or a Participant's estate or any permitted transferee to any rights of a holder of shares of Class B Common Stock, other than when and until the Participant, the Participant's estate or the permitted transferee is registered on the books and records of the Company as a stockholder and share certificates are delivered to such party upon exercise of the Stock Options.

Section 4.5 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan nor the Certificate shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.6 Interpretation. In the event of any conflict between the provisions of the Certificate (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Certificate and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the Stock Options, the provisions of such employment agreement shall be deemed controlling to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate.

Section 4.7 Breach of Covenants. In the event that the Committee makes a good faith determination that the Participant committed a material breach of the restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property in any employment or other agreement applicable to the Participant during the one year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, the Participant will be required to return any "gain" (as defined below) realized on the Stock Options during the one year period prior to such breach or at any time after such breach occurs. In addition, if the Committee makes such determination, the Participant's Outstanding Stock Options will be terminated. The "gain" on the Stock Options shall mean the difference between the Fair Market Value on the date of exercise and the Exercise Price.

Section 4.8 Governmental Regulations. The Stock Options shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.9 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of the Certificate.

Section 4.10 Governing Law. The Certificate and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware.

FORM OF DEFERRAL ELECTIONS FOR [GRANT YEAR]

PERFORMANCE-BASED RESTRICTED SHARE UNIT AWARD

IN-SERVICE DISTRIBUTION:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____, which is a specific date between the first Compensation Committee meeting in January [one year following Grant Year] and ten (10) years after such meeting.

I understand that this election may only be modified if, at least twelve (12) months prior to the initial deferral date indicated above, I elect to further defer receipt of my entire grant to a specific date between the first Compensation Committee meeting in January [one year following Grant Year] and ten (10) years after such meeting that is at least five (5) years after my initial deferral date.

Signature Date

POST-TERMINATION DISTRIBUTION FOR REASONS OTHER THAN DEATH OR DISABILITY:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____ after termination of my employment for reasons other than death or disability, which is a time between six (6) months after my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature Date

POST-TERMINATION DISTRIBUTION DUE TO DISABILITY:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____ after termination of my employment due to disability, which is a time between my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature Date

POST-TERMINATION DISTRIBUTION DUE TO DEATH:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____ after termination of my employment due to death, which is a time between my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature Date

FORM OF DEFERRAL ELECTIONS FOR [GRANT YEAR]

PERFORMANCE-BASED RESTRICTED SHARE UNIT WITH TIME VESTING AWARD

IN-SERVICE DISTRIBUTION:

I elect to defer receipt of the portion of my [Grant Year] grant of restricted share units that vests on the later of (i) the date on which the Compensation Committee certifies that the performance goal established for the [Grant Year] performance period has been achieved, and (ii) the first anniversary of the date of grant until _____, which is a specific date between the date of vesting and ten (10) years after such date.

I elect to defer receipt of the portion of my [Grant Year] grant of restricted share units that vests on the second anniversary of the date of grant until _____, which is a specific date between the date of vesting and ten (10) years after such date.

I elect to defer receipt of the portion of my [Grant Year] grant of restricted share units that vests on the third anniversary of the date of grant until _____, which is a specific date between the date of vesting and ten (10) years after such date.

I elect to defer receipt of the portion of my [Grant Year] grant of restricted share units that vests on the fourth anniversary of the date of grant until _____, which is a specific date between the date of vesting and ten (10) years after such date.

I understand that my election with respect to any portion of my [Grant Year] grant may only be modified if, at least twelve (12) months prior to the initial deferral date, I elect to further defer the distribution of such portion of the grant to a specific date within the contractually provided ten (10) year period that is at least five (5) years after my initial deferral date.

Signature

Date

POST-TERMINATION DISTRIBUTION FOR REASONS OTHER THAN DEATH OR DISABILITY:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____ after termination of my employment for reasons other than death or disability, which is a time between six (6) months after my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature

Date

POST-TERMINATION DISTRIBUTION DUE TO DISABILITY:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until _____ after termination of my employment due to disability, which is a time between my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature

Date

POST-TERMINATION DISTRIBUTION DUE TO DEATH:

I elect to defer receipt of my entire [Grant Year] grant of restricted share units after they vest until after termination of my employment due to death, which is a time between my separation from service and three (3) years after my separation from service.

I understand that this election is irrevocable.

Signature

Date