

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): July 1, 1994

VIACOM INC.

(Exact name of registrant as specified in its charter)

Delaware

1-9553

04-2949533

(State or other
jurisdiction of
incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

200 Elm Street, Dedham, Massachusetts

02026

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (617) 461-1600

Item 5. Other Events

Credit Agreement

On July 1, 1994, Viacom Inc. ("Viacom") entered into an aggregate \$6.489 billion credit agreement (the "Viacom Credit Agreement") and Viacom International and certain of its subsidiaries entered into a \$311 million credit agreement (the "Viacom International Credit Agreement") each with certain banks parties thereto; Bank of New York ("BNY"), Citibank, N.A. ("Citibank"), Morgan Guaranty Trust Company of New York ("Morgan"), and Bank of America NT&SA, as Managing Agents; BNY, as Documentation Agent; Citibank, as Administrative Agent; JP Morgan Securities Inc., as Syndication Agent; and the Agents and Co-Agents named therein.

The Viacom Credit Agreement is comprised of (i) a \$2.5 billion senior unsecured 2-1/2 year revolving short term loan (the "Short Term Loan") maturing December 31, 1996, (ii) a \$1.8 billion senior unsecured 8-year reducing revolving loan (the "Revolving Loan") maturing July 1, 2002 and (iii) a \$2.189 billion 8-year term loan maturing July 1, 2002, and is guaranteed by Viacom International and Paramount Communications Inc. ("Paramount"). The Viacom International Credit Agreement is comprised of a \$311 million

8-year term loan to Viacom International and certain of its subsidiaries maturing July 1, 2002, and is guaranteed by Viacom and Paramount. The Short Term Loan and the Revolving Loan will, among other things, serve as support for a commercial paper program.

The proceeds of the Viacom Credit Agreement and the Viacom International Credit Agreement were used to, among other things, refinance certain indebtedness (i) of Viacom outstanding under that certain Loan Agreement dated as November 19, 1993, as amended, among Viacom, BNY, Citibank and Morgan; (ii) of Viacom International and certain of its subsidiaries outstanding under that certain Loan Agreement dated of September 26, 1989, as amended, among Viacom, as Guarantor, Viacom International, the Subsidiary Obligors, the Banks, Citibank as Agent and BNY as Co-Agent; and (iii) of Viacom under a Term Loan Agreement between Viacom and BNY dated as of December 28, 1992; thereby terminating such Loan Agreements. The Viacom Credit Agreement and the Viacom International Credit Agreement are attached hereto as Exhibits 4(1) and 4(2) and are incorporated herein by reference. The guarantees of Viacom International and Paramount with respect to the Viacom Credit Agreement and the guarantees of Viacom and Paramount with respect to the Viacom International Credit Agreement are attached hereto as Exhibits 4(3), 4(4), 4(5) and 4(6), respectively, and are incorporated herein by reference.

Savings Plan

The Paramount Savings Plan (the "Plan") intends to invest approximately \$86 million in shares of Viacom Class B Common Stock in order to comply with the provisions of the Plan and the requirements of the Employee Retirement Income Security Act of 1974, as amended. The investment will be made with cash proceeds received by the Plan primarily from the tender offer of Viacom completed in March 1994 in payment for approximately 50.1% of

(i) the shares of Paramount Common Stock held by the Plan as a result of employer matching contributions and (ii) the shares of Paramount Common Stock in the Paramount Employer Stock Ownership Plan ("ESOP") that was merged into the Plan. The shares of Viacom Class B Common Stock will be purchased in transactions that comply with the requirements of Regulation 10b-18 of the Securities Exchange Act of 1934, as amended.

Item 7. Financial Statements and Exhibits

4.1 Credit Agreement, dated as of July 1, 1994, among Viacom Inc.; the Bank parties thereto; The Bank of New York ("BNY"), Citibank N.A. ("Citibank"), Morgan Guaranty Trust Company of New York and Bank of America NT&SA, as Managing Agents; BNY, as Documentation Agent; Citibank, as Administrative Agent; JP Morgan Securities Inc., as Syndication Agent; and the Agents and Co-Agents named therein.

4.2 Credit Agreement, dated as of July 1, 1994, among Viacom Cablevision of Dayton Inc.; WNYT Inc., WMZQ Inc., WVIT Inc. and Viacom International Inc.; the Bank parties thereto; The Bank of New York ("BNY"), Citibank N.A. ("Citibank"), Morgan Guaranty Trust Company of New York and Bank of America NT&SA, as Managing Agents; BNY, as Documentation Agent; Citibank, as Administrative Agent; JP Morgan Securities Inc., as Syndication Agent; and the Agents and Co-Agents named therein.

4.3 Guarantee of Viacom International Inc. with respect to the Credit Agreement, dated as of July 1, 1994, among Viacom Inc.; the Bank parties thereto; The Bank of New York ("BNY"), Citibank N.A. ("Citibank"), Morgan Guaranty Trust Company of New York and Bank of America NT&SA, as Managing Agents; BNY, as Documentation Agent; Citibank, as Administrative Agent; JP Morgan Securities Inc., as Syndication Agent; and the Agents and Co-Agents named therein.

4.4 Guarantee of Paramount Communications Inc. with respect to the Credit Agreement, dated as of July 1, 1994, among Viacom Inc.; the Bank parties thereto; The Bank of New York ("BNY"), Citibank N.A. ("Citibank"), Morgan Guaranty Trust Company of New York and Bank of America NT&SA, as Managing Agents; BNY, as Documentation Agent; Citibank, as Administrative Agent; JP Morgan Securities Inc., as Syndication Agent; and the Agents and Co-Agents named therein.

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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.

Date: July 22, 1994

By: /s/ Philippe P. Dauman

Philippe P. Dauman
Executive Vice President,
Chief Administrative Officer,
General Counsel and Secretary

EXHIBIT INDEX

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\$6,489,000,000
CREDIT AGREEMENT,

dated as of

July 1, 1994,

among

VIACOM INC.,
as Borrower,

THE BANKS NAMED HEREIN,

as Banks,

THE BANK OF NEW YORK,

CITIBANK, N.A.,
MORGAN GUARANTY TRUST COMPANY
OF NEW YORK,

and

BANK OF AMERICA NT&SA,

as Managing Agents,

THE BANK OF NEW YORK,

as the Documentation Agent,

CITIBANK, N.A.,

as the Administrative Agent,

JP MORGAN SECURITIES INC.,

as the Syndication Agent,

THE BANKS IDENTIFIED AS AGENTS
ON THE SIGNATURE PAGES HEREOF,

as Agents,

and

THE BANKS IDENTIFIED AS CO-AGENTS
ON THE SIGNATURE PAGES HEREOF,

as Co-Agents

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Exhibits

- Exhibit A - Form of Notice of Borrowing
- Exhibit B - Form of Paramount Parent Guarantee
- Exhibit C - Form of VII Guarantee
- Exhibit D - Form of Notice of Conversion or Continuation
- Exhibit E-1 - Form of Opinion of Shearman & Sterling
- Exhibit E-2 - Form of Opinion Philippe P. Dauman
- Exhibit F - Form of Notice of Assignment and Acceptance

CREDIT AGREEMENT, dated as of July 1, 1994, among VIACOM INC., a Delaware corporation (the "Borrower"), the Bank parties hereto from time to time, THE BANK OF NEW YORK, as a Managing Agent and as the Documentation Agent, CITIBANK, N.A., as a Managing Agent and as the Administrative Agent, MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as a Managing Agent, JP MORGAN SECURITIES INC., as the Syndication Agent, THE BANK OF AMERICA NT&SA, as a Managing Agent, the Banks identified as Agents on the signature pages hereof, as Agents, and the Banks identified as Co-Agents on the signature pages hereof, as Co-Agents.

W I T N E S S E T H :
- - - - -

WHEREAS, the Borrower has requested that the Banks provide senior debt financing for, among other things, the refinancing of certain existing indebtedness of the Borrower and certain of its Subsidiaries, for payment of related transaction costs, fees and expenses, to provide support for certain commercial paper and competitive bid facilities of the Borrower and for general corporate purposes and the Banks are willing to make funds available for such purposes, but only upon the terms and subject to the conditions contained herein; and

WHEREAS, simultaneously herewith, the Banks, the Facility Agents (as hereinafter defined), the Managing Agents, the Agents and the Co-Agents are entering into the Subsidiary Facility (as hereinafter defined), pursuant to which the Banks will provide senior debt financing to certain subsidiaries of the Borrower;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.1. Defined Terms. As used in this Agreement, the following terms

have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Administrative Agent" means Citibank, N.A., in its capacity as the

Administrative Agent, or any successor in such capacity.

"Affiliate" means, as to any Person, any Subsidiary of such Person and

any other Person which, directly or indirectly, controls, is controlled by or is under common control with such Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of management and policies of any Person, whether through the ownership of voting securities, by contract or otherwise.

"Agents" means each of the Banks identified as Agents on the signature

pages hereof.

"Agreement" means this Credit Agreement, as modified, amended or

supplemented from time to time.

"APB 16 and 17" means Accounting Principles Board Opinions Nos. 16 and

17 as in effect at the time that any addition or adjustment required thereunder is to be made to the financial statements of a Person.

"Applicable Eurodollar Rate Margin" shall mean on any date the

percentage set forth below opposite the Credit Rating applicable to the Borrower on such date:

CREDIT RATING	MARGIN
-----	-----
A-/A3 or better	.375%
BBB+/Baa1	.500%
BBB/Baa2	.625%
BBB-/Baa3	.750%
BB+/Ba1	1.000%
BB/Ba2	1.250%
BB-/Ba3 or lower	1.500%

; provided, however, that if the ratings assigned by S&P and Moody's shall

differ by one level, the Credit Rating shall be the rating which is the higher level, or if they differ by more than one level, the Credit Rating shall be the rating that is one rating level immediately above the lower of such ratings; provided further, however, until the date after the Initial Funding Date on

which the Borrower delivers a certificate (which may be the certificate described in Section 9.8(e)) demonstrating that the Total Leverage Ratio (taking into account its EBIDT through June 30, 1994 or the last day of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Banks pursuant to Section 9.8 of this Agreement) is equal to or less than 6.50x, the Applicable Eurodollar Rate Margin specified for each of the rating levels listed above shall be increased by 0.1875%. Any

change in the Credit Rating of the Borrower shall be effective to adjust the Applicable Eurodollar Rate Margin as of the date such change is announced by the applicable Rating Agency.

"Applicable Lending Office" means, with respect to each Bank, its

Domestic Lending Office in the case of a Base Rate Loan, and its Eurodollar Lending Office in the case of a Eurodollar Rate Loan.

"Arranger" means each of The Bank of New York, Citicorp Securities,

Inc., JP Morgan Securities Inc. and BA Securities Inc.

"Banks" means the lenders listed on the signature pages hereof, and

such other lenders as may become parties hereto from time to time pursuant to Section 13.7.

"Base Rate" means, for any day, a fluctuating interest rate per annum

as shall be in effect for such day, which rate per annum shall be equal at all times to the higher of

(a) the rate of interest announced publicly by the Administrative Agent in New York, New York as the Administrative Agent's base rate in effect for such day; or

(b) the Federal Funds Rate for such day plus 1/2 of one percent per annum;

provided, however, that if the higher of the Credit Ratings assigned by S&P and

Moody's to the Borrower shall be BB-/Ba3 or lower, (or, if such Credit Ratings differ by more than one level, the rating that is one rating level immediately above the lower of such ratings, shall be BB-/Ba3 or lower) then the Base Rate shall be equal at all times to the sum of (x) the higher of the foregoing rates plus (y) 1/2 of one percent per annum.

"Base Rate Loan" means any Loan or portion thereof that bears interest

with reference to the Base Rate.

"Borrower" has the meaning specified in the recitals hereof.

"Borrowing" means a Short-Term Loan Borrowing, a Revolving Loan

Borrowing or a Term Loan Borrowing.

"Business Day" means a day of the year on which banks are not required

or authorized to close in New York

City and, if the applicable Business Day relates to a Eurodollar Rate Loan, a day on which dealings are also carried on in Dollars in the London interbank market.

"Capital Market Transaction" means the issuance or incurrence of any

indebtedness for borrowed money (other than borrowings hereunder) or the issuance of any Equity or other securities, excluding Commercial Paper, in each case whether by means of any public offering, private placement or incurrence of additional bank debt.

"Capitalized Lease" means, as applied to any Person, any lease of

property by such Person as lessee which should be capitalized on a balance sheet of such Person prepared in accordance with GAAP, other than leases of satellite transponders.

"Cash Equivalents" means (i) securities with maturities of one year or

less from the date of acquisition issued or fully guaranteed or insured by the United States government or any agency thereof, (ii) certificates of deposit, time deposits, bankers' acceptances and repurchase agreements of any commercial bank rated at least A-3 by Moody's, (iii) negotiable Eurodollar certificates of deposit and time deposits issued by a London affiliate of a U.S. commercial bank or Canadian bank qualified under the preceding clause (ii) if such affiliate's long-term debt is rated A-3 or better by Moody's and (iv) commercial paper of an issuer rated at least A-1+ by S&P or P-1 by Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of investments.

"Co-Agents" means each of the Banks identified as Co-Agents on the

signature pages hereof.

"Code" means the Internal Revenue Code of 1986 (or any successor

legislation thereto), as amended from time to time.

"Commercial Paper" means any unsecured promissory note of the Borrower

or Viacom International with a maturity at the time of issuance not exceeding nine months, exclusive of days of grace, issued by the Borrower or Viacom International pursuant to a commercial paper program of either.

"Commitment" means, as to any Bank, such Bank's aggregate Short-Term

Loan Commitment, Revolving Loan Commitment and/or Term Loan Commitment and

"Commitments" means, as to all of the Banks, the aggregate of the Short-

Term Loan Commitments, Revolving Loan Commitments and Term Loan Commitments of all the Banks.

"Commitment Fee" has the meaning specified in Section 5.4(a).

"Commitment Termination Date" means the earlier of (i) July 1, 2002

and (ii) the date of the earlier termination in whole of all of the Commitments pursuant to the terms hereof, including pursuant to Section 11.1.

"Contaminant" means any waste, pollutant, hazardous substance, toxic

substance, hazardous waste, special waste, petroleum or petroleum derived substance or waste, or any constituent of such substance or waste, including any substance regulated under any Environmental Law.

"Credit Rating" means the most recent rating of the long-term senior

unsecured debt of the Borrower announced by Moody's or S&P or, in the event that either or both cease the issuance of debt ratings generally, such other rating agency or rating agencies agreed to by the Majority Banks.

"Default" means any event which with the passing of time or the giving

of notice or both would become an Event of Default.

"Documentation Agent" means The Bank of New York, in its capacity as

the Documentation Agent, or any successor in such capacity.

"Dollars" and the sign "\$" each mean the lawful money of the United

States of America.

"Domestic Lending Office" means, with respect to any Bank, the office

of such Bank specified as its "Domestic Lending Office" opposite its name on Schedule I or such other office of such Bank as such Bank may from time to time specify to the Borrower and the Administrative Agent.

"Earnings from Operations" means, at any time, for the Borrower and

its Subsidiaries, revenues plus equity in earnings of affiliated companies, less (i) operating expenses, (ii) selling expenses, (iii) general and administrative expenses and (iv) depreciation and amortization expenses.

"EBIDT" means, at any time, the Earnings from Operations of the

Borrower and its Subsidiaries on a

consolidated basis as set forth in the statement of operations of the Borrower and its Subsidiaries for the immediately preceding four Fiscal Quarters for which financial statements have been delivered to the Banks pursuant to Section 9.8 of this Agreement (adjusted to account for material dispositions during such four Fiscal Quarters), plus (to the extent previously deducted) (a) the sum of

the following expenses of the Borrower and its Subsidiaries for such period: (i) depreciation expense; (ii) amortization expense (including all amortization expenses recognized in accordance with APB 16 and 17 but excluding all other amortization of programming, production and pre-publication costs); (iii) expenses accrued under the Incentive Plans for such period; (iv) non-recurring expenses and non-cash charges incurred in connection with the Tender Offer or the Merger, (v) in the event that, during such period, the Borrower or any of its Subsidiaries acquires all or substantially all of the assets or Equity of any other Person or any Equity in any other Person that is reported on an equity basis, the EBIDT of such Person, as determined in accordance with the terms of this definition, shall be included in the EBIDT of the Borrower for all Fiscal Quarters during such period; (vi) all other non-cash charges; and (vii) with respect to the calculation of EBIDT through September 30, 1994, \$48.35 million of expenses associated with programming write-offs at USA Networks less (b) the

proportional EBIDT of the interests held by any other Person in entities fully consolidated with the Borrower and its Subsidiaries, as determined in accordance with the terms of this definition. For the purposes of Section 8.2 only, EBIDT shall be calculated on an actual historical basis without taking into account acquisitions or dispositions during any relevant calculation period.

"Environmental Law" means the Comprehensive Environmental Response,

Compensation, and Liability Act (42 U.S.C. Sec. 9601 et seq.), the Hazardous

Material Transportation Act (49 U.S.C. Sec. 1801 et seq.), the Resource

Conservation and Recovery Act (42 U.S.C. Sec. 6901 et seq.), the Federal Water

Pollution Control Act (33 U.S.C. Sec. 1251 et seq.), the Clean Air Act (42

U.S.C. Sec. 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. Sec.

2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. Sec. 651

et seq.), in each case as amended or supplemented from time to time, and any

analogous future federal or present or future state or local statutes,
including, without limitation, transfer of ownership notification statutes such

as the New Jersey Environmental Cleanup Responsibility Act (N.J. Stat. Ann.
Sec. 13:1K-6 et seq.) and the Connecticut Industrial Transfer Law of 1985

(Conn. Gen. Stat. Sec. 22a-134 et seq.) and the regulations promulgated

pursuant thereto.

"Environmental Liabilities and Costs" means, as to any Person, all

liabilities, obligations, responsibilities, Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, costs and expenses (including, without limitation, all reasonable fees, disbursements and expenses of counsel, expert and consulting fees, and costs of investigation and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand, by any Person, whether based in contract, tort, implied or express warranty, strict liability, any criminal or civil statute, including any Environmental Law, Permit, order or agreement with any Governmental Authority or other Person, arising from environmental, health or safety conditions, or the Release or threatened Release of a Contaminant into the environment, resulting from the past, present or future operations of such Person or its Subsidiaries.

"Environmental Lien" means any Lien in favor of any Governmental

Authority for Environmental Liabilities and Costs.

"Equity" means all shares, options, equity interests, general or

limited partnership interests, joint venture interests or participations or other equivalents (regardless of how designated) of or in a corporation, partnership or other entity, whether voting or non-voting, and including, without limitation, common stock, preferred stock, purchase rights, warrants or options for any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974 (or

any successor legislation thereto) and the rules and regulations promulgated thereunder, as amended from time to time.

"ERISA Affiliate" shall mean a corporation, partnership or other

entity which is considered one employer with the Borrower under Section 4001 of ERISA or Section 414 of the Code.

"ERISA Event" means (i) a Reportable Event with respect to a Title IV

Plan; (ii) the withdrawal of the Borrower, any of its Subsidiaries or any ERISA Affiliate from a Title IV Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (iii) the filing of a notice of intent to terminate a Title IV Plan or the treatment of a plan amendment as a termination under Section 4041 of ERISA; or (iv) the institution of

proceedings to terminate a Title IV Plan or Multiemployer Plan by the PBGC.

"Eurocurrency Liabilities" has the meaning specified in Regulation D.

"Eurodollar Lending Office" means, with respect to any Bank, the

office of such Bank specified as its "Eurodollar Lending Office" opposite its name on Schedule I (or, if no such office is specified, its Domestic Lending Office) or such other office of such Bank as such Bank may from time to time specify to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Interest Period, the rate of interest

per annum determined by the Administrative Agent to be the offered rate per annum at which deposits in Dollars appears on the Telerate Page 3750 (or any successor page) as of 11:00 A.M. (London time), or in the event such offered rate is not available from the Telerate Page, the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the rates offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time), two Business Days before the first day of such Interest Period for deposit in dollars in an amount substantially equal to the aggregate Eurodollar Rate Loans to which such Interest Period relates and for a period equal to such Interest Period.

"Eurodollar Rate Loan" means any Loan or portion thereof that bears

interest at a rate determined with reference to the Eurodollar Rate.

"Eurodollar Rate Reserve Percentage" means, for any Bank for any

Interest Period, the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under Regulation D for determining the actual reserve requirement incurred by such Bank (including, without limitation, any emergency, supplemental or other marginal reserve requirement) with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"Event of Default" has the meaning specified in Section 11.1.

"Existing Borrower Credit Agreement" means the Credit Agreement, dated

as of November 19, 1993, as amended, by and among the Borrower, the banks named therein, The Bank of New York, Citibank, N.A. and Morgan Guaranty Trust Company of New York, as Managing Agents, Citibank, N.A., as the Administrator, the Banks identified as Agents on the Signature Pages thereof, as Agents, and the Banks identified as Co-Agents on the signature pages thereof, as Co-Agents.

"Existing Paramount Credit Agreements" means the Credit Agreements

(i) by and between Paramount and Bank of America NT&SA, dated February 25, 1994, as amended from time to time, and (ii) by and between Prentice-Hall Canada Inc., a wholly owned Subsidiary of Paramount, and Bank of America Canada, dated March 10, 1994, as amended from time to time.

"Existing Viacom International Credit Agreement" means the Credit

Agreement, dated as of September 26, 1989, as amended through the date hereof, among Viacom International, the subsidiary obligors referred to therein, and the banks, the agent and the co-agent parties thereto.

"Facility Agents" means each of the Administrative Agent, the

Documentation Agent and the Syndication Agent.

"FCC" means the Federal Communications Commission, or any successor

thereto.

"FCC License" means, with respect to the Borrower or any of its

Subsidiaries, any radio, television or other license, Permit, certificate of compliance or authorization issued by the FCC and required for the operation of its respective radio and television broadcast stations and cable television systems.

"Federal Funds Rate" means, for any day, a fluctuating interest rate

per annum equal for such day to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Final Judgment" has the meaning specified in Section 11.1(g).

"Fiscal Quarter" means any three month period ending March 31, June

30, September 30 or December 31 of any Fiscal Year, or such other fiscal quarter end date as may be determined by the Borrower following the Merger.

"Fiscal Year" means each twelve-month period ending December 31, or

such other fiscal year end date as may be determined by the Borrower following the Merger.

"Franchise" means a franchise, authorization or right by contract to

construct, own, operate or otherwise exploit any cable television facility operated by the Borrower or any of its Subsidiaries, granted by any Governmental Authority.

"GAAP" means generally accepted accounting principles in the United

States of America as in effect from time to time and set forth in the rules, regulations, opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be in general use by significant segments of the accounting profession and which are applicable to the circumstances as of the date of determination.

"GAAS" means generally accepted auditing standards in the United

States of America as in effect from time to time and set forth in the rules, regulations, opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be in general use by significant segments of the accounting profession and which are applicable to the circumstances as of the date of determination.

"Governmental Authority" means any nation or government, any state or

other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Guarantor Subsidiaries" means each of Viacom International and

Paramount.

"Incentive Plans" means the Borrower's Long-Term Incentive Plan and

Long-Term Management Incentive Plan.

"Indebtedness" of any Person means at any date, without duplication,

(i) all obligations of such Person for borrowed money (including, without limitation, in the case of the Borrower, the obligations of the Borrower for borrowed money under this Agreement), (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of Property or services, except as provided below, (iv) all obligations of such Person as lessee under Capitalized Leases, (v) all Indebtedness of others secured by a Lien on any Property of such Person, whether or not such Indebtedness is assumed by such Person, (vi) all Indebtedness of others directly or indirectly guaranteed or otherwise assumed by such Person, including any obligations of others endorsed (otherwise than for collection or deposit in the ordinary course of business) or discounted or sold with recourse by such Person, or in respect of which such Person is otherwise directly or indirectly liable, including, without limitation any Indebtedness in effect guaranteed by such Person through any agreement (contingent or otherwise) to purchase, repurchase or otherwise acquire such obligation or any security therefor, or to provide funds for the payment or discharge of such obligation, or to maintain the solvency or any balance sheet or other financial condition of the obligor of such obligation, provided that Indebtedness of the Borrower and its Subsidiaries shall not

include (a) guarantees in existence on the date hereof of Indebtedness of discontinued operations, and (b) guarantees of Indebtedness that are identified on Schedule 1.1 to this Agreement and that arise from commitments in existence at the date hereof (in each of cases (a) and (b), only if such guarantees are not extended by the Borrower or any of its Subsidiaries after the date hereof or, in the case of any increase in commitments, only the amount of the increase in such existing commitments shall be included in Indebtedness) (vii) all obligations of such Person as issuer, customer or account party under letters of credit or bankers' acceptances that are either drawn or that back financial obligations that would otherwise be Indebtedness; provided, however, that in

each of the foregoing clauses (i) through (vii), Indebtedness shall not include obligations (other than under this Agreement or the Subsidiary Facility) specifically with respect to the production, distribution and acquisition of motion pictures or other programming rights, talent or publishing rights.

"Indemnified Liability" has the meaning specified in Section 13.4(b).

"Indemnified Person" has the meaning specified in Section 13.4(b).

"Initial Funding Date" means the date on which the conditions set

forth in Sections 6.1, 6.2 and 6.3 are satisfied or waived and the initial Loans are made hereunder.

"Interest Period" means, (a) in the case of Base Rate Loans, the

period commencing on the date such Loans are made or on the date of conversion of such Loans from Eurodollar Rate Loans and ending on the last day of each Fiscal Quarter, and (b) in the case of Eurodollar Rate Loans, (i) initially, the period commencing on the date such Loans are made or on the date of conversion of such Loans or portions thereof from Base Rate Loans and ending one, two, three or six months thereafter, as selected by the Borrower in its Notice of Borrowing or Notice of Conversion or Continuation given to the Administrative Agent pursuant to Section 2.2, 3.2, 4.2 or 5.1, as the case may be, and (ii) thereafter, if such Loans are renewed, in whole or in part, as Eurodollar Rate Loans pursuant to Section 5.1, the period commencing on the last day of the immediately preceding Interest Period therefor and ending one, two, three or six months thereafter, as selected by the Borrower in its Notice of Conversion or Continuation given to the Administrative Agent pursuant to Section 5.1, subject, however, to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless the result of such extension for any Eurodollar Rate Loan would be to extend such Interest Period into another calendar month, in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period in respect of Eurodollar Rate Loans that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) no Interest Period may extend beyond (A) the Commitment Termination Date, in the case of the Revolving Loans and the Term Loans, or (B) the Short-Term Loan Commitment Termination Date, in the case of the Short-Term Loans;

(iv) the Borrower may not select any Interest Period in respect of Loans in an aggregate amount less than \$5,000,000; and

(v) there shall be outstanding at any one time no more than 20 Interest Periods in the aggregate.

"IRS" means the Internal Revenue Service, or any successor thereto.

"Lien" means any mortgage, deed of trust, pledge, hypothecation,

assignment, deposit arrangement, encumbrance, lien (statutory or other), security interest or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement.

"Loan Documents" means, collectively, this Agreement, the Subsidiary

Facility, the VII Guarantee, the Parent Guarantee, the Paramount Affiliate Guarantee and the Paramount Parent Guarantee.

"Loan Parties" means each of the Borrower, each Subsidiary Borrower

and each Guarantor Subsidiary.

"Loans" means, collectively, the Short-Term Loans, the Revolving Loans

and the Term Loans.

"Majority Banks" means, at any time, Banks having at least 51% of the

aggregate amount of (x) the Commitments and (y) the Subsidiary Commitments under (and as defined in) the Subsidiary Facility, taken together and voting as a single group; provided, however, that, for purposes of this definition, if the

Commitment or Subsidiary Commitment of any Bank shall have been terminated, the then aggregate unpaid principal amount of Loans of such Bank hereunder and Subsidiary Loans of such Bank under (and as defined in) the Subsidiary Facility shall be deemed to be such Bank's Commitment or Subsidiary Commitment, as the case may be.

"Managing Agents" means each of The Bank of New York, Citibank, N.A.,

Morgan Guaranty Trust Company of New York and Bank of America NT&SA, acting in such capacity.

"Margin Stock" has the meaning specified in Regulation U.

"Material Adverse Change" means a change that has resulted or would

result in a Material Adverse Effect.

"Material Adverse Effect" means a material adverse effect on the

business, financial condition, operations or Properties of the Borrower and its Subsidiaries taken as a whole.

"Material Credit Agreement Change" means a change that has materially

adversely affected or would materially adversely affect the legality, validity or enforceability of any payment obligation of the Borrower, Viacom International or Paramount or, for the purpose of Section 9.9 of this Agreement only, any of the MSubs under this Agreement or any other Loan Document.

"Material Subsidiary" of any Person means any "significant subsidiary"

of such Person as defined in Regulation S-X, as amended from time to time, promulgated under the Securities Act of 1933, as amended.

"Merger" means the merger of Viacom Sub Inc., a wholly owned

Subsidiary of the Borrower, with and into Paramount, with Paramount surviving as a wholly owned Subsidiary of the Borrower.

"Merger Agreement" means the Amended and Restated Agreement and Plan

of Merger, dated as of February 4, 1994, between Paramount and the Borrower, as amended by Amendment No. 1 thereto dated as of May 26, 1994.

"Merger Date" means the date on which the Merger is effective in

accordance with the Merger Agreement.

"Merger Debentures" means the Borrower's 8% Exchangeable Subordinated

Debentures due 2006.

"Moody's" means Moody's Investors Service, Inc.

"MSub Loan" means a "Subsidiary Loan" made to an MSub pursuant to the

Subsidiary Facility.

"MSubs" shall mean each of Viacom Cablevision of Dayton, Inc., WNYT

Inc., WMZQ Inc. and WVIT Inc., each a Delaware corporation and an indirect wholly owned Subsidiary of the Borrower.

"Multiemployer Plan" means a multiemployer plan, as defined in Section

4001(a)(3) of ERISA, to which the Borrower, any of its Subsidiaries or any ERISA Affiliate is making, is obligated to make, has made or been obligated to make, contributions on behalf of participants who are or were employed by any of them.

"NAI" means National Amusements, Inc., a Maryland corporation.

"Net Cash Proceeds" means:

(a) in reference to asset sales, proceeds in cash as and when received by the Borrower or any of its Subsidiaries (including cash paid in respect of any Indebtedness received) from the sale by the Borrower or any of its Subsidiaries to any Person (other than the Borrower or any of its wholly owned Subsidiaries) of any asset outside of the ordinary course of business (including, without limitation, the sale of any facility, division, plant or other real property or interest in real property), net of the direct costs relating to such sale, including, without limitation, (i) legal, accounting and investment banking fees and sale commissions, (ii) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements in each case arising directly from such sale), (iii) amounts required to be applied to the repayment of Indebtedness relating to the asset that is the subject of such sale and not otherwise provided for by the terms of such sale, and (iv) reasonable reserves for purchase price adjustments; and

(b) in reference to Capital Market Transactions by any Person, the proceeds in cash received from such Capital Market Transactions, net of all issuance costs.

For purposes of this definition, proceeds received by any Subsidiary of the Borrower other than a wholly owned Subsidiary shall be deemed to be Net Cash Proceeds received by the Borrower only in an amount proportionate to the equity ownership interest of the Borrower in the Subsidiary receiving such proceeds.

"Net Worth" means, at any time, as to the Borrower and its

Subsidiaries on a consolidated basis (determined in accordance with GAAP), the excess of total assets over (i) total liabilities as shown on the Borrower's then most recent consolidated balance sheet and (ii) preferred stock that is either exchangeable into debt or is non-perpetual.

"Notice of Assignment and Acceptance" has the meaning specified in

Section 13.7(a).

"Notice of Borrowing" means a notice of the Borrower substantially in

the form of Exhibit A hereto specifying therein (i) the date of the proposed Borrowing,

(ii) the aggregate amount of such proposed Borrowing, (iii) the amount thereof, if any, requested to be Eurodollar Rate Loans, (iv) the initial Interest Period or Interest Periods for any such Eurodollar Rate Loans and (v) whether such Borrowing is to be a Short-Term Loan Borrowing, a Revolving Loan Borrowing or a Term Loan Borrowing.

"Notice of Conversion or Continuation" has the meaning specified in

Section 5.1.

"Paramount" means Paramount Communications Inc., a Delaware

corporation.

"Paramount Affiliate Guarantee" means the guarantee by Paramount of

the obligations of Viacom International and the MSubs pursuant to the Subsidiary Facility, substantially in the form of Exhibit B to the Subsidiary Facility.

"Paramount Common Stock" means the common stock, par value \$1.00 per

share, of Paramount.

"Paramount Parent Guarantee" means the guarantee by Paramount of the

obligations of the Borrower pursuant to this Agreement, substantially in the form of Exhibit B hereto.

"Parent Guarantee" means the guarantee by the Borrower of the

obligations of Viacom International and the MSubs pursuant to the Subsidiary Facility, substantially in the form of Exhibit C to the Subsidiary Facility.

"PBGC" means the Pension Benefit Guaranty Corporation, or any

successor thereto.

"Pension Plan" means an employee pension benefit plan, as defined in

Section 3(2) of ERISA (other than a Multiemployer Plan), which is not an individual account plan, as defined in Section 3(34) of ERISA, and which the Borrower, any of its Subsidiaries or any ERISA Affiliate now or in the future maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any of them.

"Permit" means any permit, approval, authorization, license, variance

or permission required from a Governmental Authority under an applicable Requirement of Law.

"Person" means an individual, partnership, corporation (including a

business trust), joint stock

company, trust, unincorporated association, joint venture or other entity, or Governmental Authority.

"Plan" shall mean an employee benefit plan as defined in Section 3(3)

of ERISA which is maintained or contributed to by the Borrower or an ERISA Affiliate.

"Property" means any interest in any kind of property or asset,

whether real, personal or mixed, and whether tangible or intangible, including, without limitation, the right to use, transmit, display, license or otherwise temporarily or permanently benefit from the possession of, control of or access to any film, television program, trademark, trade name, copyright, service mark or any other type of intellectual or intangible property.

"Qualified Plan" means an employee pension benefit plan, as defined in

Section 3(2) of ERISA, which is intended to be tax-qualified under Section 401(a) of the Code, and which the Borrower, any of its Subsidiaries or any ERISA Affiliate now or in the future maintains, contributes to or has an obligation to contribute to on behalf of participants who are or were employed by any of them.

"Ratable Portion" means, with respect to any Bank, (i) with respect to

the Short-Term Loans, the Revolving Loans and the Term Loans, respectively, the percentage obtained by dividing the amount of such Bank's Short-Term Loan Commitment, Revolving Loan Commitment or Term Loan Commitment, as the case may be, by the aggregate amount of all of such Short-Term Loan Commitments, Revolving Loan Commitments or Term Loan Commitments of all the Banks, respectively, and (ii) with respect to the aggregate amount of all Commitments, the percentage obtained by dividing the aggregate Commitment of such Bank by the aggregate amount of all Commitments of all the Banks.

"Reference Banks" means The Bank of New York, Citibank, N.A., Morgan

Guaranty Trust Company of New York and the Bank of America NT&SA.

"Register" has the meaning specified in Section 13.7(g) hereof.

"Regulation D" means Regulation D of the Board of Governors of the

Federal Reserve System (or any successor thereto), as in effect from time to time, or any successor thereto.

"Regulation T" means Regulation T of the Board of Governors of the

Federal Reserve System (or any successor

thereto), as in effect from time to time, or any successor thereto.

"Regulation U" means Regulation U of the Board of Governors of the

Federal Reserve System (or any successor thereto), as in effect from time to
time, or any successor thereto.

"Regulation X" means Regulation X of the Board of Governors of the

Federal Reserve System (or any successor thereto), as in effect from time to
time, or any successor thereto.

"Release" means, as to any Person, any release, spill, emission,

leaking, pumping, injection, deposit, disposal, discharge, disbursal, leaching
or migration into the indoor or outdoor environment or into or out of any
property owned by such Person, including the movement of Contaminants through or
in the air, soil, surface water, ground water or property.

"Remedial Action" means all actions required to (i) clean up, remove,

treat or in any other way address Contaminants in the indoor or outdoor
environment, (ii) prevent the Release or threat of Release or minimize the
further Release of Contaminants so they do not migrate or endanger or threaten
to endanger public health or welfare or the indoor or outdoor environment, or
(iii) perform pre-remedial studies and investigations and post-remedial
monitoring and care.

"Reportable Event" means any of the events described in Section

4043(b)(1), (2), (3), (5), (6), (8) or (9) of ERISA.

"Requirements of Law" means all federal, state and local laws, rules,

regulations, orders, decrees or other determinations of an arbitrator, court or
other Governmental Authority, including the requirements of ERISA and
Environmental Law.

"Responsible Financial Officer" means the chief financial officer,

treasurer, assistant treasurer, controller, secretary, assistant secretary or
other officer of the Borrower listed in the certificate delivered to the
Managing Agents pursuant to Section 6.1(c) or otherwise notified to the
Administrative Agent as being authorized to execute documents and certificates
and otherwise act on behalf of the Borrower in connection with financial matters
arising under this Agreement or any other Loan Document.

"Responsible Officer" of any Person means any of the officers of such

Person listed in the certificate delivered to the Managing Agents pursuant to Section 6.1(c) or otherwise notified to the Administrative Agent as being authorized to execute and deliver documents and certificates and otherwise act on behalf of such Person in all matters (other than financial matters) arising under this Agreement or any other Loan Document.

"Revolving Loan" means a Loan made to the Borrower pursuant to

Section 3.1.

"Revolving Loan Borrowing" means a borrowing by the Borrower

consisting of Revolving Loans made on the same day by the Banks ratably according to their respective Revolving Loan Commitments.

"Revolving Loan Commitment" has the meaning specified in Section

3.1(a).

"S&P" means Standard & Poor's Ratings Group.

"Scheduled Revolving Loan Commitment Reduction Date" has the meaning

specified in Section 3.3(b).

"Short-Term Loan" means a Loan made to the Borrower pursuant to

Section 2.1.

"Short-Term Loan Borrowing" means a borrowing by the Borrower

consisting of Short-Term Loans made on the same day by the Banks ratably according to their respective Short-Term Loan Commitments.

"Short-Term Loan Commitment" has the meaning specified in Section

2.1(a).

"Short-Term Loan Commitment Termination Date" means the earlier of

(i) December 31, 1996 and (ii) the date of the earlier termination in full of the Short-Term Loan Commitment pursuant to the terms hereof, including pursuant to Section 11.1.

"Single-Employer Plan" shall mean a single-employer plan as defined in

section 4001(a)(15) of ERISA which is subject to the provisions of Title IV of ERISA.

"Subsidiary" means, with respect to any Person, any corporation,

partnership or other business entity of which more than 50% of the outstanding Equity having ordinary voting power to elect a majority of the board of directors of such entity (irrespective of whether, at the

time, Equity of any other class or classes of such entity shall have or might have voting power by reason of the happening of any contingency) is, or of which more than 50% of the interests in which are, at the time, directly or indirectly, owned by such Person and/or one or more Subsidiaries of such Person.

"Subsidiary Borrowers" means the MSubs and Viacom International, as

borrowers under the Subsidiary Facility.

"Subsidiary Facility" means the Credit Agreement, dated as of the date

hereof, among Viacom International, the MSubs, the banks parties thereto, The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA, as Managing Agents, The Bank of New York, as Documentation Agent, Citibank, N.A., as the Administrative Agent, JP Morgan Securities Inc. as the Syndication Agent, the banks identified as Agents on the signature pages thereof, as Agents, and the banks identified as Co-agents on the signature pages thereof, as Co-Agents.

"Syndication Agent" means JP Morgan Securities Inc. in its capacity as

the Syndication Agent, or any successor in such capacity.

"Tax Affiliate" means, as to any Person, (i) any Subsidiary of such

Person, or (ii) any Affiliate of such Person with which such Person files or is required to file consolidated, combined or unitary tax returns.

"Tax Sharing Agreement" means the Income Tax Agreement, dated as of

August 15, 1987, as amended, among NAI, the Borrower and Viacom International.

"Tender Offer" means the acquisition by the Borrower on March 11, 1994

of approximately 50.2% of the issued and outstanding shares of Paramount Common Stock pursuant to the Borrower's Offer to Purchase dated October 25, 1993 as amended.

"Term Loan" means a Loan made to the Borrower pursuant to Section 4.1.

"Term Loan Borrowing" means a borrowing by the Borrower consisting of

Term Loans made on the same day by the Banks ratably according to their respective Term Loan Commitments.

"Term Loan Commitment" has the meaning specified in Section 4.1(a).

"Title IV Plan" means a Pension Plan, other than a Multiemployer Plan,

which is covered by Title IV of ERISA.

"Total Cash Interest and Preferred Dividends" means, for any period,

the sum of the following amounts: (i) the cash interest expense incurred by the Borrower and its Subsidiaries during the preceding four Fiscal Quarters with respect to the aggregate amount of all Indebtedness outstanding during such period plus (ii) the cash dividends paid by the Borrower and its Subsidiaries to

Persons other than the Borrower and its wholly owned Subsidiaries during such four Fiscal Quarters with respect to preferred stock.

"Total Debt" of the Borrower and its Subsidiaries means, on any date,

the total outstanding Indebtedness of the Borrower and its Subsidiaries on a consolidated basis; provided that for purposes of calculating the Total Leverage

Ratio, Total Debt shall be reduced by: (i) 85% of cash, Cash Equivalents and short-term investments held by the Borrower and its Subsidiaries on a consolidated basis from the date hereof to and including June 30, 1995, (ii) 75% of such amounts on any date thereafter to and including June 30, 1996, and (iii) 65% of such amounts on any date thereafter; and provided further that Total

Debt, as of any date prior to January 1, 1995, shall not include the outstanding principal amount of the Merger Debentures.

"Total Leverage Ratio" means the consolidated ratio of Total Debt to

EBIDT as to the Borrower and Paramount on a pro forma consolidated basis prior to the Merger and as to the Borrower thereafter.

"Viacom International" means Viacom International Inc., a Delaware

corporation and a wholly owned subsidiary of the Borrower.

"VII Guarantee" means the guarantee by Viacom International of the

obligations of the Borrower pursuant to this Agreement, substantially in the form of Exhibit C hereto.

"Withdrawal Liability" means, as to any Person, at any time, the

aggregate amount of the liabilities, if any, of such Person pursuant to Section 4201 of ERISA.

1.2. Computation of Time Periods. In this Agreement, in the

computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding" and the word "through" means "to and including".

1.3. Accounting Terms. All accounting terms not specifically defined

herein shall be construed in accordance with GAAP.

The parties hereto agree, however, that in the event that any change in accounting principles from those used in the preparation of the financial statements referred to in Section 7.4(a) is hereafter occasioned by the promulgation of rules, regulations, pronouncements, opinions and statements by or required by the Financial Accounting Standards Board or Accounting Principles Board or the American Institute of Certified Public Accountants (or successors thereto or agencies with similar functions) and such change materially affects the calculation of any component of any financial covenant, standard or term contained in this Agreement, the Managing Agents and the Borrower shall negotiate in good faith to amend such financial covenants, standards or terms found in this Agreement (other than in respect of financial statements to be delivered hereunder) so that, upon adoption of such changes, the criteria for evaluation of the Borrower's and its Subsidiaries' financial condition shall be the same after such change as if such change had not been made; provided,

however, that (i) any such amendments shall not become effective for purposes of

this Agreement unless approved by the Majority Banks and (ii) if the Borrower and the Majority Banks cannot agree on such an amendment, then the calculations under such financial covenants, standards or terms shall continue to be computed without giving effect to such change in accounting principles.

ARTICLE II

AMOUNT AND TERMS OF THE SHORT-TERM LOANS

2.1. The Short-Term Loans. (a) The Short-Term Loans. On the terms

and subject to the conditions contained in this Agreement, each Bank severally agrees to make Short-Term Loans to the Borrower from time to time on any Business Day during the period from the Initial Funding Date until the Short-Term Loan Commitment Termination Date in an aggregate amount not to exceed at any time outstanding the amount set forth opposite such Bank's name on Schedule II as its "Short-Term Loan Commitment", (as adjusted from time to time by reason of assignments in accordance with the provisions of Section 13.7 and as such amount may be reduced pursuant to Section 2.3, such Bank's "Short-Term Loan Commitment"), provided, however, that, following the making of each such

proposed Short-Term Loan, the aggregate principal amount of all Revolving Loans and Short-Term Loans

outstanding, together with the aggregate face amount of Commercial Paper outstanding, shall not exceed the aggregate amount of the Revolving Loan Commitment of the Banks and the Short-Term Loan Commitment at such time. Within the limits of each Bank's Short-Term Loan Commitment, amounts borrowed under this Section 2.1(a) and prepaid pursuant to Section 2.5 may be reborrowed under this Section 2.1(a).

(b) Evidence of Debt. (i) Each Bank shall maintain in accordance

with its usual practice an account or accounts evidencing the Indebtedness to such Bank resulting from each Short-Term Loan made by such Bank to the Borrower from time to time, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder.

(ii) The Register maintained by the Administrative Agent pursuant to Section 13.7(g) shall include a "Short-Term Loan contract control account" for each Bank, in which account shall be recorded (A) the date and amount of each Short-Term Loan Borrowing hereunder, (B) the amount and type of each Bank's Short-Term Loan comprising such Borrowing and any Interest Period applicable thereto, (C) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Bank with respect to each such Short-Term Loan hereunder and (D) the amount of any sum received by the Administrative Agent from the Borrower with respect to such Short-Term Loans hereunder and each Bank's Ratable Portion thereof.

(iii) The entries made in the Register in respect of Short-Term Loans shall be conclusive and binding for all purposes, absent manifest error.

2.2. Making the Short-Term Loans. (a) Each Short-Term Loan

Borrowing shall be made upon receipt of a Notice of Borrowing, given by the Borrower to the Administrative Agent not later than (i) 9:30 A.M. (New York City time) on the Business Day of the proposed Short-Term Loan Borrowing, in the event such Short-Term Loan Borrowing is to be comprised of Base Rate Loans, and (ii) 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Short-Term Loan Borrowing, in the event such Short-Term Loan Borrowing is to be comprised of Eurodollar Rate Loans.

(b) The Administrative Agent shall give to each Bank prompt notice (but in any event on the same day) of its receipt of a Notice of Borrowing in respect of Short-Term Loans and, if Eurodollar Rate Loans are properly requested

in such Notice of Borrowing, upon its determination thereof, notice of the applicable interest rate under Section 5.3(b). Each Bank shall, before 11:00 A.M. (or in the case of a Short-Term Loan Borrowing being made on the same day, before 12:00 noon) (New York City time) on the date of the proposed Short-Term Loan Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 13.2, in immediately available funds, such Bank's Ratable Portion of such proposed Short-Term Loan Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article VI, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address.

(c) Each Short-Term Loan Borrowing pursuant to this Section 2.2 shall be in an aggregate amount of not less than \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof.

(d) Each Notice of Borrowing pursuant to this Section 2.2 shall be irrevocable and binding on the Borrower. In the case of any proposed Short-Term Loan Borrowing comprised of Eurodollar Rate Loans, the Borrower shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such proposed Borrowing the applicable conditions set forth in Article VI, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 5.2 on the amount of principal not borrowed as a result of such failure), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund any Eurodollar Rate Loan to be made by such Bank as part of such proposed Short-Term Loan Borrowing when such Eurodollar Rate Loan, as a result of such failure, is not made on such date.

(e) Unless the Administrative Agent shall have received notice from a Bank prior to the date of any proposed Short-Term Loan Borrowing pursuant to this Section 2.2 that such Bank will not make available to the Administrative Agent such Bank's Ratable Portion of such Short-Term Loan Borrowing, the Administrative Agent may assume that such Bank has made such Ratable Portion available to the Administrative Agent on the date of such Short-Term Loan Borrowing in accordance with this Section 2.2 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Bank

shall not have so made such Ratable Portion available to the Administrative Agent and the Administrative Agent has so made available such amount, such Bank and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to the Short-Term Loans comprising such Short-Term Loan Borrowing and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Bank's Short-Term Loan as part of such Borrowing for purposes of this Agreement. If the Borrower shall repay to the Administrative Agent such corresponding amount, such payment shall not relieve such Bank of any obligation it may have to the Borrower hereunder.

(f) The failure of any Bank to make the Short-Term Loan to be made by it as part of any Short-Term Loan Borrowing pursuant to this Section 2.2 shall not relieve any other Bank of its obligation, if any, hereunder to make its Short-Term Loan on the date of such Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Short-Term Loan to be made by such other Bank on the date of any such Short-Term Loan Borrowing.

2.3. Termination/Reduction of the Short-Term Loan Commitments. (a)

Optional Reductions. The Borrower shall have the right, upon at least one

Business Day's prior notice to the Administrative Agent, to terminate in whole or permanently reduce ratably in part the unused portions of the respective Short-Term Loan Commitments of the Banks; provided, however, that each partial

reduction shall be in the aggregate amount of not less than \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof.

(b) Mandatory Reductions. If the Borrower or any Subsidiary shall

(i) sell any assets (other than in the ordinary course of business) or
(ii) effect a Capital Market Transaction, then (a) the Short-Term Loan Commitment of each Bank shall be automatically reduced by an amount equal to such Bank's Ratable Portion of the Net Cash Proceeds of such sale or Capital Market Transaction, up to an aggregate of \$2.5 billion for all Banks; provided,

however, that:

(x) no such reduction of any Short-Term Loan Commitment shall be required for a period of 12 months from the related sale date in respect of Net Cash

Proceeds from the sale of those publishing assets identified on Schedule 2.3(b) hereto; and

(y) no such reduction of any Short-Term Loan Commitment shall be required for a period of 12 months from the related sale date in respect of other Net Cash Proceeds in an aggregate amount of (A) up to \$100 million, plus (B) after the aggregate Short-Term Loan Commitments have been reduced

to \$1.5 billion, up to an additional \$150 million in the aggregate of Net Cash Proceeds plus (C) after the aggregate Short-Term Loan Commitments have

been reduced to \$1.5 billion, up to an additional \$250 million of Net Cash Proceeds received in excess of amounts previously or subsequently applied under (A) and (B) if at the time of receipt thereof the Total Leverage Ratio is equal to or less than 6.50x.

In the event that Net Cash Proceeds are not reinvested (or a purchase agreement has not been executed) in the 12-month period provided above, the Short-Term Loan Commitment of each Bank shall be reduced by such Bank's Ratable Portion of any Net Cash Proceeds referred to in clause (x) or (y) above (i) in respect of which no such reduction shall previously have occurred and (ii) which have not been reinvested (and no purchase agreement in respect of such reinvestment has been executed) on or prior to such date, provided, however, for purposes of this

Section 2.3(b), reinvestment of Net Cash Proceeds within the 12 month period provided above shall be deemed to include assets purchased after the date hereof but within six months prior to the transactions which produced such Net Cash Proceeds. After the Short-Term Loan Commitments have been reduced to \$0 and all Short-Term Loans have been repaid, no mandatory reductions of any Commitment shall be required from such Net Cash Proceeds.

(c) Payment of Commitment Fee. Simultaneously with any termination

or reduction of the Short-Term Loan Commitments pursuant to this Section 2.3, the Borrower shall pay to the Administrative Agent for the account of each Bank the applicable Commitment Fee, if any, on the amount of the Short-Term Loan Commitments so terminated or reduced and owed to such Bank through the date of such termination or reduction.

2.4. Repayment of the Short-Term Loans. The Borrower shall repay the

outstanding principal amount of the Short-Term Loans in full on the Short-Term Loan Commitment Termination Date.

2.5. Optional Prepayments of the Short-Term Loans. The Borrower may,

upon at least three Business Days'

prior notice (or at least one Business Day's prior notice in the case of Base Rate Loans) to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amount of the Short-Term Loans, in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that the Borrower

shall indemnify the Banks pursuant to Section 13.4(c) in the event that any prepayment of any Eurodollar Rate Loans shall be made on a day other than the last day of an Interest Period for such Loans; and provided further, however,

that each partial prepayment permitted under this Section 2.5 shall be in an aggregate amount of not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof.

2.6. Mandatory Prepayment. The Borrower shall prepay Short-Term

Loans to the extent necessary to ensure that (i) the aggregate amount of all Short-Term Loans outstanding will not at any time exceed the Short-Term Loan Commitments of the Banks, and (ii) the aggregate amount of all Revolving Loans and Short-Term Loans outstanding, together with the aggregate face amount of Commercial Paper outstanding, will not at any time exceed the aggregate amount of the Short-Term Loan Commitments and Revolving Loan Commitments of the Banks. Any prepayments required to assure that the aggregate unused amount of the Short-Term Loan Commitments and the Revolving Loan Commitments is not less than the face amount of outstanding Commercial Paper shall be applied first to the Revolving Loans and then to the Short-Term Loans.

2.7. Conversion to Term Loans. On any date prior to the Short-Term

Loan Commitment Termination Date that the Borrower prepays in full any Subsidiary Loans (as defined in the Subsidiary Facility) to an MSub under the Subsidiary Facility, the Borrower may elect, by not less than three Business Days' prior written notice to the Administrative Agent, to convert an outstanding portion of the Short-Term Loans to additional Term Loans in an amount equal to the principal amount of such Subsidiary Loans (as defined in the Subsidiary Facility) being prepaid. Such conversion shall be made ratably among the respective outstanding Short-Term Loans of the Banks and shall be effective simultaneously with the prepayment of the relevant MSub Loans. The Term Loans resulting from such conversion shall for all purposes be treated as outstanding Term Loans hereunder, provided, however, that the principal amount of such

resulting Term Loans shall be payable in quarterly installments on January 1, April 1, July 1 and October 1 of each year, commencing

July 1, 1997, and ending on July 1, 2002, in an amount established by applying the Quarterly Percentage Reduction specified under column (y) below for the relevant dates during the periods specified under column (x) below to the outstanding amount of such Term Loans on January 1, 1997:

(x)	(y)
Quarter	Quarterly Percentage Reduction
July 1, 1997 through October 1, 1997	3%
January 1, 1998 through October 1, 1999	4%
January 1, 2000 through October 1, 2000	5%
January 1, 2001 through July 1, 2002	6%

Such amounts shall be payable in addition to all amounts otherwise due and payable in respect of Term Loans under Section 4.3(a). The Short-Term Loan Commitments of the Banks shall be automatically reduced by the amount of the Short-Term Loans converted under this Section 2.7 on the date they are so converted.

ARTICLE III

AMOUNT AND TERMS OF THE REVOLVING LOANS

3.1. The Revolving Loans. (a) The Revolving Loans. On the terms

and subject to the conditions contained in this Agreement, each Bank severally agrees to make Revolving Loans to the Borrower from time to time on any Business Day during the period from the Initial Funding Date until the Commitment Termination Date in an aggregate amount not to exceed at any time outstanding the amount set forth opposite such Bank's name on Schedule II as its "Revolving Loan Commitment" (as adjusted from time to time by reason of assignments in accordance with the provisions of Section 13.7 and as such amount may be reduced pursuant to Section 3.3 such Bank's "Revolving Loan Commitment"); provided,

however, that, following the making of each such proposed Revolving Loan, the

aggregate amount of all

Revolving Loans and Short-Term Loans outstanding, together with the aggregate face amount of Commercial Paper outstanding, shall not exceed the aggregate amount of the Revolving Loan Commitment of the Banks and the Short-Term Loan Commitment at such time. Within the limits of each Bank's Revolving Loan Commitment, amounts borrowed under this Section 3.1(a) and prepaid pursuant to Section 3.5 may be reborrowed under this Section 3.1(a).

(b) Evidence of Debt. (i) Each Bank shall maintain in accordance

with its usual practice an account or accounts evidencing the Indebtedness to such Bank resulting from each Revolving Loan made by such Bank to the Borrower from time to time, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder.

(ii) The Register maintained by the Administrative Agent pursuant to Section 13.7(g) shall include a "Revolving Loan contract control account" for each Bank, in which account shall be recorded (A) the date and amount of each Revolving Loan Borrowing hereunder, (B) the amount and type of each Bank's Revolving Loan comprising such Borrowing and any Interest Period applicable thereto, (C) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Bank with respect to each such Revolving Loan hereunder and (D) the amount of any sum received by the Administrative Agent from the Borrower with respect to such Revolving Loans hereunder and each Bank's Ratable Portion thereof.

(iii) The entries made in the Register in respect of the Revolving Loans shall be conclusive and binding for all purposes, absent manifest error.

3.2. Making the Revolving Loans. (a) Each Revolving Loan Borrowing

shall be made upon receipt of a Notice of Borrowing, given by the Borrower to the Administrative Agent not later than (i) 9:30 A.M. (New York City time) on the Business Day of the proposed Revolving Loan Borrowing, in the event such Revolving Loan Borrowing is to be comprised of Base Rate Loans, and (ii) 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Revolving Loan Borrowing, in the event such Revolving Loan Borrowing is to be comprised of Eurodollar Rate Loans.

(b) The Administrative Agent shall give to each Bank prompt notice (but in any event on the same day) of its receipt of a Notice of Borrowing in respect of Revolving Loans and, if Eurodollar Rate Loans are properly requested

in such Notice of Borrowing, upon its determination thereof, notice of the applicable interest rate under Section 5.3(b). Each Bank shall, before 11:00 A.M. (or in the case of a Revolving Loan Borrowing being made on the same day, before 12:00 noon) (New York City time) on the date of the proposed Revolving Loan Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 13.2, in immediately available funds, such Bank's Ratable Portion of such proposed Revolving Loan Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article VI, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address.

(c) Each Revolving Loan Borrowing pursuant to this Section 3.2 shall be in an aggregate amount of not less than \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof.

(d) Each Notice of Borrowing pursuant to this Section 3.2 shall be irrevocable and binding on the Borrower. In the case of any proposed Revolving Loan Borrowing comprised of Eurodollar Rate Loans, the Borrower shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such proposed Borrowing the applicable conditions set forth in Article VI, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 5.2 on the amount of principal not borrowed as a result of such failure), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund any Eurodollar Rate Loan to be made by such Bank as part of such proposed Revolving Loan Borrowing when such Eurodollar Rate Loan, as a result of such failure, is not made on such date.

(e) Unless the Administrative Agent shall have received notice from a Bank prior to the date of any proposed Revolving Loan Borrowing pursuant to this Section 3.2 that such Bank will not make available to the Administrative Agent such Bank's Ratable Portion of such Revolving Loan Borrowing, the Administrative Agent may assume that such Bank has made such Ratable Portion available to the Administrative Agent on the date of such Revolving Loan Borrowing in accordance with this Section 3.2 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such Ratable Portion available to the

Administrative Agent and the Administrative Agent has so made available such amount, such Bank and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to the Revolving Loan comprising such Revolving Loan Borrowing and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Bank's Revolving Loan as part of such Borrowing for purposes of this Agreement. If the Borrower shall repay to the Administrative Agent such corresponding amount, such payment shall not relieve such Bank of any obligation it may have to the Borrower hereunder.

(f) The failure of any Bank to make the Revolving Loan to be made by it as part of any Revolving Loan Borrowing pursuant to this Section 3.2 shall not relieve any other Bank of its obligation, if any, hereunder to make its Revolving Loan on the date of such Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Revolving Loan to be made by such other Bank on the date of any such Revolving Loan Borrowing.

3.3. Termination/Reduction of the Revolving Loan Commitments. (a)

Scheduled Reductions. The Revolving Loan Commitment of each Bank shall be

automatically reduced on each date specified in column (x) below (each such date, a "Scheduled Revolving Loan Commitment Reduction Date") by an amount equal to such Bank's Ratable Portion of the amount specified in column (y) below opposite such date:

(x) Scheduled Revolving Loan Commitment Reduction Date -----	(y) Amounts of Reduction of Loan Commitments -----
July 1, 1995	\$0
July 1, 1996	\$0
July 1, 1997	\$0
July 1, 1998	\$ 90,000,000
July 1, 1999	\$360,000,000
July 1, 2000	\$360,000,000
July 1, 2001	\$450,000,000
July 1, 2002	\$540,000,000

The amounts under (y) shall be adjusted in the amounts and in the manner required under Section 3.3(b).

(b) Optional Reductions. The Borrower shall have the right, upon at

least three Business Days' prior notice to the Administrative Agent, to terminate in whole or permanently reduce ratably in part the unused portions of the respective Revolving Loan Commitments of the Banks; provided, however, that

each partial reduction shall be in the aggregate amount of not less than \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof; and provided

further, however, that if any such optional reduction of the Revolving Loan

Commitment that is made at the Borrower's option as a result of the receipt by the Borrower of Net Cash Proceeds of asset sales or Capital Market Transactions shall be made (a) 50% in order of scheduled commitment reductions, and (b) 50% pro rata among all remaining scheduled commitment reductions applicable to the Revolving Loan Commitment; except as provided in the second proviso above, optional reductions may be allocated against Scheduled Revolving Loan Commitment Reduction Dates in any manner requested by the Borrower.

(c) Payment of Commitment Fee. Simultaneously with any termination

or reduction of the Revolving Loan Commitments pursuant to this Section 3.3, the Borrower shall pay to the Administrative Agent for the account of each Bank the applicable Commitment Fee, if any, on the amount of the Revolving Loan Commitments so terminated or reduced and owed to such Bank through the date of such termination or reduction.

3.4. Repayment of the Revolving Loan. The Borrower shall repay the

outstanding principal amount of the Revolving Loan (together with all accrued but unpaid interest thereon) in full on the Commitment Termination Date.

3.5. Optional Prepayments of the Revolving Loan. The Borrower may,

upon at least three Business Days' prior notice (or at least one Business Day's prior notice in the case of Base Rate Loans), to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amount of the Revolving Loan comprising a part of the same Revolving Loan Borrowing, in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that

the Borrower shall indemnify the Banks pursuant to Section 13.4(c) in the event that any prepayment of any Eurodollar Rate Loans shall be made on a day other than the last day of an Interest Period for such Loans; and provided further,

however, that each partial prepayment permitted under this

Section 3.5 shall be in an aggregate amount not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof.

3.6. Mandatory Prepayment. The Borrower shall prepay Revolving Loans

to the extent necessary to ensure that (i) the aggregate amount of all Revolving Loans outstanding will not at any time exceed the Revolving Loan Commitments of the Banks and (ii) the aggregate amount of all Revolving Loans and Short-Term Loans outstanding, together with the aggregate face amount of Commercial Paper outstanding, will not at any time exceed the aggregate amount of the Revolving Loan Commitments and the Short-Term Loan Commitments of the Banks. Any prepayments required to assure that the aggregate unused amount of the Short-Term Loan Commitments and the Revolving Loan Commitments is not less than the face amount of outstanding Commercial Paper shall be applied first to the Revolving Loans and then to the Short-Term Loans.

ARTICLE IV

THE TERM LOANS

4.1. The Term Loans. (a) The Term Loans. On the terms and subject

to the conditions contained in this Agreement, each Bank severally agrees to make a Term Loan to the Borrower on the Initial Funding Date in an amount not to exceed the amount set forth opposite such Bank's name on Schedule II as its "Term Loan Commitment" (as adjusted from time to time by reason of assignments in accordance with the provisions of Section 13.7 and as such amount may be reduced pursuant to Section 4.3, such Bank's "Term Loan Commitment").

(b) Evidence of Debt. (i) Each Bank shall maintain in accordance

with its usual practice an account or accounts evidencing the Indebtedness to such Bank resulting from the Term Loan made by such Bank to the Borrower, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder.

(ii) The Register maintained by the Administrative Agent pursuant to Section 13.7(g) shall include a "Term Loan contract control account" for each Bank, in which account shall be recorded (A) the date and amount of any Term Loan Borrowing hereunder, (B) the amount and type of each Bank's Term Loan comprising such Borrowing and any Interest Period applicable thereto, (C) the amount of any principal or interest due and payable or to become

due and payable from the Borrower to each Bank with respect to each such Term Loan hereunder and (D) the amount of any sum received by the Administrative Agent from the Borrower with respect to such Term Loans hereunder and each Bank's Ratable Portion thereof.

(iii) The entries made in the Register in respect of Term Loans shall be conclusive and binding for all purposes, absent manifest error.

4.2. Making the Term Loans. (a) The Term Loan Borrowing shall be

made upon receipt of a Notice of Borrowing, given by the Borrower to the Administrative Agent not later than (i) 9:30 A.M. (New York City time) on the Initial Funding Date, in the event the Term Loan Borrowing is to be comprised of Base Rate Loans, and (ii) 11:00 A.M. (New York City time) on the third Business Day prior to the Initial Funding Date, in the event the Term Loan Borrowing is to be comprised of Eurodollar Rate Loans.

(b) The Administrative Agent shall give to each Bank prompt notice (but in any event on the same day) of its receipt of a Notice of Borrowing in respect of Term Loans and, if Eurodollar Rate Loans are properly requested in such Notice of Borrowing, upon its determination thereof, notice of the applicable interest rate under Section 5.3(b). Each Bank shall, before 11:00 A.M. (or in the case of a Term Loan Borrowing being made on the same day, before 12:00 noon) (New York City time) on the date of the proposed Term Loan Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 13.2, in immediately available funds, such Bank's Ratable Portion of such proposed Term Loan Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article VI, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's above-referenced address.

(c) The Notice of Borrowing shall be irrevocable and binding on the Borrower. In the case of a proposed Term Loan Borrowing comprised of Eurodollar Rate Loans, the Borrower shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a result of any failure to fulfill on or before the date specified in the Notice of Borrowing the applicable conditions set forth in Article VI, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 5.2 on the amount of principal not borrowed as a result of such failure), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds

acquired by such Bank to fund the Eurodollar Rate Loan to be made by such Bank as part of the proposed Term Loan Borrowing when such Eurodollar Rate Loan, as a result of such failure, is not made on such date.

(d) Unless the Administrative Agent shall have received notice from a Bank prior to the date of the proposed Term Loan Borrowing that such Bank will not make available to the Administrative Agent such Bank's Ratable Portion of the Term Loan Borrowing, the Administrative Agent may assume that such Bank has made such Ratable Portion available to the Administrative Agent on the date of the Term Loan Borrowing in accordance with this Section 4.2 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such Ratable Portion available to the Administrative Agent and the Administrative Agent has so made available such amount, such Bank and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to the Term Loans comprising the Term Loan Borrowing and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Bank's Term Loan as part of such Borrowing for purposes of this Agreement. If the Borrower shall repay to the Administrative Agent such corresponding amount, such payment shall not relieve such Bank of any obligation it may have to the Borrower hereunder.

(e) The failure of any Bank to make its Term Loan shall not relieve any other Bank of its obligation, if any, hereunder to make its Term Loan on the date of such Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Term Loan to be made by such other Bank.

4.3. Repayment of Term Loans. (a) The principal amount of the Term

Loan of each Bank shall be payable in quarterly installments on January 1, April 1, July 1 and October 1 of each year, commencing July 1, 1997, and ending on July 1, 2002, in an amount equal to such Bank's Ratable Portion of the quarterly amount set forth in column (y) below opposite the period specified in column (x) during which such date occurs:

(x)	(y)
Quarter -----	Required Quarterly Amounts of Term Loan Reduction -----
July 1, 1997 through October 1, 1997	\$65,670,000
January 1, 1998 through October 1, 1999	\$87,560,000
January 1, 2000 through October 1, 2000	\$109,450,000
January 1, 2001 through July 1, 2002	\$131,340,000

The amounts under (y) shall be adjusted in the amounts and in the manner required under Section 4.4.

(b) The Borrower shall repay the outstanding principal amount of the Term Loans (together with all accrued and unpaid interest thereon) in full on the Commitment Termination Date.

4.4. Optional Prepayments of the Term Loans. The Borrower may, upon

at least three Business Days' prior notice (or at least one Business Day's prior notice in the case of Base Rate Loans) to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amount of the Term Loans, in whole or in part, together with accrued interest to the date of such prepayment; provided, however, that the Borrower shall indemnify the

Banks pursuant to Section 13.4(c) in the event that any prepayment of any Eurodollar Rate Loans shall be made on a day other than the last day of an Interest Period for such Loans. Amounts borrowed under Section 4.1(a) and prepaid pursuant to this Section 4.4 may not be reborrowed. Any such prepayment of the Term Loans that is made at the Borrower's option as a result of the receipt by the Borrower of Net Cash Proceeds of asset sales or Capital Market Transactions shall be applied (a) 50% in order of maturity, and (b) 50% pro rata among all remaining maturities applicable to the Term Loan Commitment; any other prepayment made at the Borrower's option may be allocated among remaining maturities in any manner requested by the Borrower.

ARTICLE V

CONVERSION, INTEREST, PAYMENTS, FEES, ETC.

5.1. Conversion/Continuation Option. The Borrower may elect (i) at

any time to convert Base Rate Loans or any portion thereof to Eurodollar Rate Loans or (ii) at the end of any Interest Period with respect thereto, to convert Eurodollar Rate Loans or any portion thereof into Base Rate Loans, or to continue such Eurodollar Rate Loans or any portion thereof as Eurodollar Rate Loans for an additional Interest Period; provided, however, that the aggregate

of the Eurodollar Rate Loans of the Borrower so converted or so continued for each Interest Period must be in the amount of \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof. Each such election shall be in substantially the form of Exhibit D hereto (a "Notice of Conversion or Continuation") and shall be made by giving the Administrative Agent at least one Business Day's, in the case of a conversion to a Base Rate Loan, and three Business Days', in the case of a conversion to or a continuation of a Eurodollar Rate Loan, prior written notice thereof specifying (A) the amount and type of conversion or continuation, (B) in the case of a conversion to or a continuation of Eurodollar Rate Loans, the Interest Period therefor, and (C) in the case of a conversion the date of conversion (which date shall be a Business Day and, if a conversion from a Eurodollar Rate Loan, shall also be the last day of the Interest Period therefor). The Administrative Agent shall promptly (but in any event on the same day) notify each Bank of its receipt of a Notice of Conversion or Continuation and of the contents thereof. Notwithstanding the foregoing, no conversion in whole or in part of Base Rate Loans to Eurodollar Rate Loans, and no continuation in whole or in part of Eurodollar Rate Loans upon the expiration of any Interest Period therefor, shall be permitted at any time at which an Event of Default shall have occurred and be continuing. If, within the time period required under the terms of this Section 5.1, the Administrative Agent does not receive a Notice of Conversion or Continuation from the Borrower containing an election to continue all or any portion of the Eurodollar Rate Loans for an additional Interest Period or to convert all or any portion of such Loans, then, upon the expiration of the Interest Period therefor, such Loans or the portions thereof for which an election to continue or convert has not been made will be automatically converted to Base Rate Loans. Each Notice of Conversion or Continuation shall be irrevocable.

5.2. Interest. The Borrower shall pay interest on the unpaid

principal amount of each Loan from the date thereof until the principal amount thereof shall be paid in full, at the following rates per annum:

(a) Base Rate Loans. For Base Rate Loans, at a rate per annum equal

at all times to the Base Rate in effect from time to time, payable quarterly in arrears on the last day of each September, December, March and June, on the Commitment Termination Date and on the date any Base Rate Loan is converted or paid in full.

(b) Eurodollar Rate Loans. For Eurodollar Rate Loans, at a rate per

annum equal at all times during the applicable Interest Period for each Eurodollar Rate Loan to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Eurodollar Rate Margin, payable in arrears (i) on the last day of such Interest Period and (ii) if such Interest Period has a duration of more than three months, on each day during such Interest Period that occurs every three months from the first day of such Interest Period.

(c) Default Rate of Interest. If any amount of principal of any Loan

is not paid when due, whether at stated maturity, by acceleration or otherwise, the interest rate applicable to any such amount shall be increased by 2.00% per annum, payable on demand, and if any interest, fee or other amount payable hereunder is not paid when due, such amount shall bear interest at a rate per annum equal at all times to the Base Rate in effect from time to time plus 2% per annum payable on demand.

5.3. Interest Rate Determination and Protection. (a) In the event

that the Eurodollar Rate is not available from the Telerate Page, the Eurodollar Rate for each Interest Period for Eurodollar Rate Loans shall be determined by the Administrative Agent on the basis of applicable rates furnished to and received by the Administrative Agent from the Reference Banks two Business Days before such Interest Period. Each Reference Bank agrees to furnish to the Administrative Agent timely information for the purpose of determining each Eurodollar Rate. If any of the Reference Banks shall not furnish such timely information to the Administrative Agent for the purpose of determining any such interest rate, the Administrative Agent shall determine such interest rate on the basis of timely information furnished by the other Reference Bank or Reference Banks.

(b) The Administrative Agent shall give prompt notice to the Borrower and the Banks of the applicable interest rate determined by the Administrative Agent for purposes of Section 5.2(a) or (b), and the applicable rate, if any, furnished by each Reference Bank for the purpose of determining the applicable interest rate under Section 5.2(b).

(c) If, with respect to Eurodollar Rate Loans, the Majority Banks determine in good faith and notify the Administrative Agent that the Eurodollar Rate for any Interest Period will not adequately reflect the cost to such Banks of making such Loans or funding or maintaining their respective Eurodollar Rate Loans for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Banks, whereupon

(i) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, convert into a Base Rate Loan unless the Majority Banks notify the Administrative Agent that the circumstances causing such conversion no longer exist and the Borrower delivers a timely Notice of Conversion or Continuation with respect to such Loans; and

(ii) the obligations of the Banks to make Eurodollar Rate Loans or to convert Loans into Eurodollar Rate Loans shall be suspended until the Administrative Agent shall notify the Borrower and the Banks that the circumstances causing such suspension no longer exist.

5.4. Fees. (a) The Borrower will pay on the last day of each Fiscal

Quarter to each of the Banks quarterly in arrears a fee (the "Commitment Fee") accruing from the tenth Business Day after the Documentation Agent has notified the Borrower that the Agreement has been executed by the Banks (or such earlier date on or after the execution hereof as the Merger Date shall have occurred), in the case of each Bank listed on the signature pages hereof, and from any later effective date of the assignment pursuant to which it became a Bank, in the case of each other Bank, until the Commitment Termination Date, on such Bank's aggregate average daily unused Commitment as in effect from time to time at the rate set forth below opposite the Credit Rating applicable to the Borrower on such date:

CREDIT RATING -----	COMMITMENT FEE -----
A-/A3 or better	.1500%
BBB+/Baa1	.2000%
BBB/Baa2	.2250%
BBB-/Baa3	.2500%
BB+/Ba1	.3125%
BB/Ba2	.3750%
BB-/Ba3 or lower	.5000%

; provided, however, that if the ratings assigned by S&P and Moody's shall

differ by one level, the Credit Rating shall be the rating which is the higher level, or if they differ by more than one level, the Credit Rating shall be the rating that is one rating level immediately above the lower of such ratings. Any change in the Credit Rating of the Borrower shall be effective to adjust the Commitment Fee as of the date such change is announced.

(b) The Borrower has agreed to pay to the Banks, Managing Agents, Agents, Co-Agents and Arrangers certain other fees which are earned on the date of the signing of this Agreement and payable on the earlier of (x) the Initial Funding Date or (y) September 30, 1994, as separately agreed.

5.5. Increased Costs. (a) If, due to either (i) the introduction of

or any change (other than any change by way of imposition or increase of reserve requirements included in the Eurodollar Rate Reserve Percentage) in, or in the interpretation of, any law or regulation or (ii) the compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), there shall be any increase in the cost (other than with respect to income, franchise or withholding taxes or other taxes of a similar nature) to any Bank of agreeing to make or making, funding or maintaining any Eurodollar Rate Loans, then (A) such Bank shall, as soon as such Bank becomes aware of such increased cost, but in any event not later than 60 days after such increased cost was incurred, deliver to the Borrower and the Administrative Agent a certificate stating (1) the actual amount of such increased cost incurred by such Bank and (2) that it is such Bank's customary practice, from and after the date of this Agreement, to charge its borrowers for increased costs incurred by it; (B) the Borrower shall, within 30 days after its receipt of such certificate, at its sole option, either (1) pay to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for the increased cost incurred by it as set forth in the certificate referred to above or (2) replace such Bank in

accordance with the provisions of Section 5.10, provided that if the Borrower

does not exercise the option specified in clause (2) above within 30 days after receipt of the certificate referred to above, then (x) such Bank shall deliver to the Borrower and the Administrative Agent a second certificate stating the increased cost incurred by such Bank and (y) the Borrower shall promptly upon receipt of such second certificate pay to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for such increased cost; and (C) such Bank shall use its reasonable best efforts to designate another of its then existing offices as its Applicable Lending Office if the making of such designation would, without any detrimental effect to such Bank, avoid the need for, or reduce the amount of, future increased costs which are probable of being incurred by such Bank. The amount of increased costs payable by the Borrower to any Bank as stated in any such certificate delivered to the Borrower and the Administrative Agent pursuant to the provisions of this Section 5.5(a) shall be conclusive and binding for all purposes, absent manifest error. In determining any such amount, such Bank may use reasonable averaging and attribution methods. If the Borrower so notifies the Administrative Agent within five Business Days after receipt of any certificate delivered to the Borrower pursuant to the provisions of this Section 5.5(a), the Borrower may either (x) prepay in full all Eurodollar Rate Loans of such Bank then outstanding in accordance with Section 5.8 and, additionally, reimburse such Bank for such increased cost in accordance with this Section 5.5(a) or (y) convert all Eurodollar Rate Loans of all Banks then outstanding into Base Rate Loans in accordance with Section 5.1 and, additionally, reimburse such Bank for such increased cost in accordance with this Section 5.5(a).

(b) If any Bank shall be required under Regulation D to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, then (i) such Bank shall, within 60 days after the end of any Interest Period with respect to any Eurodollar Rate Loan during which such Bank was so required to maintain such reserves, deliver to the Borrower and the Administrative Agent a certificate stating (A) that such Bank was required to maintain reserves and as a result such Bank incurred additional costs in connection with making Eurodollar Rate Loans, (B) in reasonable detail, such Bank's computations of the amount of additional interest payable by the Borrower pursuant to the provisions of this Section 5.5(b)(ii) and (C) that it is such Bank's customary practice, from and after the date of this Agreement, to charge its borrowers for reserves so maintained by it, and

(ii) the Borrower shall, promptly upon receipt of any such certificate, pay to the Administrative Agent, for the account of such Bank, additional interest on the unpaid principal amount of each Eurodollar Rate Loan of such Bank outstanding during the Interest Period with respect to which the above-referenced certificate was delivered to the Borrower, at a rate per annum equal to the difference obtained by subtracting (x) the Eurodollar Rate for such Interest Period from (y) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Bank for such Interest Period. The amount of interest payable by the Borrower to any Bank as stated in any certificate delivered to the Borrower and the Administrative Agent pursuant to the provisions of this Section 5.5(b) shall be conclusive and binding for all purposes, absent manifest error.

(c) The payments required under Sections 5.5(a) and (b) are in addition to any other payments and indemnities required under this Agreement.

5.6. Illegality. Notwithstanding any other provision of this

Agreement, if the introduction of or any change in or in the interpretation of any law or regulation, in each case after the date hereof, shall make it unlawful, or any central bank or other Governmental Authority shall assert that it is unlawful, for any Bank or its Eurodollar Lending Office to make Eurodollar Rate Loans or to continue to fund or maintain Eurodollar Rate Loans, then, on notice thereof and demand therefor by such Bank to the Borrower through the Administrative Agent, (i) the obligation of such Bank to make or to continue Eurodollar Rate Loans and to convert Base Rate Loans into Eurodollar Rate Loans shall be suspended until such Bank through the Administrative Agent shall notify the Borrower that the circumstances causing such suspension no longer exist and (ii) the Borrower shall forthwith prepay in full all Eurodollar Rate Loans of such Bank then outstanding, together with interest accrued thereon, unless the Borrower, within five Business Days of such notice and demand, converts all Eurodollar Rate Loans of all Banks then outstanding into Base Rate Loans in accordance with the notice periods of Section 5.1; provided, however, that

before making any such demand, each Bank agrees to use its reasonable best efforts to designate another of its then existing offices as its Applicable Lending Office if the making of such a designation would, without any detrimental effect to such Bank, cause the making of Eurodollar Rate Loans to not be subject to this Section 5.6.

5.7. Capital Adequacy. If any Bank shall, at any time, reasonably

determine that (a) the adoption (i) after the date of this Agreement, of any capital adequacy guidelines or (ii) at any time, of any other applicable law, government rule, regulation or order regarding capital adequacy of banks or bank holding companies, (b) any change in (i) any of the foregoing or (ii) the interpretation or administration of any of the foregoing by any Governmental Authority, central bank or comparable agency or (c) compliance with any policy, guideline, directive or request regarding capital adequacy (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) of any Governmental Authority, central bank or comparable agency, would have the effect of reducing the rate of return on the capital of such Bank to a level below that which such Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of such Bank with respect to capital adequacy in effect immediately before such adoption, change or compliance) and (x) such reduction is as a consequence of the Commitment of, or the making, converting or continuing of any Loans by, such Bank hereunder and (y) such reduction is reasonably deemed by such Bank to be material, then (1) such Bank shall deliver to the Borrower and the Administrative Agent a certificate stating the reduction in the rate of return such Bank will in the future suffer as a result of its Commitment or the making, converting or continuing any Loans by it to the Borrower hereunder and (2) the Borrower shall, within 30 days after its receipt of such certificate, at its sole option, either (A) pay to the Administrative Agent for the account of such Bank from time to time as specified by such Bank such amount as shall be sufficient to compensate such Bank for such reduced return, or (B) replace such Bank in accordance with the provisions of Section 5.10; provided, however, that if the Borrower does not

exercise the option specified in clause (B) above within 30 days after receipt of the certificate referred to above, then (1) such Bank shall deliver to the Borrower and the Administrative Agent a second certificate stating the reduction in the rate of return of such Bank and (2) the Borrower shall promptly pay, as specified by such Bank, to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for the reduction in its rate of return. The amount stated in any certificate delivered to the Borrower pursuant to the provisions of this Section 5.7 shall be conclusive and binding for all purposes, absent manifest error. In determining any such amount, such Bank may use reasonable averaging and attribution methods. The payments required under this Section 5.7 are in addition to any other payments and indemnities required hereunder.

5.8. Payments and Computations. (a) The Borrower shall make each

payment payable by it hereunder not later than 11:00 A.M. (New York City time) on the day when due, in Dollars, to the Administrative Agent at its address referred to in Section 13.2 in immediately available funds without set-off or counterclaim. The Administrative Agent will promptly thereafter (but in any event on the same day) cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to Section 5.5, 5.6 or 5.7) to the Banks for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Bank to such Bank for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Payment received by the Administrative Agent after 11:00 A.M. (New York City time) shall be deemed to be received on the next Business Day; provided, however, that the Administrative Agent shall use its

reasonable best efforts to invest any amounts so received by the Administrative Agent in overnight investments satisfactory to the Borrower, and any earnings on any such investments shall be for the Borrower's account and may be credited against any interest payable hereunder during such period.

(b) All computations of the Commitment Fee or of interest based on the rate of interest specified in clause (a) of the definition of Base Rate and of fees shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest and fees are payable. All computations of the Commitment Fee shall be based on the aggregate average daily unused Commitment of each Bank. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or fees, as the case may be.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Banks hereunder that the Borrower

will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Bank on such due date an amount equal to the amount then due such Bank. If and to the extent that the Borrower shall not have so made such payment in full to the Administrative Agent, each Bank shall repay to the Administrative Agent forthwith on demand such amount distributed to such Bank together with interest thereon, for each day from the date such amount is distributed to such Bank until the date such Bank repays such amount to the Administrative Agent, at the Federal Funds Rate.

5.9. Sharing of Payments, Etc. If any Bank shall obtain any payment

(whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Loans made by it (other than pursuant to Section 5.5, 5.6 or 5.7) in excess of its Ratable Portion of payments on account of the Loans obtained by all the Banks, such Bank shall forthwith purchase from the other Banks such participations in the Loans made by them as shall be necessary to cause such purchasing Bank to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is

thereafter recovered from such purchasing Bank, such purchase from each Bank shall be rescinded and each such Bank shall repay to the purchasing Bank the purchase price to the extent of such recovery together with an amount equal to such Bank's ratable share (according to the proportion of (i) the amount of such Bank's required repayment to (ii) the total amount so recovered from the purchasing Bank) of any interest or other amount paid or payable by the purchasing Bank in respect of the total amount so recovered. The Borrower agrees that any Bank so purchasing a participation from another Bank pursuant to this Section 5.9 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Bank were the direct creditor of the Borrower in the amount of such participation.

5.10. Replacement Banks. Upon the election of the Borrower to

replace any Bank pursuant to the provisions of Section 5.5(a)(B)(2) or 5.7(2)(B), the Borrower shall provide to the Administrative Agent a notice setting forth the replacement Bank or Banks, and the Bank being so replaced shall take all actions as may be necessary to transfer to such replacement Bank or Banks all of the rights and obligations of such Bank hereunder and such replacement

Bank or Banks shall pay to the Bank being so replaced the amount outstanding of all Loans made by such Bank hereunder (with appropriate provisions for other amounts due to the Bank being replaced), all as though such replacement Bank or Banks were an assignee or assignees of such Bank to which such Bank were making an assignment in accordance with the provisions of Section 13.7.

ARTICLE VI

CONDITIONS OF LENDING

6.1. Conditions Precedent to the Making of the Initial Loans. The

making of the initial Loans hereunder is subject to satisfaction of the conditions precedent that the Managing Agents shall have received the following, in form and substance satisfactory to the Managing Agents, and in sufficient copies for each Bank that requests a copy:

(a) Certified copies of (i) the resolutions of the Board of Directors of each Loan Party approving each Loan Document to which it is a party, and (ii) all documents evidencing any other necessary corporate action and required governmental and any third party approvals, licenses and consents with respect to each Loan Document to which it is a party.

(b) A copy of the certificate of incorporation of each Loan Party certified as of a recent date by the Secretary of State of such Person's jurisdiction of incorporation, together with certificates of such official attesting to the good standing of such Person, and a copy of the By-Laws of each such Person certified by its Secretary or one of its Assistant Secretaries.

(c) A certificate of the Secretary or an Assistant Secretary of each Loan Party certifying the names and true signatures of its officers who have been authorized to execute and deliver each Loan Document to which it is a party and each other document and certificate to be executed or delivered hereunder on behalf of such Person.

(d) A favorable opinion of (i) Shearman & Sterling, special counsel to the Loan Parties, in substantially the form of Exhibit E-1 hereto, and (ii) of Philippe P. Dauman, General Counsel to the Loan Parties, in substantially the form of Exhibit E-2 hereto.

(e) A duly executed Subsidiary Facility.

(f) A duly executed VII Guarantee.

(g) A duly executed Parent Guarantee.

(h) A duly executed Paramount Affiliate Guarantee.

(i) A duly executed Paramount Parent Guarantee.

(j) Evidence satisfactory to the Managing Agents that the Merger has been declared effective by the State of Delaware in accordance with the terms of the Merger Agreement.

6.2. Additional Conditions Precedent to the Making of the Initial

Loans. The making of the initial Loans hereunder is subject to the further conditions precedent that on the date of such Loans the following statements shall be true:

(a) The Borrower shall have paid all costs, accrued and unpaid fees and expenses referred to in Sections 5.4 and 13.4 (including, without limitation, the legal fees and expenses referred to in Section 13.4(a)), in each case to the extent then due and payable.

(b) All Indebtedness of the Borrower, Viacom International, Paramount and the MSubs under (i) the Existing Borrower Credit Agreement; (ii) the Existing Viacom International Credit Agreements; and (iii) the Existing Paramount Credit Agreement shall have been (or shall simultaneously be) repaid and all commitments thereunder cancelled.

6.3. Conditions Precedent to the Making of Each Loan. The obligation

of each Bank to make any Loan, including the initial Loans, shall be subject to the further conditions precedent that the following statements shall be true on the date of such Loan, before and after giving effect thereto and to the application of the proceeds therefrom (and the acceptance by the Borrower of the proceeds of such Loan shall constitute a representation and warranty by the Borrower that on the date of such Loan such statements are true):

(a) The representations and warranties contained in Article VII hereof (other than those stated to be made as of a particular date) are true and correct in

all material respects on and as of such date as though made on and as of such date.

(b) No event has occurred and is continuing, or would result from the Loans being made on such date, which constitutes a Default or an Event of Default.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

To induce the Banks to enter into this Agreement, the Borrower represents and warrants to the Banks as follows:

7.1. Corporate Existence; Compliance with Law. The Borrower, each

other Loan Party and each other Material Subsidiary (i) is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation; (ii) is duly qualified and in good standing as a foreign corporation under the laws of each other jurisdiction in which the failure so to qualify is reasonably probable to have a Material Adverse Effect; (iii) has all requisite corporate power and authority to conduct its business as now being conducted and as proposed to be conducted; (iv) is in compliance with its articles or certificate of incorporation and by-laws; and (v) is in compliance with all applicable Requirements of Law except such non-compliance as would not have a Material Adverse Effect.

7.2. Corporate Power; Authorization; Enforceable Obligations. (a)

The execution, delivery and performance by each Loan Party of this Agreement or any other Loan Document to which it is a party:

(i) are within its corporate powers;

(ii) have been duly authorized by all necessary corporate action;

(iii) do not (A) contravene its certificate of incorporation or by-laws, (B) violate any law or regulation (including, without limitation, Regulations G, T, U or X of the Board of Governors of the Federal Reserve System), or any order or decree of any court or governmental instrumentality, except those as to which the failure to comply would not have a Material Adverse Effect, (C) conflict with or result in the breach of, or constitute a default under, any instrument, document

or agreement binding upon and material to such Loan Party, or (D) result in the creation or imposition of any Lien upon any of the Property of the Borrower or any of its Subsidiaries; and

(iv) do not require the consent of, authorization by, approval of, notice to, or filing or registration with, any Governmental Authority (except for filing copies of Loan Documents with the Securities and Exchange Commission).

(b) This Agreement and each other Loan Document has been duly executed and delivered by each Loan Party that is a party hereto or thereto, and is the legal, valid and binding obligation of each such Person, enforceable against it in accordance with its terms, except where such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or equitable principles relating to enforceability.

7.3. Taxes. All federal, and all material state, local and foreign

tax returns, reports and statements required to be filed by the Borrower or any of its Subsidiaries have been filed with the appropriate governmental agencies in all jurisdictions in which such returns, reports and statements are required to be filed. All consolidated, combined or unitary returns which include the Borrower or any of its Subsidiaries have been filed with the appropriate governmental agencies in all jurisdictions in which such returns, reports and statements are required to be filed except where such filing is being contested or may be contested. All federal, and all material state, local and foreign taxes, charges and other impositions of the Borrower, its Subsidiaries or any consolidated, combined or unitary group which includes the Borrower or any of its Subsidiaries which are due and payable have been timely paid prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for non-payment thereof except where contested in good faith and by appropriate proceedings if adequate reserves therefor have been established on the books of the Borrower or such Subsidiary in accordance with GAAP. Proper and accurate amounts have been withheld by or on behalf of the Borrower and each of its Subsidiaries from their respective employees for all periods in full and complete compliance with the tax, social security and unemployment withholding provisions of applicable federal, state, local and foreign law and such withholdings have been timely paid to the respective governmental agencies, in all material respects. Neither the Borrower nor any of its Tax Affiliates has agreed or has

been requested to make any adjustment under Section 481(a) of the Code by reason of a change in accounting method or otherwise relating to the Borrower or any of its Subsidiaries which will affect a taxable year of the Borrower or a Tax Affiliate ending after December 31, 1993, which has not been reflected in the financial statements delivered pursuant to Section 9.8 and which would have a Material Adverse Effect. The Borrower has no obligation under any tax sharing agreement or other tax sharing arrangement, other than the Tax Sharing Agreement and tax sharing agreements or other tax sharing arrangements providing for payments to Subsidiaries of the Borrower which are Tax Affiliates, which do not have a Material Adverse Effect.

7.4. Financial Information. (a) The reports of the Borrower on Form

10-K for the Fiscal Year ended December 31, 1993 as amended by Amendment No. 1 on Form 10-K/A dated May 2, 1994 and on Form 10-Q for the Fiscal Quarter ended March 31, 1994, the reports of Viacom International on Form 10-K for the Fiscal Year ended December 31, 1993 as amended by Amendment No. 1 on Form 10-K/A dated May 2, 1994 and on Form 10-Q for the Fiscal Quarter ended March 31, 1994 and the Transition Report of Paramount on Form 10-K for the six month period ended April 30, 1993, as amended by Amendment No. 1 on Form 10-K/A dated September 28, 1993, as further amended by Amendment No. 2 on Form 10-K/A dated September 30, 1993 and as further amended by Amendment No. 3 on Form 10-K/A dated March 21, 1994 and the Quarterly Reports of Paramount on Form 10-Q for the three months ended July 31, 1993, the six months ended October 31, 1993 and the nine months ended January 31, 1994, are respectively complete and correct in all material respects as of such respective dates, and the financial statements therein have been prepared in accordance with GAAP and fairly present the financial condition and results of operations of the Borrower and its consolidated Subsidiaries as of such respective dates (subject, in the case of such reports on Form 10-Q, to changes resulting from normal year-end adjustments).

(b) Since March 31, 1994, there has been no Material Adverse Change or Material Credit Agreement Change.

(c) None of the Borrower or any Subsidiary of the Borrower had at March 31, 1994 any obligation, contingent liability, or liability for taxes or long-term leases material to the Borrower and its Subsidiaries taken as a whole which is not reflected in the balance sheets referred to in subsection (a) above or in the notes thereto.

7.5. Litigation. There are no pending, or to the best knowledge of

the Borrower threatened, actions, investigations or proceedings against or affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator in which, individually or in the aggregate, there is a reasonable probability of an adverse decision that could have a Material Adverse Effect or result in a Material Credit Agreement Change.

7.6. Margin Regulations. The Borrower is not engaged in the business

of extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Borrowing will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock in violation of Regulation U.

7.7. ERISA. (a) No liability under Sections 4062, 4063, 4064 or

4069 of ERISA has been or is expected by the Borrower to be incurred by the Borrower or any ERISA Affiliate with respect to any Plan which is a Single-Employer Plan in an amount that could reasonably be expected to have a Material Adverse Effect.

(b) No Plan which is a Single-Employer Plan had an accumulated funding deficiency, whether or not waived, as of the last day of the most recent fiscal year of such Plan ended prior to the date hereof. Neither the Borrower nor any ERISA Affiliate is (A) required to give security to any Plan which is a Single-Employer Plan pursuant to Section 401(a)(29) of the Code or Section 307 of ERISA, or (B) subject to a Lien in favor of such a Plan under Section 302(f) of ERISA.

(c) Each Plan of the Borrower, each of its Subsidiaries and each of its ERISA Affiliates is in compliance in all material respects with the applicable provisions of ERISA and the Code, except where the failure to comply would not result in any Material Adverse Effect.

(d) Neither the Borrower nor any of its Subsidiaries has incurred a tax liability under Section 4975 of the Code or a penalty under Section 502(i) of ERISA in respect of any Plan which has not been paid in full, except where the incurrence of such tax or penalty would not result in a Material Adverse Effect.

(e) None of the Borrower, any of its Subsidiaries or any ERISA Affiliate has incurred or reasonably expects to incur any Withdrawal Liability under Section 4201 of ERISA as a result of a complete or partial withdrawal from

a

Multiemployer Plan which will result in Withdrawal Liability to the Borrower, any of its Subsidiaries or any ERISA Affiliate in an amount that could reasonably be expected to have a Material Adverse Effect.

7.8. No Defaults. Neither the Borrower nor any of its Subsidiaries

is in breach of or default under or with respect to any instrument, document or agreement binding upon the Borrower or such Subsidiary which breach or default is reasonably probable to have a Material Adverse Effect or result in the creation of a Lien on any Property of the Borrower or its Subsidiaries.

7.9. Investment Company Act. The Borrower is not an "investment

company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended. The making of the Loans by the Banks, the application of the proceeds and repayment thereof by the Borrower and the consummation of the transactions contemplated by this Agreement will not violate any provision of such act or any rule, regulation or order issued by the Securities and Exchange Commission thereunder.

7.10. Insurance. All policies of insurance of any kind or nature

owned by the Borrower and its Subsidiaries are maintained with financially sound and reputable insurers. The Borrower currently maintains insurance with respect to its Properties and business and causes its Subsidiaries to maintain insurance with respect to their Properties and business against loss or damage of the kinds customarily insured against by corporations engaged in the same or similar business and similarly situated, of such types and in such amounts as are customarily carried under similar circumstances by such other corporations including, without limitation, workers' compensation insurance.

7.11. Environmental Protection. (a) There are no known conditions

or circumstances associated with the currently or previously owned or leased properties or operations of the Borrower or its Subsidiaries or tenants which may give rise to any Environmental Liabilities and Costs which would have a Material Adverse Effect; and

(b) No Environmental Lien has attached to any Property of the Borrower or any of its Subsidiaries which would have a Material Adverse Effect.

7.12. Title and Liens. Each of the Borrower and each of its

Subsidiaries has good and marketable title to

its real properties and owns or leases under Capitalized Leases all its other material Properties, in each case, as shown on its most recent balance sheet, and none of such Properties is subject to any Lien except as permitted under this Agreement.

7.13. Trademarks, Copyrights, Etc. The Borrower and each of its

Subsidiaries own or have the rights to such trademarks, service marks, trade names, copyrights, licenses or rights in any thereof, as in the aggregate are adequate in the reasonable judgment of the Borrower for the conduct of the business of the Borrower and its Subsidiaries as now conducted.

7.14. FCC Licenses, Franchises. The Borrower and its Subsidiaries

have all the FCC Licenses necessary for the conduct of their respective businesses as now being conducted. The Borrower and its Subsidiaries are in substantial compliance with the Federal Communications Act of 1934, as amended, and with the rules and regulations thereunder except for such non-compliance which would not have a Material Adverse Effect. Neither the Borrower nor any of its Subsidiaries is a party to, nor has any knowledge of, any investigation, notice of violation, order or complaint issued by or before the FCC, in which there is a reasonable probability of an adverse decision which is reasonably probable to have a Material Adverse Effect. The operation and maintenance of the towers and any antenna systems relating to each of the broadcast Properties owned by the Borrower and its Subsidiaries or used in connection with the transmission of signals therefrom do not violate any Requirement of Law except for such non-compliance which would not have a Material Adverse Effect. The Borrower and its Subsidiaries have all the Franchises necessary for the conduct of their businesses as now being conducted and are in substantial compliance with the requirements of such Franchises, except for such non-compliance which would not have a Material Adverse Effect. The Borrower and its Subsidiaries have no reason to believe that any FCC License or any Franchise of the Borrower and its Subsidiaries will not be renewed in the ordinary course except for such nonrenewal which would not have a Material Adverse Effect.

7.15. Disclosure. All written information relating to the Borrower

and its Subsidiaries which has been delivered to the Banks in connection with the Loan Documents prior to the Initial Funding Date was complete and correct in all material respects, taken as a whole. Any financial projections and other information regarding anticipated future plans or developments contained therein was based upon good faith estimates and assumptions believed by the

Borrower to be reasonable at the time made, it being recognized by the Banks that such projections and other information regarding future events are not to be viewed as facts and that actual results or developments during the period or periods covered may differ from the delivered projections and other prospective information.

ARTICLE VIII

FINANCIAL COVENANTS

As long as any of the Loans shall remain unpaid or any Bank shall have any Commitment hereunder, unless otherwise agreed by the written consent of the Majority Banks:

8.1. Total Leverage Ratio. The Total Leverage Ratio shall not

exceed, as of the Initial Funding Date or the last day of any Fiscal Quarter end date described below, the amount specified with respect to such period:

Date	Ratio
----	-----
Initial Funding Date and at	7.15x
September 30, 1994	
December 31, 1994	7.00x
March 31, 1995 through	6.75x
September 30, 1995	
December 31, 1995 through	6.25x
September 30, 1996	
December 31, 1996	5.75x
March 31, 1997 through	5.25x
December 31, 1997	
March 31, 1998 through	4.50x
December 31, 1998	
Thereafter	4.00x

8.2. Ratio of EBIDT to Trailing Total Cash Interest and Preferred

Dividends. The ratio of EBIDT to Total Cash Interest and Preferred Dividends

shall not be less, as of the Initial Funding Date or the last day of any Fiscal Quarter occurring during any period set forth below, than the amount specified with respect to such period:

Date	Ratio
----	-----
Initial Funding Date and September 30, 1994 through December 31, 1994	1.50x
March 31, 1995 through December 31, 1995	1.70x
March 31, 1996 through December 31, 1996	2.00x
March 31, 1997 and thereafter	2.25x

In calculating Total Cash Interest and Preferred Dividends for purposes of this Section 8.2, for the period from January 1, 1994 to (i) March 31, 1994, Total Cash Interest and Preferred Dividends for such period shall be multiplied by four, and (ii) September 30, 1994, Total Cash Interest and Preferred Dividends for such period shall be multiplied by four-thirds.

8.3. Minimum Net Worth. On the last day of each Fiscal Quarter,

commencing September 30, 1994, the Net Worth of the Borrower and its Subsidiaries shall not be less than 75% of the Net Worth of the Borrower and its Subsidiaries at the first Fiscal Quarter end after the Merger.

ARTICLE IX

AFFIRMATIVE COVENANTS

As long as any of the Loans shall remain unpaid or any Bank shall have any Commitment hereunder, unless otherwise agreed by the written consent of the Majority Banks:

9.1. Compliance with Laws, Etc. The Borrower shall comply, and cause

each of its Subsidiaries to comply, in all material respects with all Requirements of Law, all FCC Licenses and Franchises except such non-compliance as would not have a Material Adverse Effect or result in a Material Credit Agreement Change.

9.2. Payment of Taxes, Etc. The Borrower and any consolidated,

combined or unitary group which includes the Borrower or any of its Subsidiaries shall pay and discharge, and cause each Subsidiary of the Borrower to pay and discharge, before the same shall become delinquent, all lawful claims, taxes, assessments and governmental charges or levies except where contested in good faith, by proper proceedings, and where adequate reserves therefor have been established on the books of the Borrower or such Subsidiary in accordance with GAAP.

9.3. Maintenance of Insurance. The Borrower shall maintain, and

cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates. The Borrower will furnish to the Administrative Agent from time to time such information as may be requested as to such insurance.

9.4. Preservation of Corporate Existence, Etc. The Borrower shall

preserve and maintain, and cause each of its Subsidiaries to preserve and maintain, their respective corporate existences; provided, however, that the

corporate existence of any Subsidiary (other than a Guarantor Subsidiary) may be terminated if, in the good faith judgment of the board of directors or the chief financial officer of the Borrower, such termination is in the best interest of the Borrower and such termination would not have a Material Adverse Effect; and

provided further, however, that the Borrower may merge into Viacom

International, with Viacom International as the surviving corporation, provided

that upon the effectiveness of such merger, Viacom International shall assume, pursuant to an instrument satisfactory to the Managing Agents, the obligations of the Borrower hereunder and under the other Loan Documents.

9.5. Books and Access. The Borrower shall, and shall cause each of

its Subsidiaries to, keep proper books of record and accounts in conformity with GAAP, and upon reasonable notice and at such reasonable times during the usual business hours as often as may be reasonably requested, permit representatives of the Administrative Agent, at its own initiative or at the request of any Bank, to make inspections of its Properties, to examine its books, accounts and records and make copies and memoranda thereof and to discuss its affairs and finances with its officers or directors and independent public accountants.

9.6. Maintenance of Properties, Etc. The Borrower shall maintain and

preserve, and cause each of its Subsidiaries to maintain and preserve, all of its Properties which are used or useful in the conduct of its business in good working order and condition and, from time to time make or cause to be made all appropriate repairs, renewals and replacements, except where the failure to do so would not have a Material Adverse Effect.

9.7. Application of Proceeds. The Borrower shall use the proceeds of

the Loans (i) to refinance certain

Indebtedness existing at the date hereof of the Borrower and its Subsidiaries, (ii) to provide support for its Commercial Paper and competitive bid programs, and (iii) for other general corporate purposes.

9.8. Financial Statements. The Borrower shall furnish to the Banks:

(a) as soon as available but not later than sixty (60) days after the close of each of the first three (3) Fiscal Quarters of each Fiscal Year of the Borrower, (i) consolidated and consolidating balance sheets of the Borrower and its Subsidiaries as at the end of such Fiscal Quarter and the related consolidated and consolidating statements of operations, the consolidated statement of shareholders' equity and the consolidated statement of cash flows of the Borrower and its Subsidiaries for such Fiscal Quarter and (in the case of the second and third Fiscal Quarters) for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the consolidated figures for the corresponding periods of the previous Fiscal Year, all in reasonable detail and certified by a Responsible Financial Officer of the Borrower as fairly presenting, in accordance with GAAP, the financial condition and results of operations of the Borrower and its Subsidiaries, subject to changes resulting from normal year-end audit adjustments; and (ii) a report certified by such Responsible Financial Officer of all commitments for program license fees that are not reflected on the balance sheets referred to above in excess of Five Million Dollars (\$5,000,000) for any one such commitment or series of related commitments incurred by the Borrower or any Subsidiary during such Fiscal Quarter, together with a statement of all such obligations outstanding at the end of such Fiscal Quarter;

(b) (i) as soon as available but no later than one hundred twenty (120) days after the close of each Fiscal Year of the Borrower, (A) consolidated and consolidating balance sheets of the Borrower and its Subsidiaries as at the end of such year and the related consolidated and consolidating statements of operations, the consolidated statement of shareholders' equity and the consolidated statement of cash flows of the Borrower and its Subsidiaries for such year, setting forth in each case in comparative form the consolidated and consolidating figures for the previous Fiscal Year, all in reasonable detail and certified in the case of the consolidated financial statements by Price Waterhouse or another firm of nationally recognized independent public accountants, which report shall state

without qualification as to the scope of the audit or as to going concern that such consolidated financial statements present fairly the financial position and the results of operations as at the dates and for the periods indicated in conformity with GAAP and that the audit by such accountants in connection with such consolidated financial statements has been made in accordance with GAAS, and (B) a report certified by a Responsible Financial Officer of all commitments for program license fees that are not reflected on the balance sheets referred to above in excess of Five Million Dollars (\$5,000,000) for any one such commitment or series of related commitments incurred by the Borrower or any Subsidiary during the last Fiscal Quarter of such Fiscal Year, together with a statement of all such obligations at the end of such Fiscal Quarter; (ii) as soon as available but not later than one hundred twenty (120) days after the close of each Fiscal Year of the Borrower, a certificate from such accounting firm that in the course of the regular audit of the business of the Borrower and its Subsidiaries, which audit was conducted by such accounting firm in accordance with GAAS, such accounting firm obtained no knowledge that an Event of Default or Default has occurred and is continuing or, if in the opinion of such accounting firm, an Event of Default or Default has occurred and is continuing, a statement as to the nature thereof;

(c) together with each delivery of financial statements of the Borrower pursuant to clauses (a) and (b) above and commencing with the Fiscal Quarter ending September 30, 1994, a certificate issued by a Responsible Financial Officer of the Borrower (i) demonstrating compliance at the end of the accounting period described in such statements with the financial covenants contained herein and (ii) containing in reasonable detail the component figures contained in the respective total figures stated in such certificate;

(d) together with each delivery of financial statements of the Borrower and its Subsidiaries pursuant to clauses (a) or (b) above, and commencing with the Fiscal Quarter ending September 30, 1994, a certificate signed by a Responsible Financial Officer of the Borrower stating that (i) such officer is familiar with both this Agreement and the business and financial condition of the Borrower, and (ii) no Event of Default or Default has occurred and is continuing or if an Event of Default or Default has occurred and is continuing a statement as to the nature thereof, and whether or not the same shall have been cured; and

(e) on any date of its choosing following the consummation of any sale of assets and the application of

all or a portion thereof to reduce outstanding Indebtedness, a certificate signed by a Responsible Financial Officer of the Borrower demonstrating on a pro forma basis after giving effect to the sale that the Total Leverage Ratio (taking into account its EBIDT through June 30, 1994 or the last day of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Banks pursuant to this Section 9.8) is equal to or less than 6.50x.

9.9. Reporting Requirements. The Borrower shall furnish to the

Administrative Agent for distribution to the Banks:

(a) from time to time as the Administrative Agent may reasonably request, copies of such statements, lists of Property, accounts, budgets, forecasts, reports or information prepared by or for the Borrower or within the Borrower's control;

(b) promptly and in any event within thirty (30) days after the Borrower, any of its Subsidiaries or any ERISA Affiliate knows that any ERISA Event has occurred (other than a Reportable Event for which notice to the PBGC is waived), a written statement of the chief financial officer or other appropriate officer of the Borrower describing such ERISA Event and the action, if any, which the Borrower, any of its Subsidiaries or any ERISA Affiliate proposes to take with respect thereto, and a copy of any notice filed with the PBGC or the IRS pertaining thereto;

(c) promptly and in any event within thirty (30) days after notice or knowledge thereof, notice that the Borrower or any of its Subsidiaries becomes subject to the tax on prohibited transactions imposed by Section 4975 of the Code, together with a copy of Form 5330;

(d) promptly after the commencement thereof, notice of all actions, suits and proceedings before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, against or affecting the Borrower or any of its Subsidiaries, in which there is a reasonable probability of an adverse decision which would have a Material Adverse Effect;

(e) promptly upon the Borrower or any of its Subsidiaries learning of (i) any Event of Default or any Default, or (ii) any Material Credit Agreement Change, telephonic or telegraphic notice specifying the nature of such Event of Default, Default or Material Credit Agreement Change, including the anticipated effect thereof, which

notice shall be promptly confirmed in writing within five days;

(f) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to its security holders generally, and copies of all reports and registration statements which the Borrower or any of its Subsidiaries files with the Securities and Exchange Commission or any national securities exchange;

(g) promptly upon, and in any event within 30 days of, the Borrower or any of its Subsidiaries learning of any of the following:

(i) notice that any Property of the Borrower or any of its Subsidiaries is subject to any Environmental Liens individually or in the aggregate which would have a Material Adverse Effect;

(ii) any proposed acquisition of stock, assets or real estate, or any proposed leasing of Property, or any other action by the Borrower or any of its Subsidiaries in which there is a reasonable probability that the Borrower or any of its Subsidiaries would be subject to any material Environmental Liabilities and Costs, provided that, in the event of any

such proposed acquisition or lease, the Borrower must furnish to the Banks evidence in a form acceptable to the Banks that the proposed acquisition will not have a Material Adverse Effect;

(h) prior to the effectiveness thereof, information relating to any proposed change in the accounting treatment or reporting practices of the Borrower and its Subsidiaries the nature or scope of which materially affects the calculation of any component of any financial covenant, standard or term contained in this Agreement;

(i) promptly upon the Borrower learning of any material Franchise or material FCC License being revoked, canceled or terminated, or renewal thereof denied for any reason, written notice specifying the reasons for such revocation, cancellation, termination or denial, the anticipated effect thereof, and the actions, if any, being taken by the Borrower to remedy the same; and

(j) from time to time, such other information and materials as the Administrative Agent may reasonably request.

ARTICLE X

NEGATIVE COVENANTS

So long as any of the Loans shall remain unpaid or any Bank shall have any Commitment hereunder, without the written consent of the Majority Banks:

10.1. Liens, Etc. The Borrower shall not, directly or indirectly,

create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien upon or with respect to any of its Properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, in each case to secure or provide for the payment of any Indebtedness of any Person, except:

(i) purchase money Liens or purchase money security interests upon or in any Property acquired or held by the Borrower or any Subsidiary of the Borrower in the ordinary course of business to secure the purchase price of such Property or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such Property;

(ii) Liens on Property of Paramount or any of its Subsidiaries, or on Property of the Borrower or any of its Subsidiaries that was Property of Paramount prior to the Merger, in each case to the extent that such Liens exist prior to the Merger;

(iii) Liens existing on Property at the time of its acquisition (other than any such Lien created in contemplation of such acquisition);

(iv) Liens on Property of Persons which become Subsidiaries after the Initial Funding Date securing Indebtedness existing, with respect to any such Person, on the date such Person becomes a Subsidiary (other than any such Lien created in contemplation of such Person becoming a Subsidiary);

(v) Liens on Property of Persons which become Subsidiaries after the Initial Funding Date securing Indebtedness incurred by such Person after the date such Person becomes a Subsidiary; provided, however, that the

aggregate principal amount of Indebtedness referred to in this clause (v) secured by Liens shall not exceed \$30,000,000 at any time outstanding;

(vi) Liens upon or in the satellite transponders listed on Schedule 10.1(a) (and directly related Property) to secure the purchase price of such transponders, or to secure Indebtedness incurred for the purpose of financing or refinancing the acquisition of such transponders;

(vii) Liens listed on Schedule 10.1(b); and

(viii) any Lien securing the renewal, extension or refunding of any Indebtedness secured by any Lien permitted by clause (i), (ii), (iii), (iv), (v), (vi) or (vii) above.

10.2. Mergers. The Borrower shall not, nor shall it permit any of

its Subsidiaries representing a substantial portion of the assets of the Borrower and its Subsidiaries taken as a whole to, merge or consolidate in any transaction in which such entity is not the surviving Person other than: (i) in mergers of any Subsidiary into the Borrower or any other wholly owned Subsidiary of the Borrower; or (ii) in a merger of the Borrower into Viacom International with Viacom International as the surviving corporation, provided that upon the

effectiveness of such merger, Viacom International shall assume, pursuant to an instrument satisfactory to the Managing Agents, the obligations of the Borrower hereunder and under the other Loan Documents.

10.3. Substantial Asset Sale. The Borrower shall not, and shall not

permit any of its Subsidiaries to, sell assets constituting all or a substantial portion of consolidated assets of the Borrower and its Subsidiaries taken as a whole to any Person other than to the Borrower or its wholly owned Subsidiary.

10.4. Transactions with Affiliates. The Borrower shall not engage

in, and will not permit any of its Subsidiaries to engage in, any transaction with an Affiliate of the Borrower or of such Subsidiary (other than transactions in the ordinary course of business between a Subsidiary and its parent or among Subsidiaries of the Borrower) except on terms no less favorable to the Borrower or such Subsidiaries than as would be obtained in a comparable arm's-length transaction.

10.5. Margin Stock. The Borrower shall not permit more than twenty-

five percent (25%) of the value, within the meaning of Regulation U, as determined by any reasonable method, of the assets of the Borrower and its Subsidiaries, or of any Guarantor Subsidiary, to be Margin Stock, nor will the Borrower use the proceeds of any Loan to

purchase or carry any Margin Stock in violation of Regulation U.

10.6. Subsidiary Indebtedness. The Borrower shall not permit any of

its Subsidiaries, other than a Guarantor Subsidiary, to incur Indebtedness for borrowed money other than the Subsidiary Loans (as defined in the Subsidiary Facility).

10.7. Other Restrictions on Indebtedness. The Borrower shall not,

and shall not permit any Subsidiary Guarantor to, incur Indebtedness for borrowed money (other than Commercial Paper) maturing earlier than six months after the Commitment Termination Date and on terms no more onerous than the terms hereof.

ARTICLE XI

EVENTS OF DEFAULT

11.1. Events of Default. If any of the following events ("Events of

Default") shall occur and be continuing:

(a) The Borrower or any other Loan Party shall fail to pay (i) any principal when due in accordance with the terms and provisions of this Agreement or any other Loan Document, or (ii) any interest on any amounts due hereunder or thereunder, or any fee or any other amount due hereunder or thereunder within three Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by any Loan Party in this Agreement or any other Loan Document or by any Loan Party (or any of its officers) in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect when made; or

(c) Any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Agreement or any other Loan Document, which failure or change shall remain unremedied for fifteen days after the earlier of the date on which (i) telephonic or telegraphic notice thereof shall have been given to the Administrative Agent by the Borrower pursuant to Section 9.9(e), or (ii) written notice thereof shall have been given to the Borrower by the Administrative Agent or any Bank; or

(d) The Borrower or any of its Subsidiaries shall fail to pay any principal of, or premium or interest on, any Indebtedness in an aggregate principal amount of \$50,000,000 or more (excluding Indebtedness hereunder) of the Borrower or such Subsidiary, when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness or to terminate any commitment to lend; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof and, with respect to all of the foregoing, after the expiration of any applicable grace period or the giving of any required notice or both; provided, -----
however, that no extension of any grace period applicable to any such -----
Indebtedness shall be taken into account for the purposes of this subsection (d); or

(e) There shall occur and be continuing an Event of Default under (and as defined in) the Subsidiary Facility; or

(f) The Borrower or any of its Material Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceedings shall be instituted by or against the Borrower or any of its Material Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for a material part of its Property employed in its business or any writ, attachment, execution or similar process shall be issued or levied against a material part of the Property employed in the business of the Borrower and its Subsidiaries taken as a whole, and, in the case of any such proceedings instituted against the Borrower or any of its Material Subsidiaries (but not instituted by it), either such proceedings shall remain undismissed or unstayed for a

period of 60 days or any of the actions sought in such proceedings shall occur; or the Borrower or any of its Material Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (f); or

(g) Any order for the payment of money or judgment of any court, not appealable or not subject to certiorari or appeal (a "Final Judgment"), which, with other outstanding Final Judgments, exceeds an aggregate of \$50,000,000 shall be rendered against the Borrower or any of its Material Subsidiaries and, within 60 days after entry thereof, such Final Judgment shall not have been discharged; or

(h) (i) With respect to any Plan, a final determination is made that a prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA occurred which results in direct or indirect liability of the Borrower or any of its Material Subsidiaries, (ii) with respect to any Title IV Plan, the filing of a notice to voluntarily terminate any such plan in a distress termination, (iii) with respect to any Multiemployer Plan, the Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates shall incur any Withdrawal Liability, or (iv) with respect to any Qualified Plan, the Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates shall incur an accumulated funding deficiency or request a funding waiver from the IRS; provided, however,

that the events listed in clauses (i)-(iv) hereof shall constitute Events of Default only if the liability, deficiency or waiver request of the Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates, as finally determined, exceeds \$25,000,000 in any case set forth in clauses (i)-(iv) above, or exceeds \$25,000,000 in the aggregate for all such cases; and, provided further, however, that with respect to

the events listed in clauses (i), (iii) and (iv) hereof there shall be no Event of Default if the liability of the Borrower, the relevant Material Subsidiary or the relevant ERISA Affiliate is satisfied in full or in accordance with the due dates therefor; or

(i) (i) NAI shall fail to own of record and beneficially not less than 51% of the outstanding stock having ordinary voting power to elect a majority of the board of directors of the Borrower and such failure of NAI shall remain unremedied for fifteen days after the

earlier of the date on which (A) telephonic or telegraphic notice thereof shall have been given to the Administrative Agent by the Borrower pursuant to Section 9.9(e), or (B) written notice thereof shall have been given to the Borrower by the Administrative Agent or any Bank; or

(j) This Agreement or any other Loan Document shall cease to be valid or enforceable for any reason in any material respect;

then, and in any such event, the Administrative Agent (i) shall at the request, or may with the consent, of the Majority Banks, by notice to the Borrower, declare the obligation of each Bank to make Loans to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Banks, by notice to the Borrower, declare all amounts due under this Agreement and all interest thereon to be forthwith due and payable, whereupon all amounts due under this Agreement and all such interest and all such amounts shall become and be forthwith due and payable; provided, however, that upon an actual or deemed entry of an order for relief

with respect to the Borrower or any of its Material Subsidiaries under the federal Bankruptcy Code, (A) the obligation of each Bank to make Loans shall automatically be terminated and (B) all amounts due under this Agreement and all such interest and all such amounts shall automatically and without further notice become and be due and payable. In addition to the remedies set forth above, the Administrative Agent may exercise any other remedies provided for by this Agreement in accordance with the terms hereof or any other remedies provided by applicable law.

ARTICLE XII

THE MANAGING AGENTS AND THE FACILITY AGENTS

12.1. Authorization and Action. Each Bank hereby appoints and

authorizes each Facility Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Facility Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement, no Facility Agent shall be required to exercise any discretion or take any action, but each shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Banks (or when expressly required hereunder, all

the Banks), and such instructions shall be binding upon all Banks; provided,

however, that no Facility Agent shall be required to take any action that

exposes such Facility Agent to personal liability or that is contrary to this Agreement or applicable law. Each Facility Agent agrees to give to each Bank prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement.

12.2. Managing Agents' and Facility Agents' Reliance, Etc. Neither

the Managing Agents, the Facility Agents, their Affiliates nor any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement, except for its own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, (i) any Managing Agent or Facility Agent may consult with legal counsel (including counsel to the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) neither the Managing Agents nor the Facility Agents make any warranty or representation to any Bank and none of them shall be responsible to any Bank for any statements, warranties or representations made in or in connection with this Agreement; (iii) neither the Managing Agents nor the Facility Agents shall have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrower or to inspect the Properties (including the books and records) of the Borrower; (iv) neither the Managing Agents nor the Facility Agents shall be responsible to any Bank for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (v) neither the Managing Agents nor the Facility Agents shall incur liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, cable or telex) believed by it to be genuine and signed or sent by the proper party or parties. Neither the Agents nor the Co-Agents shall, in their respective capacities as such, have any duties under this Agreement other than those that they have in their capacities as Banks.

12.3. The Bank of New York, Citibank, N.A., Morgan Guaranty Trust

Company of New York, Bank of America NT&SA and Their Affiliates. With respect

to the Commitments of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA,

respectively, and the Loans made by each of them, each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA shall have the same rights and powers under this Agreement as any other Bank and may exercise the same as though it were not a Managing Agent or Facility Agent, as the case may be; and the term "Bank" or "Banks" shall, unless otherwise expressly indicated, include each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA in their individual capacities. Each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA and their Affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any of its Subsidiaries and any Person who may do business with or own securities of the Borrower or any such Subsidiary, all as if The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York or Bank of America NT&SA, as the case may be, were not a Managing Agent or Facility Agent, as the case may be, and without any duty to account therefor to the Banks.

12.4. Bank Credit Decision. Each Bank acknowledges that it has,

independently and without reliance upon the Managing Agents, the Facility Agents, the Arrangers, the Agents, the Co-Agents or any other Bank, and based on the financial statements referred to in Article VII and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Managing Agents, the Facility Agents, the Arrangers, the Agents, the Co-Agents or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

12.5. Determinations Under Sections 6.1, 6.2 and 6.3. For purposes

of determining compliance with the conditions specified in Sections 6.1, 6.2 and 6.3, each Bank shall be deemed to have consented to, approved or accepted, or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Banks unless an officer of the Administrative Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Bank prior to the applicable Borrowing specifying its objection thereto (unless such objection shall have been withdrawn by notice to the Administrative Agent to that effect or such Bank shall have made available to the

Administrative Agent such Bank's ratable portion of such Borrowing).

12.6. Indemnification. Each Bank agrees to indemnify the Managing

Agents, the Facility Agents, the Arrangers and their respective Affiliates, and their respective directors, officers, employees, agents and advisors (to the extent not reimbursed by the Borrower), ratably according to such Bank's Ratable Portion of the Commitments, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, fees and disbursements of legal counsel) of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against, any such Person in any way relating to or arising out of this Agreement or any action taken or omitted by any such Person under this Agreement; provided, however, that no Bank shall be liable for any

portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from any such Person's gross negligence or willful misconduct or from any violation or alleged violation by any such Person or any other Bank of any law, rule or regulation or any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) or, with respect to any Managing Agent or Facility Agent, any conflict or alleged conflict between its rights and duties in its capacity as such or as a Bank under this Agreement and any other rights or duties it may have in any other capacity in which it may act in connection with the consummation of the transactions contemplated by this Agreement, whether or not such Bank is a party to such transactions. Without limitation of the foregoing, each Bank agrees to reimburse any such Person promptly upon demand for its ratable share of any out-of-pocket expenses (including fees and disbursements of one counsel) incurred by such Person in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that such Person is not reimbursed for such expenses by the Borrower.

12.7. Successor Facility Agents. Any Facility Agent may resign at

any time by giving written notice thereof to the Banks and the Borrower and may be removed at any time with or without cause by the Majority Banks. Upon any such resignation or removal, the Majority Banks shall have the right to appoint a successor to such Facility Agent. If no successor to such Facility Agent shall have

been so appointed by the Majority Banks, and shall have accepted such appointment, within 30 days after retiring Facility Agent's giving of notice of resignation or the Majority Banks' removal of such retiring Facility Agent, then such retiring Facility Agent on behalf of the Banks, shall appoint a successor Facility Agent (which successor Facility Agent shall be a Bank or another commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$50,000,000). Upon the acceptance of any appointment as a Facility Agent hereunder by any successor Facility Agent, such successor Facility Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Facility Agent, and such retiring Facility Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Facility Agent's resignation or removal hereunder, the provisions of this Article XII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Facility Agent.

ARTICLE XIII

MISCELLANEOUS

13.1. Amendments, Etc. No amendment or waiver of any provision of

this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Banks, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided,

however, that no amendment, waiver or consent shall, unless in writing signed by

all the Banks and consented to by all of the Banks as defined under the Subsidiary Facility, do any of the following: (a) waive any of the conditions specified in Section 6.1, 6.2 or 6.3; (b) increase the Commitments of the Banks or subject the Banks to any additional obligations; (c) change the principal of, or decrease the interest on, any amounts payable hereunder or reduce the amount of any Commitment Fee payable to the Banks hereunder; (d) postpone any date fixed for any scheduled payment of any Commitment Fee, or scheduled payment of principal of, or interest on, any amounts, payable hereunder; (e) change the definition of Majority Banks; or (f) amend this Section 13.1; and provided

further, however, that no amendment, waiver or consent shall, unless in writing

and signed by the Administrative Agent in addition to the Persons required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement.

13.2. Notices, Etc. Except as otherwise set forth herein, all

notices and other communications provided for hereunder shall be in writing (including telegraphic, telex, telecopy or cable communication) and mailed, telegraphed, telexed, telecopied, cabled or delivered by hand, if to the Borrower, at its address at 1515 Broadway, New York, New York 10036, Attention: Treasurer; if to any Bank, at its Domestic Lending Office specified opposite its name on Schedule I; and if to the Administrative Agent, at its address at 399 Park Avenue, 4th Floor, Zone 6, New York, New York 10043, Attention: David Clark; or, as to the Borrower, any Bank or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Administrative Agent. All such notices and communications shall, when mailed, telegraphed, telexed, telecopied, cabled or delivered, be effective when deposited in the mails, delivered to the telegraph company, confirmed by telex answerback, telecopied with confirmation of receipt, delivered to the cable company or delivered by hand to the addressee or its agent, respectively, except that notices and communications to the Administrative Agent pursuant to Article II, III, IV or XII shall not be effective until received by the Administrative Agent.

13.3. No Waiver; Remedies. No failure on the part of any Bank, the

Managing Agents or any Facility Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

13.4. Costs; Expenses; Indemnities. (a) The Borrower agrees to pay

on demand all costs and expenses in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the other Loan Documents and the other documents to be delivered hereunder or thereunder, including, without limitation, the specified reasonable fees and out-of-pocket expenses of one counsel to the Managing Agents and the Facility Agents and the Arrangers with respect thereto and with respect to advising the Managing Agents, the Facility Agents and the Arrangers as to their rights and responsibilities under this Agreement, and all costs and expenses of the Managing Agents, the Facility Agents and the Banks (including, without limitation, reasonable counsel fees and expenses) in connection with the enforcement

(whether through negotiations, legal proceedings or otherwise) of this Agreement, the other Loan Documents and the other documents to be delivered hereunder and thereunder.

(b) The Borrower agrees to defend, indemnify and hold harmless each of the Managing Agents, the Facility Agents, the Arrangers and the Banks and their respective affiliates and their respective directors, officers, attorneys, agents, employees, successors and assigns (each, an "Indemnified Person") from and against any and all liabilities, obligations, losses, damages, penalties, actions, claims, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, fees and disbursements of counsel of the Managing Agents, the Facility Agents, the Arrangers or the Banks) which may be incurred by or asserted or awarded against any Indemnified Person, in each case arising in any manner of or in connection with or by reason of the Merger, the Merger Agreement, the Tender Offer, this Agreement, the other Loan Documents, the Commitments or any undertakings in connection therewith, or the proposed or actual application of the proceeds of the Loans (all of the foregoing collectively, the "Indemnified Liabilities") and will reimburse each Indemnified Person on a current basis for all expenses (including counsel fees as they are incurred by such party) in connection with investigating, preparing or defending any such action, claim or suit, whether or not in connection with pending or threatened litigation irrespective of whether such Indemnified Person is designated a party thereto; provided that the Borrower shall not have any

liability hereunder to any Indemnified Person with respect to Indemnified Liabilities which are determined by a final and nonappealable judgment of a court of competent jurisdiction to have arisen primarily from the gross negligence or willful misconduct of such Indemnified Person; and provided

further, that if the Borrower has determined in good faith that such Indemnified

Liabilities were primarily the result of such Indemnified Person's gross negligence or willful misconduct, it shall not be obligated to pay such Indemnified Liabilities until a court of competent jurisdiction has determined whether such Indemnified Person acted with gross negligence or willful misconduct. If for any reason the foregoing indemnification is unavailable to an Indemnified Person or insufficient to hold an Indemnified Person harmless, then the Borrower shall contribute to the amount paid or payable by such Indemnified Person as a result of any Indemnified Liability in such proportion as is appropriate to reflect not only the relative benefits received by the Borrower and each Managing Agent, each Facility Agent, each Arranger and each Bank, but

also the relative fault of the Borrower and each Managing Agent, each Facility Agent, each Arranger and each Bank, as well as any other relevant equitable considerations. The foregoing indemnity shall be in addition to any rights that any Indemnified Person may have at common law or otherwise, including, but not limited to, any right to contribution.

(c) If any Bank receives any payment of principal of, or is subject to a conversion of, any Eurodollar Rate Loan other than on the last day of an Interest Period relating to such Loan, as a result of any payment or conversion made by the Borrower or acceleration of the maturity of the amounts due under this Agreement pursuant to Section 11.1 or for any other reason, the Borrower shall, upon demand by such Bank (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Bank any amounts required to compensate such Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 5.2 on the amount of principal so paid, or any loss), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund or maintain such Loan. The foregoing obligations of the Borrower contained in paragraphs (a), (b) and (c) of this Section 13.4, and the obligations of the Borrower contained in Sections 5.5(b) and 5.7, shall survive the payment of the Loans.

13.5. Right of Set-Off. Upon (i) the occurrence and during the

continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 11.1 to authorize the Administrative Agent to declare all amounts under this Agreement due and payable pursuant to the provisions of Section 11.1 or the automatic acceleration of such amounts pursuant to the proviso to that Section, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement irrespective of whether or not such Bank shall have made any demand under this Agreement and although such obligations may be unmatured. Each Bank agrees promptly to notify the Borrower after any such set-off and application made by such Bank; provided, however, that the failure to give such notice shall

not affect the validity of such set-off and

application. The rights of each Bank under this Section 13.5 are in addition to any other rights and remedies (including, without limitation, any other rights of set-off) which such Bank may have.

13.6. Binding Effect. This Agreement shall become effective when it

shall have been executed by the Borrower, each of the Managing Agents, each of the Facility Agents and each of the Arrangers and when the Managing Agents shall have been notified by each of the Banks that such Bank has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, each of the Managing Agents, each of the Facility Agents, each of the Arrangers and each of the Banks and their respective successors and assigns, except that (i) the Borrower shall have no right to assign its rights hereunder or any interest herein without the prior written consent of the Banks and (ii) no Bank may sell, transfer, assign, pledge or grant participations in any of its Loans or any of its rights or obligations hereunder except in accordance with Section 13.7 or as expressly required hereunder.

13.7. Assignments and Participations; Additional Banks. (a) Any

Bank may, at any time, by notice substantially in the form of Exhibit F hereto (each, a "Notice of Assignment and Acceptance") delivered to the Administrative Agent for its acceptance and recording, together with a recording fee in the amount of \$3,000, assign all or any part of its rights and obligations and delegate its duties under this Agreement (A) to any other Bank or any affiliate of any Bank which actually controls, is controlled by, or is under common control with such Bank or to any Federal Reserve Bank (in either case without limitation as to amount), or (B) with the prior consent of the Borrower (such consent not to be unreasonably withheld), to any other Person (but if in part, in a minimum amount of \$25,000,000 or, if less, the balance of such Bank's Short-Term Loan Commitment, the Revolving Loan Commitment and the Term Loan Commitment); provided, however, that each assigning Bank must assign an

identical percentage of a Loan and its related Commitment and, in the case of any assignment of a Term Loan and the related Commitment, a uniform, and not a varying, percentage of each of its Term Loans and Term Loan Commitment and Subsidiary Loans and Subsidiary Loan Commitments under the Subsidiary Facility; provided further, however, that no Bank may make any such assignment or

delegation of, or sell or grant (as provided in paragraph (b) below) any participation in, any of its rights or duties under this Agreement until the one hundredth day after the Initial Funding Date (or such other date as may be determined in accordance with the Syndication

Letter, dated as of June 8, 1994), except (i) through a coordinated pooled syndication organized by the Arrangers and (ii) to any affiliate of such Bank which actually controls, is controlled by, or is under common control with such Bank or to any Federal Reserve Bank.

(b) Any Bank may at any time sell or grant participations in its Commitment, or the obligations owing to or from any Person existing under this Agreement; provided, however, that (i) as between such Bank and the Borrower,

the existence of such participations shall not give rise to any direct rights or obligations between the Borrower and the participants; (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations; (iii) the Borrower, the Managing Agents, the Facility Agents and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement; and (iv) no such sale or grant of a participation shall, without the consent of the Borrower, require the Borrower to file a registration statement with the Securities and Exchange Commission or apply to qualify the Commitments or the Loans under the securities laws of any state.

(c) If an assignment is made by any Bank in accordance with the provisions of paragraph (a) above, upon acceptance and recording by the Administrative Agent, and approval by the Borrower, where applicable, of each Notice of Assignment and Acceptance, (i) the assignee thereunder shall become a party to this Agreement and the Borrower shall release and discharge the assigning Bank from its duties, liabilities or obligations under this Agreement to the extent the same are so assigned and delegated by such Bank, provided that

no such consent, release or discharge shall have effect until the Borrower shall have received a fully executed copy of the Notice of Assignment and Acceptance relating to such assignment and (ii) Schedule II shall be deemed amended to give effect to such assignment. The Borrower agrees that each such disposition will give rise to a direct obligation of the Borrower to any such assignee.

(d) The Borrower authorizes each Bank to disclose to any prospective assignee or participant and any assignee or participant any and all financial information in such Bank's possession concerning the Borrower and this Agreement; provided, however, that, prior to any such disclosure, the assignee

or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower

received by it from such Bank in accordance with Section 13.10.

(e) Any Bank which sells or grants participations in any Loans or its Commitment may not grant to the participants the right to vote other than on amendments, consents, waivers, modifications or other actions which change the principal amount of, postpone the scheduled maturity of, or decrease the interest rates applicable to, any Loans under, or increase the amount of, such Commitment (except with respect to participating Affiliates actually controlled by, controlling or under common control with, such Bank); provided, however,

that as between the Bank and the Borrower, only the Bank shall be entitled to cast such votes.

(f) No participant in any Bank's rights or obligations shall be entitled to receive any greater payment under Section 5.5 or 5.7 than such Bank would have been entitled to receive with respect to the rights participated, and no participation shall be sold or granted to any Person as to which the events specified in Section 5.6 have occurred on or before the date of participation.

(g) The Administrative Agent shall maintain at its address referred to in Section 13.2 a copy of each Notice of Assignment and Acceptance received by it and a register, containing the terms of each Notice of Assignment and Acceptance, for the recordation of the names and addresses of each Bank and the Commitment of, and principal amount of the Loans owing to, each Bank from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Banks, the Facility Agents and the Managing Agents may treat each Person whose name is recorded in the Register as a Bank hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower, any Bank, any Facility Agent or any Managing Agent at any reasonable time and from time to time upon reasonable prior notice.

13.8. GOVERNING LAW; SEVERABILITY. THIS AGREEMENT AND THE RIGHTS AND

OBLIGATIONS OF THE PARTIES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. WHEREVER POSSIBLE, EACH PROVISION OF THIS AGREEMENT SHALL BE INTERPRETED IN SUCH MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS AGREEMENT SHALL BE PROHIBITED BY OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE

REMAINDER OF SUCH PROVISION OR THE REMAINING PROVISIONS OF THIS AGREEMENT.

13.9. SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL.

(a) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE BORROWER HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH ANY OF THEM MAY

NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS.

(b) The Borrower irrevocably consents to the service of process of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the Borrower at its address specified for notices in or pursuant to Section 13.2 hereof, such service to become effective 30 days after such mailing.

(c) Nothing contained in this Section 13.9 shall affect the right of any Managing Agent, any Facility Agent or any Bank to serve process in any other manner permitted by law or commence legal proceedings or otherwise proceed against the Borrower in any other jurisdiction.

(d) Each of the parties hereto waives any right it may have to trial by jury in any proceeding arising out of this Agreement.

13.10. Confidentiality. Each Bank, each Managing Agent and each

Facility Agent agrees to keep confidential information obtained by it pursuant hereto (or otherwise obtained from the Borrower in connection with this Agreement) confidential in accordance with such Person's customary practices and agrees that it will only use such information in connection with the transactions contemplated by this Agreement and not disclose any of such information other than (i) to such Person's employees, counsel, representatives and agents who are or are expected to be involved in the evaluation of such information in connection with the transactions contemplated by this Agreement and who in each case agree to be bound by the provisions of this

sentence, (ii) to the extent that disclosure by such Person is required, or to the extent that such Person has been advised by counsel that disclosure is required, in order to comply with any law, regulation or judicial order or requested or required by bank regulators or auditors or other Governmental Authority, (iii) to assignees or participants of the Loans or Commitments or potential assignees or participants of the Loans or Commitments who in each case agree in writing to be bound by the provisions of this sentence or (iv) to the extent that such information has otherwise been disclosed or made public other than by such Person, or such Person's employees, counsel, representatives or agents, in violation of this Section 13.10.

13.11. Section Titles. The Section titles contained in this

Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

13.12. Execution in Counterparts. This Agreement may be executed in

any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Credit Agreement to be duly executed as of the date first above written.

VIACOM INC., as Borrower

By:

Name:

Title:

Managing Agents

THE BANK OF NEW YORK, as Managing Agent, the
Documentation Agent and a Bank

By:

Name:
Title:

CITIBANK, N.A., as Managing Agent, the Administrative
Agent and a Bank

By:

Name:
Title:

MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as Managing
Agent and a Bank

By:

Name:
Title:

BANK OF AMERICA NT&SA, as Managing Agent and a Bank

By:

Name:
Title:

Agents

BANK OF MONTREAL, as Agent and a Bank

By:

Name:

Title:

THE BANK OF NOVA SCOTIA, as Agent and a Bank

By:

Name:

Title:

THE BANK OF TOKYO TRUST COMPANY, as Agent and a Bank

By:

Name:

Title:

BARCLAYS BANK PLC, as Agent and a Bank

By:

Name:

Title:

CANADIAN IMPERIAL BANK OF COMMERCE, as Agent and a Bank

By:

Name:
Title:

THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), as
Agent and a Bank

By:

Name:
Title:

CREDIT LYONNAIS CAYMAN ISLAND BRANCH, as Agent and a
Bank

By:

Name:
Title:

THE FIRST NATIONAL BANK OF BOSTON, as Agent and a Bank

By:

Name:
Title:

THE FUJI BANK, LIMITED, as Agent and a Bank

By:

Name:
Title:

THE INDUSTRIAL BANK OF JAPAN, LTD., as Agent and a Bank

By:

Name:
Title:

LTCB TRUST COMPANY, as Agent and a Bank

By:

Name:
Title:

MELLON BANK, N.A., as Agent and a Bank

By:

Name:
Title:

NATIONSBANK OF TEXAS N.A., as Agent and a Bank

By:

Name:
Title:

SOCIETE GENERALE, as Agent and a Bank

By:

Name:
Title:

THE TORONTO-DOMINION BANK, as Agent and a Bank

By:

Name:
Title:

UNION BANK, as Agent and a Bank

By:

Name:
Title:

Co-Agents

CREDIT SUISSE, as Co-Agent and a Bank

By:

Name:
Title:

By:

Name:
Title:

THE DAI-ICHI KANGYO BANK LTD., NEW YORK BRANCH, as
Co-Agent and a Bank

By:

Name:
Title:

THE MITSUBISHI BANK, LIMITED, as Co-Agent and a Bank

By:

Name:
Title:

THE MITSUBISHI TRUST & BANKING CORPORATION, as Co-Agent
and a Bank

By:

Name:
Title:

ROYAL BANK OF CANADA, as Co-Agent and a Bank

By:

Name:
Title:

THE SANWA BANK, LTD., as Co-Agent and
a Bank

By:

Name:
Title:

THE SUMITOMO BANK, LIMITED, NEW YORK
BRANCH, as Co-Agent and a Bank

By:

Name:
Title:

UNION BANK OF SWITZERLAND, as Co-
Agent and a Bank

By: _____
Name:
Title:

By: _____
Name:
Title:

Syndication Agent

JP MORGAN SECURITIES INC., as the
Syndication Agent

By: _____
Name:
Title:

=====

\$311,000,000

CREDIT AGREEMENT,

dated as of

July 1, 1994,
among

VIACOM CABLEVISION OF DAYTON INC.,

WNYT INC.,
WMZQ INC.,

and

WWIT INC.,
each, as an MSub

and

VIACOM INTERNATIONAL INC.,

collectively, as Subsidiary Borrowers,

THE BANKS NAMED HEREIN,

as Banks,

THE BANK OF NEW YORK,
CITIBANK, N.A.,

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK,

and

BANK OF AMERICA NT&SA,

as Managing Agents,

THE BANK OF NEW YORK,
as the Documentation Agent,

CITIBANK, N.A.,

as the Administrative Agent,

JP MORGAN SECURITIES INC.,
as the Syndication Agent,

THE BANKS IDENTIFIED AS AGENTS
ON THE SIGNATURE PAGES HEREOF,
as Agents,

and

THE BANKS IDENTIFIED AS CO-AGENTS
ON THE SIGNATURE PAGES HEREOF,
as Co-Agents

=====

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Exhibit F	- Form of Assignment and Acceptance

CREDIT AGREEMENT, dated as of July 1, 1994, among VIACOM CABLEVISION OF DAYTON INC., WNYT INC., WMZQ INC., and WVIT INC., (each an "MSub"), and VIACOM INTERNATIONAL INC. each a Delaware corporation (collectively, "Subsidiary Borrowers"), the Bank parties hereto from time to time, THE BANK OF NEW YORK, as a Managing Agent and as the Documentation Agent, CITIBANK, N.A., as a Managing Agent and as the Administrative Agent, MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as a Managing Agent, JP MORGAN SECURITIES INC., as the Syndication Agent, THE BANK OF AMERICA NT&SA, as a Managing Agent, the Banks identified as Agents on the signature pages hereof, as Agents, and the Banks identified as Co-Agents on the signature pages hereof, as Co-Agents.

W I T N E S S E T H:

- - - - -

WHEREAS, the Subsidiary Borrowers are direct and indirect Subsidiaries of Viacom Inc., a Delaware corporation; and

WHEREAS, simultaneously herewith, the Banks, the Managing Agents, the Facility Agents (as hereinafter defined), the Agents and the Co-Agents are entering into the Parent Facility (as hereinafter defined), pursuant to which the Banks will provide senior debt financing to Viacom; and

WHEREAS, each of the Subsidiary Borrowers has requested that the Banks provide senior debt financing for, among other things, the refinancing of certain existing indebtedness of such Subsidiary Borrower, and the Banks are willing to make funds available for such purposes, but only upon the terms and subject to the conditions contained herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.1. Defined Terms. As used in this Agreement, the following terms have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Administrative Agent" means Citibank, N.A., in its capacity as the Administrative Agent, or any successor in such capacity.

"Affiliate" means, as to any Person, any Subsidiary of such Person

and any other Person which, directly or indirectly, controls, is controlled by or is under common control with such Person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of management and policies of any Person, whether through the ownership of voting securities, by contract or otherwise.

"Agents" means each of the Banks identified as Agents on the

signature pages hereof.

"Agreement" means this Credit Agreement, as modified, amended or

supplemented from time to time.

"Applicable Eurodollar Rate Margin" shall mean on any date the

percentage set forth below opposite the Credit Rating applicable to Viacom on such date:

CREDIT RATING -----	MARGIN -----
A-/A3 or better	.375%
BBB+/Baa1	.500%
BBB/Baa2	.625%
BBB-/Baa3	.750%
BB+/Ba1	1.000%
BB/Ba2	1.250%
BB-/Ba3 or lower	1.500%

; provided, however, that if the ratings assigned by S&P and Moody's shall

differ by one level, the Credit Rating shall be the rating which is the higher level, or if they differ by more than one level, the Credit Rating shall be the rating that is one rating level immediately above the lower of such ratings; provided further, however, until the date after the Funding

Date on which Viacom delivers a certificate (which may be the certificate described in Section 9.8(e) of the Parent Facility) demonstrating that the Viacom Total Leverage Ratio (taking into account Viacom's EBIDT (as defined in the Parent Facility) through the last day of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Banks pursuant to Section 9.8 of the Parent Facility) is equal to or less than 6.50x, the Applicable Eurodollar Rate Margin specified for each of the rating levels listed above shall be increased by 0.1875%. Any change in the Credit Rating of Viacom shall be effective to adjust the applicable Eurodollar Rate Margin as of the date such change is announced by the applicable Rating Agency.

"Applicable Lending Office" means, with respect to each Bank, its

Domestic Lending Office in the case of a Base

Rate Loan, and its Eurodollar Lending Office in the case of a Eurodollar Rate Loan.

"Arranger" means each of The Bank of New York, Citicorp Securities, Inc., JP Morgan Securities Inc. and BA Securities Inc.

"Banks" means the lenders listed on the signature pages hereof, and such other lenders as may become parties hereto from time to time pursuant to Section 10.7.

"Base Rate" means, for any day, a fluctuating interest rate per annum as shall be in effect for such day, which rate per annum shall be equal at all times to the higher of

(a) the rate of interest announced publicly by the Administrative Agent in New York, New York as the Administrative Agent's base rate in effect for such day; or

(b) the Federal Funds Rate for such day plus 1/2 of one percent per annum;

provided, however, that if the higher of the Credit Ratings assigned by S&P

and Moody's to Viacom shall be BB-/Ba3 or lower, (or, if such Credit Ratings differ by more than one level, the rating that is one rating level immediately above the lower of such ratings, shall be BB-/Ba3 or lower) then the Base Rate shall be equal at all times to the sum of (x) the higher of the foregoing rates plus (y) 1/2 of one percent per annum.

"Base Rate Loan" means any Subsidiary Loan or portion thereof that bears interest with reference to the Base Rate.

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City and, if the applicable Business Day relates to a Eurodollar Rate Loan, a day on which dealings are also carried on in Dollars in the London interbank market.

"Capitalized Lease" means, as applied to any Person, any lease of property by such Person as lessee which should be capitalized on a balance sheet of such Person prepared in accordance with GAAP, other than leases of satellite transponders.

"Co-Agents" means each of the Banks identified as Co-Agents on the signature pages hereof.

"Code" means the Internal Revenue Code of 1986 (or any successor

legislation thereto), as amended from time to time.

"Commercial Paper" means any unsecured promissory note of Viacom or

Viacom International with a maturity at the time of issuance not exceeding
nine months, exclusive of days of grace, issued by Viacom or Viacom
International pursuant to a commercial paper program of either.

"Commitment Fee" has the meaning specified in Section 3.4(a).

"Credit Rating" means the most recent rating of the long-term

senior unsecured debt of Viacom announced by Moody's or S&P or, in the event
that either or both cease the issuance of debt ratings generally, such other
rating agency or rating agencies agreed to by the Majority Banks.

"Default" means any event which with the passing of time or the

giving of notice or both would become an Event of Default.

"Documentation Agent" means The Bank of New York, in its capacity

as the Documentation Agent, or any successor in such capacity.

"Dollars" and the sign "\$" each mean the lawful money of the United

States of America.

"Domestic Lending Office" means, with respect to any Bank, the

office of such Bank specified as its "Domestic Lending Office" opposite its
name on Schedule I or such other office of such Bank as such Bank may from
time to time specify to the Subsidiary Borrowers and the Administrative
Agent.

"Environmental Law" means the Comprehensive Environmental Response,

Compensation, and Liability Act (42 U.S.C. Sec. 9601 et seq.), the Hazardous

Material Transportation Act (49 U.S.C. Sec. 1801 et seq.), the Resource

Conservation and Recovery Act (42 U.S.C. Sec. 6901 et seq.), the Federal Water

Pollution Control Act (33 U.S.C. Sec. 1251 et seq.), the Clean Air Act (42

U.S.C. Sec. 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. Sec.

2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. Sec. 651

et seq.), in each case as amended or supplemented from time to time, and any

analogous future federal or present or future state or local statutes,
including, without limitation, transfer of ownership notification statutes
such as the New Jersey Environmental Cleanup Responsibility Act (N.J. Stat.
Ann. Sec. 13:1K-6 et seq.) and the Connecticut Industrial

Transfer Law of 1985 (Conn. Gen. Stat. Sec. 22a-134 et seq.) and the
regulations promulgated pursuant thereto.

"Equity" means all shares, options, equity interests, general or
limited partnership interests, joint venture interests or participations or
other equivalents (regardless of how designated) of or in a corporation,
partnership or other entity, whether voting or non-voting, and including,
without limitation, common stock, preferred stock, purchase rights, warrants
or options for any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974
(or any successor legislation thereto) and the rules and regulations
promulgated thereunder, as amended from time to time.

"ERISA Affiliate" shall mean a corporation, partnership or other
entity which is considered one employer with any Subsidiary Borrower under
Section 4001 of ERISA or Section 414 of the Code.

"Eurocurrency Liabilities" has the meaning specified in Regulation

D.

"Eurodollar Lending Office" means, with respect to any Bank, the
office of such Bank specified as its "Eurodollar Lending Office" opposite its
name on Schedule I (or, if no such office is specified, its Domestic Lending
Office) or such other office of such Bank as such Bank may from time to time
specify to the Subsidiary Borrowers and the Administrative Agent.

"Eurodollar Rate" means, for any Interest Period, the rate of
interest per annum determined by the Administrative Agent to be the offered
rate per annum at which deposits in Dollars appears on the Telerate Page 3750
(or any successor page) as of 11:00 A.M. (London time), or in the event such
offered rate is not available from the Telerate Page, the average (rounded
upward to the nearest whole multiple of 1/16 of 1% per annum, if such average
is not such a multiple) of the rates offered by the principal office of each
of the Reference Banks in London, England to prime banks in the London
interbank market at 11:00 A.M. (London time), two Business Days before the
first day of such Interest Period for deposit in dollars in an amount
substantially equal to the aggregate Eurodollar Rate Loans to which such
Interest Period relates and for a period equal to such Interest Period.

"Eurodollar Rate Loan" means any Subsidiary Loan or portion thereof

that bears interest at a rate determined with reference to the Eurodollar
Rate.

"Eurodollar Rate Reserve Percentage" means, for any Bank for any

Interest Period, the reserve percentage applicable during such Interest
Period (or if more than one such percentage shall be so applicable, the daily
average of such percentages for those days in such Interest Period during
which any such percentage shall be so applicable) under Regulation D for
determining the actual reserve requirement incurred by such Bank (including,
without limitation, any emergency, supplemental or other marginal reserve
requirement) with respect to liabilities or assets consisting of or including
Eurocurrency Liabilities having a term equal to such Interest Period.

"Event of Default" has the meaning specified in Section 8.1.

"Existing Paramount Credit Agreements" means the Credit Agreements

(i) by and between Paramount and Bank of America NT&SA, dated February 25,
1994, as amended from time to time, and (ii) by and between Prentice-Hall
Canada Inc., a wholly owned Subsidiary of Paramount, and Bank of America
Canada, dated March 10, 1994, as amended to the date hereof as amended from
time to time.

"Existing Viacom Credit Agreement" means the Credit Agreement,

dated as of November 19, 1993, as amended, by and among Viacom, the banks
named therein, The Bank of New York, Citibank, N.A. and Morgan Guaranty Trust
Company of New York, as Managing Agents, Citibank, N.A., as the
Administrator, the Banks identified as Agents on the Signature Pages thereof,
as Agents, and the Banks identified as Co-Agents on the signature pages
thereof, as Co-Agents.

"Existing Viacom International Credit Agreement" means the Credit

Agreement, dated as of September 26, 1989, as amended through the date
hereof, among Viacom International, the subsidiary obligors referred to
therein, and the banks, the agent and the co-agent parties thereto.

"Facility Agents" means each of the Administrative Agent, the

Documentation Agent and the Syndication Agent.

"FCC" means the Federal Communications Commission, or any successor

thereto.

"FCC License" means, with respect to any Subsidiary Borrower or any

of its Subsidiaries, any radio, television or other license, Permit,
certificate of

compliance or authorization issued by the FCC and required for the operation of its respective radio and television broadcast stations and cable television systems.

"Federal Funds Rate" means, for any day, a fluctuating interest

rate per annum equal for such day to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Final Judgment" has the meaning specified in Section 8.1(g).

"Fiscal Quarter" means any three month period ending March 31, June

30, September 30 or December 31 of any Fiscal Year, or such other fiscal quarter end date as may be determined by Viacom following the Merger.

"Fiscal Year" means each twelve-month period ending December 31, or

such other fiscal year end date as may be determined by Viacom following the Merger.

"Franchise" means a franchise, authorization or right by contract

to construct, own, operate or otherwise exploit any cable television facility operated by any Subsidiary Borrower or any of its Subsidiaries, granted by any Governmental Authority.

"Funding Date" means the date on which the conditions set forth in

Sections 4.1 and 4.2 are satisfied or waived and the Subsidiary Loans are made hereunder.

"GAAP" means generally accepted accounting principles in the United

States of America as in effect from time to time and set forth in the rules, regulations, opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be in general use by significant segments of the accounting profession and which are applicable to the circumstances as of the date of determination.

"Governmental Authority" means any nation or government, any state

or other political subdivision thereof and any entity exercising executive,
legislative, judicial, regulatory or administrative functions of or
pertaining to government.

"Guarantor Subsidiaries" means each of Viacom International and

Paramount.

"Indebtedness" of any Person means at any date, without

duplication, (i) all obligations of such Person for borrowed money
(including, without limitation, in the case of the Subsidiary Borrowers, the
obligations of the Subsidiary Borrowers for borrowed money under this
Agreement), (ii) all obligations of such Person evidenced by bonds,
debentures, notes or other similar instruments, (iii) all obligations of such
Person to pay the deferred purchase price of Property or services, except as
provided below, (iv) all obligations of such Person as lessee under
Capitalized Leases, (v) all Indebtedness of others secured by a Lien on any
Property of such Person, whether or not such Indebtedness is assumed by such
Person, (vi) all Indebtedness of others directly or indirectly guaranteed or
otherwise assumed by such Person, including any obligations of others
endorsed (otherwise than for collection or deposit in the ordinary course of
business) or discounted or sold with recourse by such Person, or in respect
of which such Person is otherwise directly or indirectly liable, including,
without limitation any Indebtedness in effect guaranteed by such Person
through any agreement (contingent or otherwise) to purchase, repurchase or
otherwise acquire such obligation or any security therefor, or to provide
funds for the payment or discharge of such obligation, or to maintain the
solvency or any balance sheet or other financial condition of the obligor of
such obligation, provided that Indebtedness of Viacom and its Subsidiaries

(including the Subsidiary Borrowers) shall not include (a) guarantees in
existence on the date hereof of Indebtedness of discontinued operations, and
(b) guarantees of Indebtedness that are identified on Schedule 1.1 to this
Agreement and that arise from commitments in existence at the date hereof (in
each of cases (a) and (b), only if such guarantees are not extended by Viacom
or any of its Subsidiaries (including the Subsidiary Borrowers) after the
date hereof or in the case of any increase in commitments, only the amount of
the increase in such existing commitments shall be included in Indebtedness)
(vii) all obligations of such Person as issuer, customer or account party
under letters of credit or bankers' acceptances that are either drawn or that
back financial obligations that would otherwise be Indebtedness; provided,

however, that in each of the foregoing clauses (i) through (vii),

Indebtedness

shall not include obligations (other than under this Agreement or the Parent Facility) specifically with respect to the production, distribution and acquisition of motion pictures or other programming rights, talent or publishing rights.

"Indemnified Liability" has the meaning specified in Section

10.4(b).

"Indemnified Person" has the meaning specified in Section 10.4(b).

"Interest Period" means, (a) in the case of Base Rate Loans, the

period commencing on the date such Subsidiary Loans are made or on the date of conversion of such Subsidiary Loans from Eurodollar Rate Loans and ending on the last day of each Fiscal Quarter, and (b) in the case of Eurodollar Rate Loans, (i) initially, the period commencing on the date such Subsidiary Loans are made or on the date of conversion of such Subsidiary Loans or portions thereof from Base Rate Loans and ending one, two, three or six months thereafter, as selected by the applicable Subsidiary Borrower in its Notice of Borrowing or Notice of Conversion or Continuation given to the Administrative Agent pursuant to Section 2.2 or 3.1, as the case may be, and (ii) thereafter, if such Subsidiary Loans are renewed, in whole or in part, as Eurodollar Rate Loans pursuant to Section 3.1, the period commencing on the last day of the immediately preceding Interest Period therefor and ending one, two, three or six months thereafter, as selected by the applicable Subsidiary Borrower in its Notice of Conversion or Continuation given to the Administrative Agent pursuant to Section 3.1, subject, however, to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless the result of such extension for any Eurodollar Rate Loan would be to extend such Interest Period into another calendar month, in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period in respect of Eurodollar Rate Loans that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) no Interest Period may extend beyond the Termination Date;

(iv) a Subsidiary Borrower may not select any Interest Period in respect of Subsidiary Loans in an aggregate amount less than \$5,000,000; and

(v) there shall be outstanding at any one time no more than 5 Interest Periods in the aggregate.

"IRS" means the Internal Revenue Service, or any successor thereto.

"Lien" means any mortgage, deed of trust, pledge, hypothecation,

assignment, deposit arrangement, encumbrance, lien (statutory or other), security interest or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement.

"Loan Documents" means, collectively, this Agreement, the Parent

Facility, the VII Guarantee, the Parent Guarantee, the Paramount Affiliate Guarantee and the Paramount Parent Guarantee.

"Loan Parties" means each of Viacom, each Subsidiary Borrower and

each Guarantor Subsidiary.

"Majority Banks" means, at any time, Banks having at least 51% of

the aggregate amount of (x) the Subsidiary Commitments and (y) the Commitments under (and as defined in) the Parent Facility, taken together and voting as a single group; provided, however, that, for purposes of this

definition, if the Subsidiary Commitment or Commitment of any Bank shall have been terminated, the then aggregate unpaid principal amount of Subsidiary Loans of such Bank hereunder and Loans of such Bank under (and as defined in) the Parent Facility shall be deemed to be such Bank's Subsidiary Commitment or Commitment, as the case may be.

"Managing Agents" means each of The Bank of New York, Citibank,

N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA, acting in such capacity.

"Margin Stock" has the meaning specified in Regulation U.

"Material Adverse Change" means a change that has resulted or would

result in a Material Adverse Effect.

"Material Adverse Effect" means a material adverse effect on the

business, financial condition, operations or Properties of Viacom and its Subsidiaries taken as a whole.

"Material Credit Agreement Change" means a change that has

materially adversely affected or would materially adversely affect the
legality, validity or enforceability of any payment obligation of Viacom,
Viacom International or Paramount or, for the purpose of Section 9.9 of the
Parent Facility only, any of the MSubs under this Agreement or any other Loan
Document.

"Material Subsidiary" of any Person means any "significant

subsidiary" of such Person as defined in Regulation S-X, as amended from time
to time, promulgated under the Securities Act of 1933, as amended.

"Merger" means the merger of a wholly owned Subsidiary of Viacom

with and into Paramount, with Paramount surviving as a wholly owned
Subsidiary of Viacom.

"Merger Agreement" means the Amended and Restated Agreement and

Plan of Merger, dated as of February 4, 1994, between Paramount and Viacom,
as amended by Amendment No. 1 thereto dated as of May 26, 1994.

"Merger Date" means the date on which the Merger is effective in

accordance with the Merger Agreement.

"Moody's" means Moody's Investors Service, Inc.

"MSubs" shall mean each of Viacom Cablevision of Dayton, Inc., WNYT

Inc., WMZQ Inc. and WVIT Inc., each a Delaware corporation and a direct
wholly owned Subsidiary of Viacom International.

"Multiemployer Plan" means a multiemployer plan, as defined in

Section 4001(a)(3) of ERISA, to which any Subsidiary Borrower, any of its
Subsidiaries or any ERISA Affiliate of such Subsidiary Borrower is making, is
obligated to make, has made or been obligated to make, contributions on
behalf of participants who are or were employed by any of them.

"NAI" means National Amusements, Inc., a Maryland corporation.

"Notice of Assignment and Acceptance" has the meaning specified in

Section 10.7(a).

"Notice of Borrowing" means a notice of a Subsidiary Borrower

substantially in the form of Exhibit A hereto specifying therein (i) the date
of the proposed Subsidiary Borrowing to be made by such Subsidiary Borrower,
(ii) the aggregate amount of such proposed Subsidiary Borrowing, (iii) the
amount of such Subsidiary Borrowing, if

any, requested to be Eurodollar Rate Loans and (iv) the initial Interest Period or Interest Periods for any such Eurodollar Rate Loans.

"Notice of Conversion or Continuation" has the meaning specified in

Section 3.1.

"Paramount" means Paramount Communications Inc., a Delaware

corporation.

"Paramount Affiliate Guarantee" means the guarantee by Paramount of

the obligations of the Subsidiary Borrowers under this Agreement,
substantially in the form of Exhibit B hereto.

"Paramount Common Stock" means the common stock, par value \$1.00

per share, of Paramount.

"Paramount Parent Guarantee" means the guarantee by Paramount of

the obligations of Viacom pursuant to the Parent Facility substantially in
the form of Exhibit B to the Parent Facility.

"Parent Facility" means the Credit Agreement, dated as of the date

hereof, among Viacom, the banks parties thereto from time to time, The Bank
of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and
Bank of America NT&SA, as Managing Agents, The Bank of New York, as the
Documentation Agent, Citibank, N.A., as the Administrative Agent, JP Morgan
Securities Inc., as the Syndication Agent, the banks identified as Agents on
the signature pages thereof, as Agents, and the banks identified as Co-Agents
on the signature pages thereof, as Co-Agents.

"Parent Guarantee" means the guarantee by Viacom of the obligations

of the Subsidiary Borrowers pursuant to this Agreement substantially in the
form of Exhibit C hereto.

"PBGC" means the Pension Benefit Guaranty Corporation, or any

successor thereto.

"Pension Plan" means an employee pension benefit plan, as defined

in Section 3(2) of ERISA (other than a Multiemployer Plan), which is not an
individual account plan, as defined in Section 3(34) of ERISA, and which any
Subsidiary Borrower, any of its Subsidiaries or any ERISA Affiliate of such
Subsidiary Borrower now or in the future maintains, contributes to or has an
obligation to contribute to on behalf of participants who are or were
employed by any of them.

"Permit" means any permit, approval, authorization, license,

variance or permission required from a Governmental Authority under an
applicable Requirement of Law.

"Person" means an individual, partnership, corporation (including a

business trust), joint stock company, trust, unincorporated association,
joint venture or other entity, or Governmental Authority.

"Plan" shall mean an employee benefit plan as defined in Section

3(3) of ERISA which is maintained or contributed to by any Subsidiary
Borrower or an ERISA Affiliate of such Subsidiary Borrower.

"Property" means any interest in any kind of property or asset,

whether real, personal or mixed, and whether tangible or intangible,
including, without limitation, the right to use, transmit, display, license
or otherwise temporarily or permanently benefit from the possession of,
control of or access to any film, television program, trademark, trade name,
copyright, service mark or any other type of intellectual or intangible
property.

"Qualified Plan" means an employee pension benefit plan, as defined

in Section 3(2) of ERISA, which is intended to be tax-qualified under Section
401(a) of the Code, and which any Subsidiary Borrower, any of its
Subsidiaries or any ERISA Affiliate of such Subsidiary Borrower now or in the
future maintains, contributes to or has an obligation to contribute to on
behalf of participants who are or were employed by any of them.

"Ratable Portion" means, with respect to any Bank, the percentage

obtained by dividing the amount of such Bank's Subsidiary Commitment by the
aggregate amount of all the Subsidiary Commitments of all the Banks.

"Reference Banks" means The Bank of New York, Citibank, N.A.,

Morgan Guaranty Trust Company of New York and Bank of America NT&SA.

"Register" has the meaning specified in Section 10.7(g) hereof.

"Regulation D" means Regulation D of the Board of Governors of the

Federal Reserve System (or any successor thereto), as in effect from time to
time, or any successor thereto.

"Regulation U" means Regulation U of the Board of Governors of the

Federal Reserve System (or any successor

thereto), as in effect from time to time, or any successor thereto.

"Requirements of Law" means all federal, state and local laws,

rules, regulations, orders, decrees or other determinations of an arbitrator, court or other Governmental Authority, including the requirements of ERISA and Environmental Law.

"Responsible Officer" of any Person means any of the officers of

such Person listed in the certificate delivered to the Managing Agents pursuant to Section 4.1(c) or otherwise notified to the Administrative Agent as being authorized to execute and deliver documents and certificates and otherwise act on behalf of such Person in all matters (other than financial matters) arising under this Agreement or any other Loan Document.

"S&P" means Standard & Poor's Ratings Group.

"Subsidiary" means, with respect to any Person, any corporation,

partnership or other business entity of which more than 50% of the outstanding Equity having ordinary voting power to elect a majority of the board of directors of such entity (irrespective of whether, at the time, Equity of any other class or classes of such entity shall have or might have voting power by reason of the happening of any contingency) is, or of which more than 50% of the interests in which are, at the time, directly or indirectly, owned by such Person and/or one or more Subsidiaries of such Person.

"Subsidiary Borrowers" has the meaning specified in the recitals

hereof.

"Subsidiary Borrowing" means a borrowing by any Subsidiary Borrower

consisting of Subsidiary Loans made to such Subsidiary Borrower on the same day by the Banks ratably according to their respective Subsidiary Commitments with respect to such Subsidiary Borrower.

"Subsidiary Commitment" has the meaning specified in Section

2.1(a).

"Subsidiary Loan" means a loan made to a Subsidiary Borrower

pursuant to Section 2.1.

"Syndication Agent" means JP Morgan Securities Inc. in its capacity

as the Syndication Agent, or any successor in such capacity.

"Tender Offer" means the acquisition by Viacom on March 11, 1994 of approximately 50.2% of the issued and outstanding shares of Paramount Common Stock pursuant to Viacom's Offer to Purchase dated October 25, 1993, as amended.

"Termination Date" means the earliest of (i) July 1, 2002, (ii) the date of the earlier termination in whole of all of the Subsidiary Commitments pursuant to the terms hereof, including pursuant to Section 8.1 and (iii) the date on which the Parent Facility is terminated.

"Title IV Plan" means a Pension Plan, other than a Multiemployer Plan, which is covered by Title IV of ERISA.

"Viacom" means Viacom Inc., a Delaware corporation, or any successor thereto.

"Viacom International" means Viacom International Inc., a Delaware corporation.

"Viacom Total Leverage Ratio" means the Total Leverage Ratio as defined in and calculated in accordance with the Parent Facility.

"VII Guarantee" means the guarantee by Viacom International of the obligations of Viacom pursuant to the Parent Facility, substantially in the form of Exhibit C to the Parent Facility.

"Withdrawal Liability" means, as to any Person, at any time, the aggregate amount of the liabilities, if any, of such Person pursuant to Section 4201 of ERISA.

1.2. Computation of Time Periods. In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding" and the word "through" means "to and including".

1.3. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP.

ARTICLE II

AMOUNT AND TERMS OF THE SUBSIDIARY LOANS

2.1. The Subsidiary Loans. (a) The Subsidiary Loans. On the terms and subject to the conditions contained

in this Agreement, each Bank severally agrees to make a Subsidiary Loan on the Funding Date to each Subsidiary Borrower, which shall be severally liable with respect to each such Subsidiary Loan made to it, in the amount set forth opposite such Bank's name under such Subsidiary Borrower's column on Schedule II hereto as such Bank's "Subsidiary Commitment" for such Subsidiary Borrower (as adjusted from time to time by reason of assignments in accordance with the provisions of Section 10.7, the aggregate of all such commitments to the Subsidiary Borrowers being such Bank's "Subsidiary Commitment").

(b) Evidence of Debt. (i) Each Bank shall maintain in accordance

with its usual practice an account or accounts evidencing the Indebtedness of each Subsidiary Borrower to each Bank resulting from the Subsidiary Loans made by such Bank to such Subsidiary Borrower, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder.

(ii) The Register maintained by the Administrative Agent pursuant to Section 10.7(g) shall include a "Subsidiary Loan control account" for each Subsidiary Borrower and for each Bank, in which accounts shall be recorded (A) the amount of each Bank's Subsidiary Loans to such Subsidiary Borrower, (B) the name of each Subsidiary Borrower together with the Subsidiary Loans of each Bank made to such Subsidiary Borrower, (C) the date on which the Subsidiary Loans were made, (D) the amount of any principal or interest due and payable or to become due and payable from each Subsidiary Borrower to each Bank with respect to such Subsidiary Borrower's Subsidiary Loans hereunder and (E) the amount of any sum received by the Administrative Agent from any Subsidiary Borrower with respect to Subsidiary Loans made to it hereunder and each Bank's Ratable Portion thereof.

(iii) The entries made in the Register shall be conclusive and binding for all purposes, absent manifest error.

2.2. Making the Subsidiary Loans. (a) The Subsidiary Borrowing

of each Subsidiary Borrower shall be made upon receipt of a Notice of Borrowing, given by such Subsidiary Borrower to the Administrative Agent not later than 9:30 A.M. (New York City time) on the Funding Date, in the event such Subsidiary Borrowing is to be comprised of Base Rate Loans, and (ii) 11:00 A.M. (New York City time) on the third Business Day prior to the Initial Funding Date, in the event such Subsidiary Borrowing is to be comprised of Eurodollar Rate Loans.

(b) The Administrative Agent shall give to each Bank prompt notice (but in any event on the same day) of its receipt of a Notice of Borrowing and, if Eurodollar Rate Loans are properly requested in such Notice of Borrowing, upon its determination thereof, notice of the applicable interest rate under Section 3.2. Each Bank shall, before 11:00 A.M. (or in the case of a Subsidiary Borrowing being made on the same day, before 12:00 noon) (New York City time) on the date of the proposed Subsidiary Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 10.2, in immediately available funds, such Bank's Ratable Portion of each such proposed Subsidiary Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article IV, the Administrative Agent will make such funds available to the Subsidiary Borrowers at the Administrative Agent's aforesaid address.

(c) Each Notice of Borrowing pursuant to this Section 2.2 shall be irrevocable and binding on the applicable Subsidiary Borrower. In the case of a proposed Subsidiary Borrowing comprised of Eurodollar Rate Loans to any Subsidiary Borrower, the Subsidiary Borrower requesting such Subsidiary Borrowing shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing the applicable conditions set forth in Article IV, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 3.2 on the amount of principal not borrowed as a result of such failure), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund any Eurodollar Rate Loan to be made by such Bank to such Subsidiary Borrower as part of any such proposed Subsidiary Borrowing when such Eurodollar Rate Loan to such Subsidiary Borrower, as a result of such failure, is not made on such date.

(d) Unless the Administrative Agent shall have received notice from a Bank prior to the date of any proposed Subsidiary Borrowing pursuant to this Section 2.2 that such Bank will not make available to the Administrative Agent such Bank's Ratable Portion of such Subsidiary Borrowing, the Administrative Agent may assume that such Bank has made such Ratable Portion available to the Administrative Agent on the date of such Subsidiary Borrowing in accordance with this Section 2.2 and the Administrative Agent may, in reliance upon such assumption, make available to the applicable Subsidiary Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such Ratable Portion available

to the Administrative Agent and the Administrative Agent has so made available such amount, such Bank and such Subsidiary Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to such Subsidiary Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of such Subsidiary Borrower, the interest rate applicable at the time to the Subsidiary Loans comprising such Subsidiary Borrowings and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Bank's Subsidiary Loan as part of any such Subsidiary Borrowing for purposes of this Agreement. If such Subsidiary Borrower shall repay to the Administrative Agent such corresponding amount, such payment shall not relieve such Bank of any obligation it may have to the Subsidiary Borrowers hereunder.

(e) The failure of any Bank to make any Subsidiary Loan to be made by it to any Subsidiary Borrower shall not relieve any other Bank of its obligation, if any, hereunder to make its Subsidiary Loan to such Subsidiary Borrower on the date of such Subsidiary Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Subsidiary Loan to be made by such other Bank to such Subsidiary Borrower.

2.3. Repayment of the Subsidiary Loans. (a) Each Subsidiary

Borrower shall pay the principal amount of the Subsidiary Loans of each Bank to such Subsidiary Borrower in quarterly installments on January 1, April 1, July 1 and October 1 of each year, commencing July 1, 1997, and ending on July 1, 2002, in an amount equal to such Bank's Ratable Portion of the quarterly amount set forth in column (y) in Schedule 2.3 hereto opposite the period specified in column (x) in such Schedule during which such date occurs.

(b) Each Subsidiary Borrower shall repay the outstanding principal amount of the Subsidiary Loans to such Subsidiary Borrower (together with all accrued and unpaid interest thereon) in full on the Termination Date.

2.4. Optional Prepayments of the Subsidiary Loans. Each

Subsidiary Borrower may, upon at least three Business Days' prior notice (or at least one Business Day's prior notice in the case of Base Rate Loans) to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment of, and if such notice is given by any Subsidiary Borrower such Subsidiary Borrower

shall, prepay the outstanding principal amount of the Subsidiary Loans made to such Subsidiary Borrower, in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that each Subsidiary Borrower shall indemnify the

Banks pursuant to Section 10.4(c) in the event that any prepayment of any Eurodollar Rate Loans made by such Subsidiary Borrower shall be made on a day other than the last day of an Interest Period for such Subsidiary Loans. Amounts borrowed under Section 2.1 and prepaid pursuant to this Section 2.5 may not be reborrowed. Any partial prepayment may be allocated to scheduled installments of the Subsidiary Loans in any manner requested by the appropriate Subsidiary Borrower.

2.5. Mandatory Prepayments of the Subsidiary Loans of the MSubs.

The Subsidiary Loans of an MSub shall be due and payable on the date on which such MSub ceases to be a direct or indirect wholly owned Subsidiary of Viacom or Viacom International.

ARTICLE III

CONVERSION, INTEREST, PAYMENTS, FEES, ETC.

3.1. Conversion/Continuation Option. Any Subsidiary Borrower may

elect (i) at any time to convert Base Rate Loans to such Subsidiary Borrower or any portion thereof to Eurodollar Rate Loans or (ii) at the end of any Interest Period with respect thereto, to convert Eurodollar Rate Loans to such Subsidiary Borrower or any portion thereof into Base Rate Loans, or to continue such Eurodollar Rate Loans or any portion thereof as Eurodollar Rate Loans for an additional Interest Period; provided, however, that the

aggregate of the Eurodollar Rate Loans of such Subsidiary Borrower so converted or so continued for each Interest Period must be in the amount of \$5,000,000 or an integral multiple of \$5,000,000 in excess thereof. Each such election shall be in substantially the form of Exhibit E hereto (a "Notice of Conversion or Continuation") and shall be made by giving the Administrative Agent at least one Business Day's, in the case of a conversion to a Base Rate Loan, and three Business Days', in the case of a conversion to or a continuation of a Eurodollar Rate Loan, prior written notice thereof specifying (A) the amount and type of conversion or continuation, (B) in the case of a conversion to or a continuation of Eurodollar Rate Loans, the Interest Period therefor, and (C) in the case of a conversion, the date of conversion (which date shall be a Business Day and, if a conversion from a Eurodollar Rate Loan, shall also be the last day of the Interest Period therefor). The Administrative Agent shall promptly (but in

any event on the same day) notify each Bank of its receipt of a Notice of Conversion or Continuation and of the contents thereof. Notwithstanding the foregoing, no conversion in whole or in part of Base Rate Loans to Eurodollar Rate Loans of any Subsidiary Borrower, and no continuation in whole or in part of Eurodollar Rate Loans of any Subsidiary Borrower upon the expiration of any Interest Period therefor, shall be permitted at any time at which an Event of Default shall have occurred and be continuing. If, within the time period required under the terms of this Section 3.1, the Administrative Agent does not receive a Notice of Conversion or Continuation from any Subsidiary Borrower containing an election to continue all or any portion of the Eurodollar Rate Loans to such Subsidiary Borrower for an additional Interest Period or to convert all or any portion of such Subsidiary Loans, then, upon the expiration of the Interest Period therefor, such Subsidiary Loans or the portions thereof for which an election to continue or convert has not been made will be automatically converted to Base Rate Loans. Each Notice of Conversion or Continuation shall be irrevocable.

3.2. Interest. Each Subsidiary Borrower shall pay interest on the

unpaid principal amount of each Subsidiary Loan to such Subsidiary Borrower from the date thereof until the principal amount thereof shall be paid in full, at the following rates per annum:

(a) Base Rate Loans. For Base Rate Loans, at a rate per annum

equal at all times to the Base Rate in effect from time to time, payable quarterly in arrears on the last day of each September, December, March and June, on the Termination Date and on the date any Base Rate Loan is converted or paid in full.

(b) Eurodollar Rate Loans. For Eurodollar Rate Loans, at a rate

per annum equal at all times during the applicable Interest Period for each Eurodollar Rate Loan to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Eurodollar Rate Margin, payable in arrears (i) on the last day of such Interest Period and (ii) if such Interest Period has a duration of more than three months, on each day during such Interest Period that occurs every three months from the first day of such Interest Period.

(c) Default Rate of Interest. If any amount of principal of any

Subsidiary Loan to any Subsidiary Borrower is not paid when due, whether at stated maturity, by acceleration or otherwise, the interest rate applicable to any such amount shall be increased by 2.00% per annum, payable on demand, and if any

interest, fee or other amount payable by any Subsidiary Borrower hereunder is not paid when due, such amount shall bear interest at a rate per annum equal at all times to the Base Rate in effect from time to time plus 2% per annum payable on demand.

3.3. Interest Rate Determination and Protection. (a) In the

Event that the Eurodollar Rate is not available from the Telerate Page, the Eurodollar Rate for each Interest Period for Eurodollar Rate Loans to any Subsidiary Borrower shall be determined by the Administrative Agent on the basis of applicable rates furnished to and received by the Administrative Agent from the Reference Banks two Business Days before such Interest Period. Each Reference Bank agrees to furnish to the Administrative Agent timely information for the purpose of determining each Eurodollar Rate. If any of the Reference Banks shall not furnish such timely information to the Administrative Agent for the purpose of determining any such interest rate, the Administrative Agent shall determine such interest rate on the basis of timely information furnished by the other Reference Bank or Reference Banks.

(b) The Administrative Agent shall give prompt notice to the Subsidiary Borrowers and the Banks of the applicable interest rate determined by the Administrative Agent for purposes of Section 3.2(a) or (b), and the applicable rate, if any, furnished by each Reference Bank for the purpose of determining the applicable interest rate under Section 3.2(b).

(c) If, with respect to Eurodollar Rate Loans to any Subsidiary Borrower, the Majority Banks determine in good faith and notify the Administrative Agent that the Eurodollar Rate for any Interest Period will not adequately reflect the cost to such Banks of making such Subsidiary Loans to such Subsidiary Borrower or funding or maintaining their respective Eurodollar Rate Loans to such Subsidiary Borrower for such Interest Period, the Administrative Agent shall forthwith so notify such Subsidiary Borrower and the Banks, whereupon

(i) each Eurodollar Rate Loan to such Subsidiary Borrower will automatically, on the last day of the then existing Interest Period therefor, convert into a Base Rate Loan unless the Majority Banks notify the Administrative Agent that the circumstances causing such conversion no longer exist and such Subsidiary Borrower delivers a timely Notice of Conversion or Continuation with respect to such Subsidiary Loans; and

(ii) the obligations of the Banks to make Eurodollar Rate Loans to such Subsidiary Borrower or to convert Subsidiary Loans to such Subsidiary Borrower into Eurodollar Rate Loans shall be suspended until the Administrative Agent shall notify such Subsidiary Borrower and the Banks that the circumstances causing such suspension no longer exist.

3.4. Fees. (a) Each Subsidiary Borrower will pay on the last day

of each Fiscal Quarter to each of the Banks in arrears a fee (the "Commitment Fee") accruing from the tenth Business Day after the Documentation Agent has notified each Subsidiary Borrower that the Agreement has been executed by the Banks (or such earlier date on or after the execution hereof as the Merger Date shall have occurred), in the case of each Bank listed on the signature pages hereof, and from any later effective date of the assignment pursuant to which it became a Bank, in the case of each other Bank, until the earlier of the Funding Date and the Termination Date, on such Bank's aggregate average daily unused Subsidiary Commitment with respect to such Subsidiary Borrower as in effect from time to time at the rate of 0.3125% on any date prior to the date on which Viacom's long-term, senior unsecured debt is rated by S&P or Moody's, and on any date thereafter at the rate set forth below opposite the Credit Rating applicable to Viacom on such date:

CREDIT RATING	COMMITMENT FEE
-----	-----
A-/A3 or better	.1500%
BBB+/Baa1	.2000%
BBB/Baa2	.2250%
BBB-/Baa3	.2500%
BB+/Ba1	.3125%
BB/Ba2	.3750%
BB-/Ba3 or lower	.5000%

; provided, however, that if the ratings assigned by S&P and Moody's shall

differ by one level, the Credit Rating shall be the rating which is the higher level, or if they differ by more than one level, the Credit Rating shall be the rating that is one rating level immediately above the lower of such ratings. Any change in the Credit Rating of Viacom shall be effective to adjust the Commitment Fee as of the date such change is announced.

(b) Viacom has agreed to pay to the Banks, Managing Agents, Facility Agents, Agents, Co-Agents and Arrangers certain other fees which are earned on the date of the signing of this Agreement and payable on the earlier of

(x) the Funding Date or (y) September 30, 1994, as separately agreed.

3.5. Increased Costs. (a) If, due to either (i) the introduction

of or any change (other than any change by way of imposition or increase of reserve requirements included in the Eurodollar Rate Reserve Percentage) in, or in the interpretation of, any law or regulation or (ii) the compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), there shall be any increase in the cost (other than with respect to income, franchise or withholding taxes or other taxes of a similar nature) to any Bank of agreeing to make or making, funding or maintaining any Eurodollar Rate Loans to any Subsidiary Borrower, then (A) such Bank shall, as soon as such Bank becomes aware of such increased cost, but in any event not later than 60 days after such increased cost was incurred, deliver to such Subsidiary Borrower and the Administrative Agent a certificate stating (1) the actual amount of such increased cost incurred by such Bank and (2) that it is such Bank's customary practice, from and after the date of this Agreement, to charge its borrowers for increased costs incurred by it; (B) such Subsidiary Borrower shall, within 30 days after its receipt of such certificate, at its sole option, either (1) pay to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for the increased cost incurred by it as set forth in the certificate referred to above or (2) replace such Bank in accordance with the provisions of Section 3.10, provided that if such

Subsidiary Borrower does not exercise the option specified in clause (2) above within 30 days after receipt of the certificate referred to above, then (x) such Bank shall deliver to such Subsidiary Borrower and the Administrative Agent a second certificate stating the increased cost incurred by such Bank and (y) such Subsidiary Borrower shall promptly upon receipt of such second certificate pay to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for such increased cost; and (C) such Bank shall use its reasonable best efforts to designate another of its then existing offices as its Applicable Lending Office with respect to the Subsidiary Loans of such Subsidiary Borrower if the making of such designation would, without any detrimental effect to such Bank, avoid the need for, or reduce the amount of, future increased costs which are probable of being incurred by such Bank. The amount of increased costs payable by any Subsidiary Borrower to any Bank as stated in any such certificate delivered to such Subsidiary Borrower and the Administrative Agent pursuant to the provisions of this Section 3.5(a) shall be conclusive and binding for all purposes, absent manifest error. In

determining any such amount, such Bank may use reasonable averaging and attribution methods. If such Subsidiary Borrower so notifies the Administrative Agent within five Business Days after receipt of any certificate delivered to such Subsidiary Borrower pursuant to the provisions of this Section 3.5(a), such Subsidiary Borrower may either (x) prepay in full all Eurodollar Rate Loans of such Bank to such Subsidiary Borrower then outstanding in accordance with Section 3.8 and, additionally, reimburse such Bank for such increased cost in accordance with this Section 3.5(a) or (y) convert all Eurodollar Rate Loans of all Banks to such Subsidiary Borrower then outstanding into Base Rate Loans in accordance with Section 3.1 and, additionally, reimburse such Bank for such increased cost in accordance with this Section 3.5(a).

(b) If any Bank shall be required under Regulation D to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities with respect to the Subsidiary Loans of any Subsidiary Borrower, then (i) such Bank shall, within 60 days after the end of any Interest Period with respect to any Eurodollar Rate Loan to such Subsidiary Borrower during which such Bank was so required to maintain such reserves, deliver to such Subsidiary Borrower and the Administrative Agent a certificate stating (A) that such Bank was required to maintain reserves and as a result such Bank incurred additional costs in connection with making Eurodollar Rate Loans to such Subsidiary Borrower, (B) in reasonable detail, such Bank's computations of the amount of additional interest payable by such Subsidiary Borrower pursuant to the provisions of Section 3.5(b)(ii) and (C) that it is such Bank's customary practice, from and after the date of this Agreement, to charge its borrowers for reserves so maintained by it, and (ii) such Subsidiary Borrower shall, promptly upon receipt of any such certificate, pay to the Administrative Agent, for the account of such Bank, additional interest on the unpaid principal amount of each Eurodollar Rate Loan of such Bank to such Subsidiary Borrower outstanding during the Interest Period with respect to which the above-referenced certificate was delivered to such Subsidiary Borrower, at a rate per annum equal to the difference obtained by subtracting (x) the Eurodollar Rate for such Interest Period from (y) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Bank for such

Interest Period. The amount of interest payable by such Subsidiary Borrower to any Bank as stated in any certificate delivered to such Subsidiary Borrower and the Administrative Agent pursuant to the provisions of this Section 3.5(b) shall be conclusive and binding for all purposes, absent manifest error.

(c) The payments required under Sections 3.5(a) and (b) are in addition to any other payments and indemnities required under this Agreement.

3.6. Illegality. Notwithstanding any other provision of this

Agreement, if the introduction of or any change in or in the interpretation of any law or regulation, in each case after the date hereof, shall make it unlawful, or any central bank or other Governmental Authority shall assert that it is unlawful, for any Bank or its Eurodollar Lending Office to make Eurodollar Rate Loans to any Subsidiary Borrower or to continue to fund or maintain Eurodollar Rate Loans to any Subsidiary Borrower, then, on notice thereof and demand therefor by such Bank to such Subsidiary Borrower through the Administrative Agent, (i) the obligation of such Bank to make or to continue Eurodollar Rate Loans to such Subsidiary Borrower and to convert Base Rate Loans to such Subsidiary Borrower into Eurodollar Rate Loans shall be suspended until such Bank through the Administrative Agent shall notify such Subsidiary Borrowers that the circumstances causing such suspension no longer exist and (ii) such Subsidiary Borrower shall forthwith prepay in full all Eurodollar Rate Loans of such Bank to such Subsidiary Borrower then outstanding, together with interest accrued thereon, unless such Subsidiary Borrower, within five Business Days of such notice and demand, converts all Eurodollar Rate Loans of all Banks to such Subsidiary Borrower then outstanding into Base Rate Loans in accordance with the notice periods of Section 3.1; provided, however, that before making any such demand, each Bank

agrees to use its reasonable best efforts to designate another of its then existing offices as its Applicable Lending Office with respect to the Subsidiary Loans of such Subsidiary Borrower if the making of such a designation would, without any detrimental effect to such Bank, cause the making of Eurodollar Rate Loans to such Subsidiary Borrower to not be subject to this Section 3.6.

3.7. Capital Adequacy. If any Bank shall, at any time, reasonably

determine that (a) the adoption (i) after the date of this Agreement, of any capital adequacy guidelines or (ii) at any time, of any other applicable law, government rule, regulation or order regarding capital adequacy of banks or bank holding companies, (b) any change in (I) any of the foregoing or (II) the interpretation or administration of any of the foregoing by any Governmental Authority, central bank or comparable agency or (c) compliance with any policy, guideline, directive or request regarding capital adequacy (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) of any Governmental Authority, central bank or comparable agency, would have the effect of

reducing the rate of return on the capital of such Bank to a level below that which such Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of such Bank with respect to capital adequacy in effect immediately before such adoption, change or compliance) and (x) such reduction is as a consequence of the Subsidiary Commitment with respect to any Subsidiary Borrower of, or the making, converting or continuing of any Subsidiary Loans to any Subsidiary Borrower by, such Bank hereunder and (y) such reduction is reasonably deemed by such Bank to be material, then (1) such Bank shall deliver to such Subsidiary Borrower and the Administrative Agent a certificate stating the reduction in the rate of return such Bank will in the future suffer as a result of its Subsidiary Commitment with respect to such Subsidiary Borrower or the making, converting or continuing any Subsidiary Loans to any Subsidiary Borrower by it to such Subsidiary Borrower hereunder and (2) such Subsidiary Borrower shall, within 30 days after its receipt of such certificate, at its sole option, either (A) pay to the Administrative Agent for the account of such Bank from time to time as specified by such Bank such amount as shall be sufficient to compensate such Bank for such reduced return, or (B) replace such Bank in accordance with the provisions of Section 3.10; provided,

however, that if such Subsidiary Borrower does not exercise the option

specified in clause (B) above within 30 days after receipt of the certificate referred to above, then (1) such Bank shall deliver to such Subsidiary Borrower and the Administrative Agent a second certificate stating the reduction in the rate of return of such Bank and (2) such Subsidiary Borrower shall promptly pay, as specified by such Bank, to the Administrative Agent for the account of such Bank amounts sufficient to compensate such Bank for the reduction in its rate of return. The amount stated in any certificate delivered to such Subsidiary Borrower pursuant to the provisions of this Section 3.7 shall be conclusive and binding for all purposes, absent manifest error. In determining any such amount, such Bank may use reasonable averaging and attribution methods. The payments required under this Section 3.7 are in addition to any other payments and indemnities required hereunder.

3.8. Payments and Computations. (a) Each Subsidiary Borrower

shall make each payment payable by it hereunder not later than 11:00 A.M. (New York City time) on the day when due, in Dollars, to the Administrative Agent at its address referred to in Section 10.2 in immediately available funds without set-off or counterclaim. The Administrative Agent will promptly thereafter (but in any event on the same day) cause to be distributed like funds relating to the payment of principal or interest or fees

ratably (other than amounts payable pursuant to Section 3.5, 3.6 or 3.7) to the Banks for the account of their respective Applicable Lending Offices with respect to such Subsidiary Borrower, and like funds relating to the payment of any other amount payable to any Bank to such Bank for the account of its Applicable Lending Office with respect to such Subsidiary Borrower, in each case to be applied in accordance with the terms of this Agreement. Payment received by the Administrative Agent after 11:00 A.M. (New York City time) shall be deemed to be received on the next Business Day; provided, however,

that the Administrative Agent shall use its reasonable best efforts to invest any amounts so received by the Administrative Agent in overnight investments satisfactory to the Subsidiary Borrowers, and any earnings on any such investments shall be for the applicable Subsidiary Borrower's account and may be credited against any interest payable hereunder during such period.

(b) All computations of the Commitment Fee or of interest based on the rate of interest specified in clause (a) of the definition of Base Rate and of fees shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest and fees are payable. All computations of the Commitment Fee shall be based on the aggregate average daily unused Subsidiary Commitment of each Bank. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or fees, as the case may be.

(d) Unless the Administrative Agent shall have received notice from any Subsidiary Borrower prior to the date on which any payment is due to the Banks hereunder that such Subsidiary Borrower will not make such payment in full, the Administrative Agent may assume that such Subsidiary Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Bank on such due date an amount equal to the amount then due such Bank. If and to the extent that such

Subsidiary Borrower shall not have so made such payment in full to the Administrative Agent, each Bank shall repay to the Administrative Agent forthwith on demand such amount distributed to such Bank together with interest thereon, for each day from the date such amount is distributed to such Bank until the date such Bank repays such amount to the Administrative Agent, at the Federal Funds Rate.

3.9. Sharing of Payments, Etc. If any Bank shall obtain any

payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Subsidiary Loans made by it to any Subsidiary Borrower (other than pursuant to Section 3.5, 3.6 or 3.7) in excess of its Ratable Portion of payments on account of the Subsidiary Loans to such Subsidiary Borrower obtained by all the Banks, such Bank shall forthwith purchase from the other Banks such participations in such Subsidiary Loans made by them as shall be necessary to cause such purchasing Bank to share the excess payment ratably with each of them; provided,

however, that if all or any portion of such excess payment is thereafter

recovered from such purchasing Bank, such purchase from each Bank shall be rescinded and each such Bank shall repay to the purchasing Bank the purchase price to the extent of such recovery together with an amount equal to such Bank's ratable share (according to the proportion of (i) the amount of such Bank's required repayment to (ii) the total amount so recovered from the purchasing Bank) of any interest or other amount paid or payable by the purchasing Bank in respect of the total amount so recovered. Each Subsidiary Borrower agrees that any Bank so purchasing a participation from another Bank pursuant to this Section 3.9 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Bank were the direct creditor of such Subsidiary Borrower in the amount of such participation.

3.10. Replacement Banks. Upon the election of any Subsidiary

Borrower to replace any Bank pursuant to the provisions of Section 3.5(a)(B)(2) or 3.7(2)(B), such Subsidiary Borrower shall provide to the Administrative Agent a notice setting forth the replacement Bank or Banks, and the Bank being so replaced shall take all actions as may be necessary to transfer to such replacement Bank or Banks all of the rights and obligations of such Bank hereunder (with appropriate provisions for other amounts due to the Bank being replaced) and such replacement Bank or Banks shall pay to the Bank being so replaced the amount outstanding of all Subsidiary Loans made by such Bank to such Subsidiary Borrower hereunder, all as though such replacement Bank or Banks were an assignee or assignees of

such Bank to which such Bank were making an assignment in accordance with the provisions of Section 10.7.

ARTICLE IV

CONDITIONS OF LENDING

4.1. Conditions Precedent to the Making of the Subsidiary Loans.

The making of the Subsidiary Loans hereunder is subject to satisfaction of the conditions precedent that the Managing Agents shall have received the following, in form and substance satisfactory to the Managing Agents, and in sufficient copies for each Bank that requests a copy:

(a) Certified copies of (i) the resolutions of the Board of Directors of each Loan Party approving each Loan Document to which it is a party, and (ii) all documents evidencing any other necessary corporate action and required governmental and any third party approvals, licenses and consents with respect to each Loan Document to which it is a party.

(b) A copy of the certificate of incorporation of each Loan Party certified as of a recent date by the Secretary of State of such Person's jurisdiction of incorporation, together with certificates of such official attesting to the good standing of such Loan Party, and a copy of the By-Laws of each such Person certified by its Secretary or one of its Assistant Secretaries.

(c) A certificate of the Secretary or an Assistant Secretary of each Loan Party certifying the names and true signatures of the officers of such Loan Party who have been authorized to execute and deliver each Loan Document to which it is a party and each other document and certificate to be executed or delivered hereunder on behalf of such Person.

(d) A favorable opinion of (i) Shearman & Sterling, special counsel to the Loan Parties, in substantially the form of Exhibit E-1 hereto, and (ii) of Philippe P. Dauman, General Counsel to the Loan Parties, in substantially the form of Exhibit E-2 hereto.

(e) A duly executed Parent Facility.

(f) A duly executed Parent Guarantee.

(g) A duly executed VII Guarantee.

(h) A duly executed Paramount Affiliate Guarantee.

(i) A duly executed Paramount Parent Guarantee.

(j) Evidence satisfactory to the Managing Agents that the Merger has been declared effective by the State of Delaware in accordance with the terms of the Merger Agreement.

4.2. Additional Conditions Precedent to the Making of the

Subsidiary Loans. The making of the Subsidiary Loans hereunder is subject to

the further conditions precedent that on the date of such Subsidiary Loans the following statements shall be true :

(a) The Loans under (and as defined in) the Parent Facility shall be made simultaneously with the making of such Subsidiary Loans.

(b) Each Subsidiary Borrower shall have paid all costs, accrued and unpaid fees and expenses referred to in Sections 3.4 and 10.4 (including, without limitation, the legal fees and expenses referred to in Section 10.4(a)), in each case to the extent then due and payable.

(c) All Indebtedness of Viacom, the Subsidiary Borrowers and Paramount under (i) the Existing Viacom Credit Agreement, (ii) the Existing Viacom International Credit Agreement, and (iii) the Existing Paramount Credit Agreements shall have been (or shall simultaneously be) repaid and all commitments thereunder cancelled.

(d) Before and after giving effect thereto and to the application of the proceeds therefrom, the representations and warranties of Viacom contained in the Parent Facility (other than those stated to be made as of a particular date) are true and correct in all material respects on and as of such date as though made on and as of such date.

(e) Before and after giving effect thereto and to the application of the proceeds therefrom, no event has occurred and is continuing, or would result from the Subsidiary Loans being made on such date, which constitutes a Default or an Event of Default.

The acceptance by each Subsidiary Borrower of the proceeds of such Subsidiary Loan shall constitute a representation and warranty by such Subsidiary Borrower that on the date of such Subsidiary Loan such statements are true.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

5.1. Representations and Warranties in Parent Facility. To induce

the Banks to enter into this Agreement, each Subsidiary Borrower represents and warrants to the Banks that each of the representations and warranties of Viacom in the Parent Facility is true and correct.

ARTICLE VI

AFFIRMATIVE COVENANTS

As long as any of the Subsidiary Loans shall remain unpaid or any Bank shall have any Subsidiary Commitment with respect to any Subsidiary Borrower hereunder, unless otherwise agreed by the written consent of the Majority Banks:

6.1. Compliance with Laws, Etc. Each Subsidiary Borrower shall

comply, and cause each of its Subsidiaries to comply, in all material respects with all Requirements of Law, all FCC Licenses and Franchises except such non-compliance as would not have a Material Adverse Effect or result in a Material Credit Agreement Change.

6.2. Payment of Taxes, Etc. Each Subsidiary Borrower and any

consolidated, combined or unitary group which includes such Subsidiary Borrower or any of its Subsidiaries shall pay and discharge, and cause each Subsidiary of such Subsidiary Borrower to pay and discharge, before the same shall become delinquent, all lawful claims, taxes, assessments and governmental charges or levies except where contested in good faith, by proper proceedings, and where adequate reserves therefor have been established on the books of such Subsidiary Borrower or such Subsidiary in accordance with GAAP.

6.3. Maintenance of Insurance. Each Subsidiary Borrower shall

maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties

in the same general areas in which such Subsidiary Borrower or such Subsidiary operates. Each Subsidiary Borrower will furnish to the Administrative Agent from time to time such information as may be requested as to such insurance.

6.4. Preservation of Corporate Existence, Etc. Each Subsidiary

Borrower shall preserve and maintain, and cause each of its Subsidiaries to preserve and maintain, its respective corporate existence; provided, however,

that the corporate existence of any Subsidiary of a Subsidiary Borrower (other than another Subsidiary Borrower or any Guarantor Subsidiary) may be terminated if, in the good faith judgment of the board of directors or the chief financial officer of such Subsidiary Borrower, such termination is in the best interest of such Subsidiary Borrower and such termination would not have a Material Adverse Effect; and provided further, however, that Viacom

may merge into Viacom International, with Viacom International as the surviving corporation, provided that upon the effectiveness of such merger,

Viacom International shall assume, pursuant to an instrument satisfactory to the Managing Agents, the obligations of Viacom under the Parent Facility and under the other Loan Documents.

6.5. Books and Access. Each Subsidiary Borrower shall, and shall

cause each of its Subsidiaries to, keep proper books of record and accounts in conformity with GAAP, and upon reasonable notice and at such reasonable times during usual business hours as often as may be reasonably requested, permit representatives of the Administrative Agent, at its own initiative or at the request of any Bank, to make inspections of its Properties, to examine its books, accounts and records and make copies and memoranda thereof and to discuss its affairs and finances with its officers or directors and independent public accountants.

6.6. Maintenance of Properties, Etc. Each Subsidiary Borrower

shall maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its Properties which are used or useful in the conduct of its business in good working order and condition and, from time to time make or cause to be made all appropriate repairs, renewals and replacements, except where the failure to do so would not have a Material Adverse Effect.

6.7. Application of Proceeds. Each Subsidiary Borrower shall use

the proceeds of the Subsidiary Loans to such Subsidiary Borrower (i) to refinance certain Indebtedness existing at the date hereof of such Subsidiary Borrower or its Subsidiaries, or (ii) for other general corporate purposes.

6.8. Reporting Requirements. Each Subsidiary Borrower shall

furnish to the Administrative Agent for distribution to the Banks:

(a) from time to time as the Administrative Agent may reasonably request, copies of such statements, lists of Property, accounts, budgets, forecasts, reports or information prepared by or for such Subsidiary Borrower or within the control of such Subsidiary Borrower;

(b) promptly upon any Subsidiary Borrower or any of its Subsidiaries learning of (i) any Event of Default or any Default, or (ii) any Material Adverse Change or Material Credit Agreement Change, telephonic or telegraphic notice specifying the nature of such Event of Default, Default, Material Adverse Change or Material Credit Agreement Change, including the anticipated effect thereof, which notice shall be promptly confirmed in writing within five days;

(c) from time to time, such other information and materials as the Administrative Agent may reasonably request.

ARTICLE VII

NEGATIVE COVENANTS

So long as any of the Subsidiary Loans shall remain unpaid or any Bank shall have any Subsidiary Commitment with respect to any Subsidiary Borrower hereunder, without the written consent of the Majority Banks:

7.1. Liens, Etc. No Subsidiary Borrower shall, directly or

indirectly, create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien upon or with respect to any of its Properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, in each case to secure or provide for the payment of any Indebtedness of any Person, other than as permitted under the Parent Facility.

7.2. Transactions with Affiliates. No Subsidiary Borrower shall

engage in, nor shall it permit any of its Subsidiaries to engage in, any transaction with an Affiliate of such Subsidiary Borrower or of such Subsidiary other than as permitted under the Parent Facility.

7.3. Margin Stock. No Subsidiary Borrower shall permit more than

twenty-five percent (25%) of the value,

within the meaning of Regulation U, as determined by any reasonable method, of the assets of such Subsidiary Borrower and its Subsidiaries to be Margin Stock, nor will any Subsidiary Borrower use the proceeds of any Subsidiary Loan to purchase or carry any Margin Stock in violation of Regulation U.

7.4. Subsidiary Indebtedness. No Subsidiary Borrower shall permit

any of its Subsidiaries to incur Indebtedness for borrowed money except under this Agreement.

7.5. Other Restrictions on Indebtedness. No Subsidiary Borrower

shall incur Indebtedness for borrowed money (other than Commercial Paper) maturing earlier than six months after the Termination Date.

ARTICLE VIII

EVENTS OF DEFAULT

8.1. Events of Default. If any of the following events ("Events

of Default") shall occur and be continuing:

(a) Any Subsidiary Borrower or any other Loan Party shall fail to pay (i) any principal when due in accordance with the terms and provisions of this Agreement or any other Loan Document, or (ii) any interest on any amounts due hereunder or thereunder, or any fee or any other amount due hereunder or thereunder within three Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by any Loan Party in this Agreement or any other Loan Document or by any Loan Party (or any of its officers) in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect when made; or

(c) Any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Agreement or any other Loan Document, which failure or change shall remain unremedied for fifteen days after the earlier of the date on which (i) telephonic or telegraphic notice thereof shall have been given to the Administrative Agent by any Subsidiary Borrower pursuant to Section 6.8(b), or (ii) written notice thereof shall have been given to such Subsidiary Borrower by the Administrative Agent or any Bank; or

(d) Any Loan Party or any of its Subsidiaries shall fail to pay any principal of, or premium or interest on, any Indebtedness in an aggregate principal amount of \$50,000,000 or more (excluding Indebtedness hereunder) taken together with all other Indebtedness of Viacom or any of its Subsidiaries (including any Subsidiary Borrower or any of its Subsidiaries) with respect to which any such failure shall have occurred, when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness or to terminate any commitment to lend; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof and, with respect to all of the foregoing, after the expiration of any applicable grace period or the giving of any required notice or both; provided, however, that no extension of any grace period applicable to -----

any such Indebtedness shall be taken into account for the purposes of this subsection (d); or

(e) There shall occur and be continuing an Event of Default under (and as defined in) the Parent Facility; or

(f) Viacom, or any of its Material Subsidiaries or any other Loan Party shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceedings shall be instituted by or against Viacom, any of its Material Subsidiaries or any other Loan Party seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for a material part of its Properties employed in its business or any writ, attachment, execution or similar process shall be issued or levied against a material part of the Properties employed in its business or any of its Subsidiaries, and, in the case of any such proceedings instituted against Viacom, or any of its Material

Subsidiaries or any other Loan Party (but not instituted by it), either such proceedings shall remain undismissed or unstayed for a period of 60 days or any of the actions sought in such proceedings shall occur; or Viacom or any of its Material Subsidiaries or any other Loan Party shall take any corporate action to authorize any of the actions set forth above in this subsection (f); or

(g) Any order for the payment of money or judgment of any court, not appealable or not subject to certiorari or appeal (a "Final Judgment"), which, with other outstanding Final Judgments and any such judgments against Viacom or any of its Subsidiaries other than the Subsidiary Borrowers, exceeds an aggregate of \$50,000,000 shall be rendered against any Subsidiary Borrower or any of its Material Subsidiaries and, within 60 days after entry thereof, such Final Judgment shall not have been discharged; or

(h) (i) With respect to any Plan, a final determination is made that a prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA occurred which results in direct or indirect liability of any Subsidiary Borrower or any of its Material Subsidiaries, (ii) with respect to any Title IV Plan, the filing of a notice to voluntarily terminate any such plan in a distress termination, (iii) with respect to any Multiemployer Plan, any Subsidiary Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates shall incur any Withdrawal Liability, or (iv) with respect to any Qualified Plan, any Subsidiary Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates shall incur an accumulated funding deficiency or request a funding waiver from the IRS; provided, however, that the events listed in clauses (i)-(iv) hereof

shall constitute Events of Default only if the liability, deficiency or waiver request of such Subsidiary Borrower, any of its Material Subsidiaries or any of its or their ERISA Affiliates, together with any such liability, deficiency or waiver request of Viacom or any of its Material Subsidiaries other than the Subsidiary Borrowers, as finally determined, exceeds \$25,000,000 in any case set forth in clauses (i)-(iv) above, or exceeds \$25,000,000 in the aggregate for all such cases; and, provided further, however, that with respect to the events listed

in clauses (i), (iii) and (iv) hereof there shall be no Event of Default if the liability of such Subsidiary Borrower, the relevant Material Subsidiary or the relevant ERISA

Affiliate is satisfied in full or in accordance with the due dates therefor; or

(i) (i) NAI shall fail to own of record and beneficially not less than 51% of the outstanding stock having ordinary voting power to elect a majority of the board of directors of Viacom and such failure of NAI shall remain unremedied for fifteen days after the earlier of the date on which (A) telephonic or telegraphic notice thereof shall have been given to the Administrative Agent by the Subsidiary Borrowers pursuant to Section 6.9, or (B) written notice thereof shall have been given to the Subsidiary Borrowers by the Administrative Agent or any Bank; or

(j) This Agreement or any other Loan Document shall cease to be valid or enforceable for any reason in any material respect;

then, and in any such event, the Administrative Agent (i) shall at the request, or may with the consent, of the Majority Banks, by notice to any Subsidiary Borrower, declare the obligation of each Bank to make Subsidiary Loans to such Subsidiary Borrowers to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Banks, by notice to any Subsidiary Borrower, declare all amounts due from such Subsidiary Borrower under this Agreement and all interest thereon to be forthwith due and payable, whereupon all amounts due from such Subsidiary Borrower under this Agreement and all such interest and all such amounts shall become and be forthwith due and payable; provided,

however, that upon an actual or deemed entry of an order for relief with

respect to any Subsidiary Borrower or any of its Material Subsidiaries under the federal Bankruptcy Code, (A) the obligation of each Bank to make Subsidiary Loans to such Subsidiary Borrower shall automatically be terminated and (B) all amounts due from such Subsidiary Borrower under this Agreement and all such interest and all such amounts shall automatically and without further notice become and be due and payable. In addition to the remedies set forth above, the Administrative Agent may exercise any other remedies provided for by this Agreement in accordance with the terms hereof or any other remedies provided by applicable law.

ARTICLE IX

THE MANAGING AGENTS AND THE FACILITY AGENTS

9.1. Authorization and Action. Each Bank hereby appoints and

authorizes each Facility Agent to take such

action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Facility Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement, no Facility Agent shall be required to exercise any discretion or take any action, but each shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Banks (or when expressly required hereunder, all the Banks), and such instructions shall be binding upon all Banks; provided, however, that no Facility Agent

shall be required to take any action that exposes such Facility Agent to personal liability or that is contrary to this Agreement or applicable law. Each Facility Agent agrees to give to each Bank prompt notice of each notice given to it by any Subsidiary Borrower pursuant to the terms of this Agreement.

9.2. Managing Agents' and Facility Agents' Reliance, Etc. Neither

the Managing Agents, the Facility Agents, their Affiliates nor any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement, except for its own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, (i) any Managing Agent or Facility Agent may consult with legal counsel (including counsel to the Subsidiary Borrowers), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) neither the Managing Agents nor the Facility Agents make any warranty or representation to any Bank and none of them shall be responsible to any Bank for any statements, warranties or representations made in or in connection with this Agreement; (iii) neither the Managing Agents nor the Facility Agents shall have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Subsidiary Borrower or to inspect the Properties (including the books and records) of any Subsidiary Borrower; (iv) neither the Managing Agents nor the Facility Agents shall be responsible to any Bank for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (v) neither the Managing Agents nor the Facility Agents shall incur liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, cable or telex) believed by it to be genuine and signed or sent by

the proper party or parties. Neither the Agents nor the Co-Agents shall, in their respective capacities as such, have any duties under this Agreement other than those that they have in their capacities as Banks.

9.3. The Bank of New York, Citibank, N.A., Morgan Guaranty Trust

Company of New York, Bank of America NT&SA and Their Affiliates. With

respect to the Subsidiary Commitments of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA, respectively, and the Subsidiary Loans made by each of them, each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA shall have the same rights and powers under this Agreement as any other Bank and may exercise the same as though it were not a Managing Agent or Facility Agent, as the case may be; and the term "Bank" or "Banks" shall, unless otherwise expressly indicated, include each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA in their individual capacities. Each of The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York and Bank of America NT&SA and their Affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, any Subsidiary Borrower, any of its Subsidiaries and any Person who may do business with or own securities of any Subsidiary Borrower or any such Subsidiary, all as if The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York or Bank of America NT&SA, as the case may be, were not a Managing Agent or a Facility Agent, as the case may be, and without any duty to account therefor to the Banks.

9.4. Bank Credit Decision. Each Bank acknowledges that it has,

independently and without reliance upon the Managing Agents, the Facility Agents, the Arrangers, the Agents, the Co-Agents or any other Bank, and based on the financial statements referred to in Article VII of the Parent Facility and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Managing Agents, the Facility Agents, the Arrangers, the Agents, the Co-Agents or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

9.5. Determinations Under Sections 4.1, and 4.2. For purposes of

determining compliance with the conditions specified in Sections 4.1 and 4.2, each Bank shall be deemed to have consented to, approved or accepted, or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Banks unless an officer of the Administrative Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Bank prior to the applicable Subsidiary Borrowing specifying its objection thereto (unless such objection shall have been withdrawn by notice to the Administrative Agent to that effect or such Bank shall have made available to the Administrative Agent such Bank's ratable portion of such Subsidiary Borrowing).

9.6. Indemnification. Each Bank agrees to indemnify the Managing

Agents, the Facility Agents, the Arrangers and their respective Affiliates, and their respective directors, officers, employees, agents and advisors (to the extent not reimbursed by the Subsidiary Borrowers), ratably according to such Bank's Ratable Portion of the Subsidiary Commitments, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, fees and disbursements of legal counsel) of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against, any such Person in any way relating to or arising out of this Agreement or any action taken or omitted by any such Person under this Agreement; provided,

however, that no Bank shall be liable for any portion of such liabilities,

obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from any such Person's gross negligence or willful misconduct or from any violation or alleged violation by any such Person or any other Bank of any law, rule or regulation or any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) or, with respect to any Managing Agent or Facility Agent, any conflict or alleged conflict between its rights and duties in its capacity as such or as a Bank under this Agreement and any other rights or duties it may have in any other capacity in which it may act in connection with the consummation of the transactions contemplated by this Agreement, whether or not such Bank is a party to such transactions. Without limitation of the foregoing, each Bank agrees to reimburse any such Person promptly upon demand for its ratable share of any out-of-pocket expenses (including fees and disbursements of one counsel) incurred by such Person in connection with the preparation, execution, delivery, administration, modification, amendment

or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that such Person is not reimbursed for such expenses by the Subsidiary Borrowers.

9.7. Successor Facility Agents. Any Facility Agent may resign at

any time by giving written notice thereof to the Banks and the Subsidiary Borrowers and may be removed at any time with or without cause by the Majority Banks. Upon any such resignation or removal, the Majority Banks shall have the right to appoint a successor to such Facility Agent. If no successor to such Facility Agent shall have been so appointed by the Majority Banks, and shall have accepted such appointment, within 30 days after the retiring Facility Agent's giving of notice of resignation or the Majority Banks' removal of such retiring Facility Agent, then such retiring Facility Agent on behalf of the Banks, shall appoint a successor Facility Agent (which successor Facility Agent shall be a Bank or another commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$50,000,000). Upon the acceptance of any appointment as a Facility Agent hereunder by any successor Facility Agent, such successor Facility Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Facility Agent, and such retiring Facility Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Facility Agent's resignation or removal hereunder, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Facility Agent.

ARTICLE X

MISCELLANEOUS

10.1. Amendments, Etc. No amendment or waiver of any provision of

this Agreement, nor consent to any departure by any Subsidiary Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Banks, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent

shall, unless in writing signed by all the Banks and consented to by all of the Banks as defined under the Parent Facility, do any of the following: (a) waive any of the conditions specified in Section 4.1 or 4.2; (b) increase the Subsidiary Commitments

of the Banks or subject the Banks to any additional obligations; (c) change the principal of, or decrease the interest on, any amounts payable hereunder or reduce the amount of any Commitment Fee payable to the Banks hereunder; (d) postpone any date fixed for any scheduled payment of any Commitment Fee, or scheduled payment of principal of, or interest on, any amounts, payable hereunder; (e) change the definition of Majority Banks; or (f) amend this Section 10.1; and provided further, however, that no amendment, waiver or

consent shall, unless in writing and signed by the Administrative Agent in addition to the Persons required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement.

10.2. Notices, Etc. Except as otherwise set forth herein, all

notices and other communications provided for hereunder shall be in writing (including telegraphic, telex, telecopy or cable communication) and mailed, telegraphed, telexed, telecopied, cabled or delivered by hand, if to any Subsidiary Borrower, c/o Viacom Inc., 1515 Broadway, New York, New York 10036, Attention: Treasurer; if to any Bank, at its Domestic Lending Office specified opposite its name on Schedule I; and if to the Administrative Agent, at its address at 399 Park Avenue, 4th Floor, Zone 6, New York, New York 10043, Attention: David Clark; or, as to the Subsidiary Borrowers, any Bank or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Subsidiary Borrowers and the Administrative Agent. All such notices and communications shall, when mailed, telegraphed, telexed, telecopied, cabled or delivered, be effective when deposited in the mails, delivered to the telegraph company, confirmed by telex answerback, telecopied with confirmation of receipt, delivered to the cable company or delivered by hand to the addressee or its agent, respectively, except that notices and communications to the Administrative Agent pursuant to Article II or IX shall not be effective until received by the Administrative Agent.

Each of the Subsidiary Borrowers hereby authorizes Viacom to deliver any written notices or requests contemplated hereunder on its behalf, and each other party hereto may rely upon any such notice or request from Viacom from time to time, until notice to the contrary is received in writing from any Subsidiary Borrower.

10.3. No Waiver; Remedies. No failure on the part of any Bank,

the Managing Agents or any Facility Agent to exercise, and no delay in exercising, any right hereunder

shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

10.4. Costs; Expenses; Indemnities. (a) Each Subsidiary Borrower

agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the other Loan Documents and the other documents to be delivered hereunder or thereunder, including, without limitation, the specified reasonable fees and out-of-pocket expenses of one counsel to the Managing Agents and the Facility Agents and the Arrangers with respect thereto and with respect to advising the Managing Agents, the Facility Agents and the Arrangers as to their rights and responsibilities under this Agreement, and all costs and expenses of the Managing Agents, the Facility Agents and the Banks (including, without limitation, reasonable counsel fees and expenses) in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the other Loan Documents and the other documents to be delivered hereunder and thereunder.

(b) Each Subsidiary Borrower agrees to defend, indemnify and hold harmless each of the Managing Agents, the Facility Agents, the Arrangers and the Banks and their respective affiliates and their respective directors, officers, attorneys, agents, employees, successors and assigns (each, an "Indemnified Person") from and against any and all liabilities, obligations, losses, damages, penalties, actions, claims, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, fees and disbursements of counsel of the Managing Agents, the Facility Agents, the Arrangers or the Banks) which may be incurred by or asserted or awarded against any Indemnified Person, in each case arising in any manner of or in connection with or by reason of the Merger, the Merger Agreement, the Tender Offer, this Agreement, the other Loan Documents, the Subsidiary Commitments or any undertakings in connection therewith, or the proposed or actual application of the proceeds of the Subsidiary Loans (all of the foregoing collectively, the "Indemnified Liabilities") and will reimburse each Indemnified Person on a current basis for all expenses (including counsel fees as they are incurred by such party) in connection with investigating, preparing or defending any such action, claim or suit, whether or not in connection with pending or threatened litigation irrespective of whether such Indemnified Person is designated a party

thereto; provided that no Subsidiary Borrower shall have any liability

hereunder to any Indemnified Person with respect to Indemnified Liabilities which are determined by a final and nonappealable judgment of a court of competent jurisdiction to have arisen primarily from the gross negligence or willful misconduct of such Indemnified Person; and provided further, that if

the Subsidiary Borrowers have determined in good faith that such Indemnified Liabilities were primarily the result of such Indemnified Person's gross negligence or willful misconduct, they shall not be obligated to pay such Indemnified Liabilities until a court of competent jurisdiction has determined whether such Indemnified Person acted with gross negligence or willful misconduct. If for any reason the foregoing indemnification is unavailable to an Indemnified Person or insufficient to hold an Indemnified Person harmless, then each Subsidiary Borrower shall contribute to the amount paid or payable by such Indemnified Person as a result of any Indemnified Liability in such proportion as is appropriate to reflect not only the relative benefits received by such Subsidiary Borrower and each Managing Agent, each Facility Agent, each Arranger and each Bank, but also the relative fault of such Subsidiary Borrower and each Managing Agent, each Facility Agent, each Arranger and each Bank, as well as any other relevant equitable considerations. The foregoing indemnity shall be in addition to any rights that any Indemnified Person may have at common law or otherwise, including, but not limited to, any right to contribution.

(c) If any Bank receives any payment of principal of, or is subject to a conversion of, any Eurodollar Rate Loan of any Subsidiary Borrower other than on the last day of an Interest Period relating to such Subsidiary Loan, as a result of any payment or conversion made by any Subsidiary Borrower or acceleration of the maturity of the amounts due under this Agreement pursuant to Section 8.1 or for any other reason, such Subsidiary Borrower shall, upon demand by such Bank (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Bank any amounts required to compensate such Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss (excluding loss of the margin payable in accordance with Section 3.2 on the amount of principal so paid, or any loss), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund or maintain such Subsidiary Loan. The foregoing obligations of the Subsidiary Borrowers contained in paragraphs (a), (b) and (c) of this Section 10.4, and the obligations of the Subsidiary Borrowers contained in Sections 3.5 and 3.7, shall survive the payment of the Subsidiary Loans.

10.5. Right of Set-Off. Upon (i) the occurrence and during the

continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 8.1 to authorize the Administrative Agent to declare all amounts under this Agreement due and payable pursuant to the provisions of Section 8.1 or the automatic acceleration of such amounts pursuant to the proviso to that Section, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of any Subsidiary Borrower against any and all of the obligations of such Subsidiary Borrower now or hereafter existing under this Agreement irrespective of whether or not such Bank shall have made any demand under this Agreement and although such obligations may be unmatured. Each Bank agrees promptly to notify such Subsidiary Borrower after any such set-off and application made by such Bank; provided, however, that the failure to give

such notice shall not affect the validity of such set-off and application. The rights of each Bank under this Section 10.5 are in addition to any other rights and remedies (including, without limitation, any other rights of set-off) which such Bank may have.

10.6. Binding Effect. This Agreement shall become effective when

it shall have been executed by each of the Subsidiary Borrowers, each of the Managing Agents, each of the Facility Agents and each of the Arrangers and when the Managing Agents shall have been notified by each of the Banks that such Bank has executed it and thereafter shall be binding upon and inure to the benefit of the Subsidiary Borrowers, each of the Managing Agents, each of the Facility Agents, each of the Arrangers and each of the Banks and their respective successors and assigns, except that (i) the Subsidiary Borrowers shall have no right to assign its rights hereunder or any interest herein without the prior written consent of the Banks and (ii) no Bank may sell, transfer, assign, pledge or grant participations in any of its Subsidiary Loans or any of its rights or obligations hereunder except in accordance with Section 10.7 or as expressly required hereunder.

10.7. Assignments and Participations; Additional Banks. (a) Any

Bank may, at any time, with notice substantially in the form of Exhibit F hereto (each, a "Notice of Assignment and Acceptance") delivered to the Administrative Agent for its acceptance and recording, together with a recording fee in the amount of \$3,000, assign all or any part of its rights and obligations and

delegate its duties under this Agreement (A) to any other Bank or any affiliate of any Bank which actually controls, is controlled by, or is under common control with such Bank or to any Federal Reserve Bank (in either case without limitation as to amount), or (B) with the prior consent of the Subsidiary Borrowers (such consent not to be unreasonably withheld), to any other Person (but if in part, in a minimum amount that, taken together with amounts assigned to the same transferee under the Parent Facility, equals at least \$25,000,000 or, if less, the balance of such Bank's Subsidiary Commitment); provided, however, that each assigning Bank must assign an

identical percentage of a Loan and its related Commitment and, in the case of any assignment of a Term Loan and the related Commitment, a uniform, and not a varying, percentage of each of its Subsidiary Loans and Subsidiary Loan Commitments under this Agreement and Term Loans and Term Loan Commitment under the Parent Facility; provided further, however, that no Bank may make

any such assignment or delegation of, or sell or grant (as provided in paragraph (b) below) any participation in, any of its rights or duties under this Agreement until the one hundredth day after the Funding Date (or such other date as may be determined in accordance with the Syndication Letter, dated as of June 8, 1994), except (i) through a coordinated pooled syndication organized by the Arrangers and (ii) to any affiliate of such Bank which actually controls, is controlled by, or is under common control with such Bank or to any Federal Reserve Bank.

(b) Any Bank may at any time sell or grant participations in its Subsidiary Commitment with respect to any Subsidiary Borrower, or the obligations owing to or from any Person existing under this Agreement; provided, however, that (i) as between such Bank and such Subsidiary

Borrower, the existence of such participations shall not give rise to any direct rights or obligations between such Subsidiary Borrower and the participants; (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations; (iii) such Subsidiary Borrower, the Managing Agents, the Facility Agents and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement; and (iv) no such sale or grant of a participation shall, without the consent of such Subsidiary Borrower, require such Subsidiary Borrower to file a registration statement with the Securities and Exchange Commission or apply to qualify the Subsidiary Commitments with respect to such Subsidiary Borrower or the Subsidiary Loans to such Subsidiary Borrower under the securities laws of any state.

(c) If an assignment is made by any Bank in accordance with the provisions of paragraph (a) above, upon acceptance and recording by the Administrative Agent, and approval by the Subsidiary Borrowers, where applicable, of each Notice of Assignment and Acceptance, (i) the assignee thereunder shall become a party to this Agreement and the Subsidiary Borrowers shall release and discharge the assigning Bank from its duties, liabilities or obligations under this Agreement to the extent the same are so assigned and delegated by such Bank, provided that no such consent, release

or discharge shall have effect until the Subsidiary Borrowers shall have received a fully executed copy of the Notice of Assignment and Acceptance relating to such assignment, and (ii) Schedule II shall be deemed amended to give effect to such assignment. Each Subsidiary Borrower agrees that each such disposition will give rise to a direct obligation of any Subsidiary Borrower to any such assignee.

(d) Each Subsidiary Borrower authorizes each Bank to disclose to any prospective assignee or participant and any assignee or participant any and all financial information in such Bank's possession concerning such Subsidiary Borrower and this Agreement; provided, however, that, prior to any

such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to such Subsidiary Borrower received by it from such Bank in accordance with Section 10.11.

(e) Any Bank which sells or grants participations in any Subsidiary Loans to any Subsidiary Borrower or its Subsidiary Commitment with respect to any Subsidiary Borrower may not grant to the participants the right to vote other than on amendments, consents, waivers, modifications or other actions which change the principal amount of, postpone the scheduled maturity of, or decrease the interest rates applicable to, any Subsidiary Loans to such Subsidiary Borrower under, or increase the amount of, such Subsidiary Commitment with respect to such Subsidiary Borrower (except with respect to participating Affiliates actually controlled by, controlling or under common control with, such Bank); provided, however, that as between the

Bank and such Subsidiary Borrower, only the Bank shall be entitled to cast such votes.

(f) No participant in any Bank's rights or obligations shall be entitled to receive any greater payment under Section 3.5 or 3.7 than such Bank would have been entitled to receive with respect to the rights participated, and no participation shall be sold or granted to any Person as to which the events specified in Section 3.6 have occurred on or before the date of participation.

(g) The Administrative Agent shall maintain at its address referred to in Section 10.2 a copy of each Notice of Assignment and Acceptance received by it and a register, containing the terms of each Notice of Assignment and Acceptance, for the recordation of the names and addresses of each Bank and the Subsidiary Commitment of each Bank with respect to each Subsidiary Borrower, and principal amount of the Subsidiary Loans owing to each Bank from each Subsidiary Borrower, from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and each Subsidiary Borrower, the Banks, the Facility Agents and the Managing Agents may treat each Person whose name is recorded in the Register as a Bank hereunder for all purposes of this Agreement. The Register shall be available for inspection by any Subsidiary Borrower, any Bank, any Facility Agent or any Managing Agent at any reasonable time and from time to time upon reasonable prior notice.

10.8. Majority Banks are Third Party Beneficiaries. It is the

intention of the parties hereto that no third party shall be deemed to be a third party beneficiary or have any rights under or by virtue of this Agreement except that the Banks under the Parent Facility shall be third party beneficiaries of those provisions of this Agreement pursuant to which they are given the right to vote with respect to certain matters under this Agreement.

10.9. GOVERNING LAW; SEVERABILITY. THIS AGREEMENT AND THE RIGHTS

AND OBLIGATIONS OF THE PARTIES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. WHEREVER POSSIBLE, EACH PROVISION OF THIS AGREEMENT SHALL BE INTERPRETED IN SUCH MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS AGREEMENT SHALL BE PROHIBITED BY OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF SUCH PROVISION OR THE REMAINING PROVISIONS OF THIS AGREEMENT.

10.10. SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL.

(a) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH SUBSIDIARY BORROWER HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. THE PARTIES HERETO

HEREBY IRREVOCABLY WAIVE ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY
OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON

CONVENIENS, WHICH ANY OF THEM MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF

ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS.

(b) Each Subsidiary Borrower irrevocably consents to the service of process of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at its address specified for notices in or pursuant to Section 10.2 hereof, such service to become effective 30 days after such mailing.

(c) Nothing contained in this Section 10.10 shall affect the right of any Managing Agent, any Facility Agent or any Bank to serve process in any other manner permitted by law or commence legal proceedings or otherwise proceed against any Subsidiary Borrower in any other jurisdiction.

(d) Each of the parties hereto waives any right it may have to trial by jury in any proceeding arising out of this Agreement.

10.11. Confidentiality. Each Bank, each Managing Agent and each

Facility Agent agrees to keep confidential information obtained by it pursuant hereto (or otherwise obtained from any Subsidiary Borrower in connection with this Agreement) confidential in accordance with such Person's customary practices and agrees that it will only use such information in connection with the transactions contemplated by this Agreement and not disclose any of such information other than (i) to such Person's employees, counsel, representatives and agents who are or are expected to be involved in the evaluation of such information in connection with the transactions contemplated by this Agreement and who in each case agree to be bound by the provisions of this sentence, (ii) to the extent that disclosure by such Person is required, or to the extent that such Person has been advised by counsel that disclosure is required, in order to comply with any law, regulation or judicial order or requested or required by bank regulators or auditors or other Governmental Authority, (iii) to assignees or participants of the Subsidiary Loans to any Subsidiary Borrower or Subsidiary Commitments with respect to any Subsidiary Borrower or potential assignees or participants of the Subsidiary Loans to any Subsidiary Borrower or Subsidiary Commitments with respect to any Subsidiary Borrower who in each case agree in writing to be bound by the provisions of this sentence or (iv) to the extent that such information has otherwise been disclosed or made public other than by such Person, or such Person's

employees, counsel, representatives or agents, in violation of this Section 10.11.

10.12. Section Titles. The Section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

10.13. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Credit Agreement to be duly executed as of the date first above written.

VIACOM INTERNATIONAL INC., as a Subsidiary Borrower

By:

Name:
Title:

On behalf of the following Subsidiary Borrowers:

VIACOM CABLEVISION OF DAYTON INC.,
WNYT INC.,

WMZQ INC. and

WVIT INC.

Managing Agents

THE BANK OF NEW YORK, as Managing Agent, the
Documentation Agent and a Bank

By:

Name:
Title:

CITIBANK, N.A., as Managing Agent, the
Administrative Agent and a Bank

By:

Name:
Title:

MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as
Managing Agent and a Bank

By:

Name:
Title:

BANK OF AMERICA NT&SA, as Managing Agent and a Bank

By:

Name:
Title:

Agents

BANK OF MONTREAL, as Agent and a Bank

By:

Name:
Title:

THE BANK OF NOVA SCOTIA, as Agent and a Bank

By:

Name:
Title:

THE BANK OF TOKYO TRUST COMPANY, as Agent and a Bank

By:

Name:
Title:

BARCLAYS BANK PLC, as Agent and a Bank

By:

Name:
Title:

CANADIAN IMPERIAL BANK OF COMMERCE, as Agent and a
Bank

By:

Name:
Title:

THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), as Agent and a Bank

By: -----
Name:
Title:

CREDIT LYONNAIS CAYMAN ISLAND BRANCH, as Agent and a Bank

By: -----
Name:
Title:

THE FIRST NATIONAL BANK OF BOSTON, as Agent and a Bank

By: -----
Name:
Title:

THE FUJI BANK, LIMITED, as Agent and a Bank

By: -----
Name:
Title:

THE INDUSTRIAL BANK OF JAPAN, LTD., as Agent and a Bank

By: -----
Name:
Title:

LTCB TRUST COMPANY, as Agent and a Bank

By:

Name:
Title:

MELLON BANK, N.A., as Agent and a Bank

By:

Name:
Title:

NATIONSBANK OF TEXAS N.A., as Agent and a Bank

By:

Name:
Title:

SOCIETE GENERALE, as Agent and a Bank

By:

Name:
Title:

THE TORONTO-DOMINION BANK, as Agent and a Bank

By:

Name:
Title:

UNION BANK, as Agent and a Bank

By:

Name:
Title:

Co-Agents

CREDIT SUISSE, as Co-Agent and a Bank

By:

Name:
Title:

By:

Name:
Title:

THE DAI-ICHI KANGYO BANK LTD., NEW YORK BRANCH, as
Co-Agent and a Bank

By:

Name:
Title:

THE MITSUBISHI BANK, LIMITED, as Co-Agent and a Bank

By:

Name:
Title:

THE MITSUBISHI TRUST & BANKING CORPORATION, as
Co-Agent and a Bank

By:

Name:
Title:

ROYAL BANK OF CANADA, as Co-Agent and a Bank

By:

Name:
Title:

THE SANWA BANK, LTD., as Co-Agent and
a Bank

By:

Name:
Title:

THE SUMITOMO BANK, LIMITED, NEW YORK
BRANCH, as Co-Agent and a Bank

By:

Name:
Title:

UNION BANK OF SWITZERLAND, as Co-
Agent and a Bank

By:

Name:
Title:

By:

Name:
Title:

Syndication Agent

JP MORGAN SECURITIES INC., as the
Syndication Agent

By:

Name:
Title:

VII GUARANTEE

GUARANTEE, dated as of July 1, 1994, made by Viacom International Inc., a Delaware corporation (the "Guarantor"), in favor of the banks (the "Banks") parties to the Parent Facility (as defined below), The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York, and Bank of America NT&SA, as managing agents (the "Managing Agents") for the Banks, the Bank of New York, as documentation agent (the "Documentation Agent") for the Banks, Citibank, N.A., as administrative agent (the "Administrative Agent") for the Banks, JP Morgan Inc. as syndication agent (the "Syndication Agent") for the Banks, the banks identified as agents on the signature pages of the Parent Facility, as agents (the "Agents") for the Banks, and the banks identified as co-agents on the signature pages of the Parent Facility, as co-agents (the "Co-Agents") for the Banks.

W I T N E S S E T H :
- - - - -

WHEREAS, the Documentation Agent, the Administrative Agent, the Syndication Agent (collectively the "Facility Agents"), the Managing Agents, the Co-Agents, the Agents and the Banks have entered into a credit agreement dated as of July 1, 1994 (said agreement, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "Parent Facility", and the terms defined therein and not otherwise defined herein being used herein as therein defined) with Viacom Inc., a corporation organized and existing under the laws of the State of Delaware (the "Borrower"), or any successor thereto;

WHEREAS, the Banks, the Facility Agents, the Managing Agents, the Agents and the Co-Agents have entered into the Subsidiary Facility simultaneously with the Parent Facility pursuant to which the Banks will provide senior debt financing to certain subsidiaries of the Borrower; and

WHEREAS, it is a condition precedent to the Initial Funding Date under the Parent Facility that the Guarantor shall have executed and delivered this Guarantee;

NOW, THEREFORE, in consideration of the premises and in order to induce the Banks to make the Loans under the Parent Facility, the Guarantor hereby agrees as follows:

SECTION 1. Guarantee. The Guarantor hereby unconditionally

and irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of the Borrower now or hereafter existing under the Parent Facility, whether for borrowed money, interest, fees or any other amounts due thereunder or otherwise (the "Obligations") and any and all expenses (including counsel fees and expenses) reasonably incurred by any Bank,

Facility Agent, Managing Agent, Agent or Co-Agent in enforcing any rights under this Guarantee.

SECTION 2. Guarantee Absolute. The Guarantor guarantees

that the Obligations will be paid strictly in accordance with the terms of the Parent Facility, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Bank, Facility Agent, Managing Agent, Agent or Co-Agent with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(i) any lack of validity or enforceability of the Parent Facility or any other agreement or instrument relating thereto;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the Parent Facility;

(iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations; or

(iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Borrower, or a guarantor.

SECTION 3. Waiver. The Guarantor hereby waives all notices

with respect to any of the Obligations and this Guarantee and any requirement that any Bank, Facility Agent, Managing Agent, Agent or Co-Agent protect, secure, perfect or insure any security interests or lien on any property subject thereto or exhaust any right or take any action against the Borrower, or any other person or entity or any collateral.

SECTION 4. Subrogation. (a) The Guarantor shall not

exercise any rights which it may have acquired by way of subrogation under this Guarantee, by any payment made hereunder or otherwise nor shall the Guarantor seek any reimbursement from Borrower in respect of payments made by the Guarantor hereunder, unless and until all of the Obligations shall have been paid to the Banks and discharged, in full, and if any payment shall be made to the Guarantor on account of such subrogation or reimbursement rights at any time when the Obligations shall not have been paid and discharged, in full, each and every amount so paid shall forthwith be paid to the Banks to be credited and applied against the Obligations, whether matured or unmatured.

(b) If, pursuant to applicable law, the Guarantor, by payment or otherwise, becomes subrogated to all or any of the rights of the Banks under any of the Loan Documents, the rights of the Banks to which the Guarantor shall be subrogated shall be accepted by the Guarantor "as is" and without any representation or warranty of any kind by the Banks, express or implied, with respect to the legality, value, validity or enforceability of any of such rights, or the existence, availability, value, merchantability or fitness for any particular purpose of any collateral and shall be without recourse to the Banks.

SECTION 5. Representations and Warranties. The Guarantor

hereby represents and warrants as follows:

(a) It is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

(b) The execution, delivery and performance by the Guarantor of this Guarantee are within the Guarantor's corporate powers, have been duly authorized by all necessary corporate action, do not contravene the Guarantor's charter or by-laws, any law or any contractual restriction binding on or affecting and material to the Guarantor, and do not result in or require the creation of any Lien upon or with respect to any of its properties.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Guarantor of this Guarantee.

(d) This Guarantee is a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except where such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditor's rights generally or equitable principles relating to enforceability.

(e) There is no pending or threatened action or proceeding affecting the Guarantor before any court, governmental agency or arbitrator, in which, individually or in the aggregate, there is a reasonable probability of an adverse decision which could have a Material Adverse Effect or result in a Material Credit Agreement Change.

SECTION 6. Addresses for Notices. All notices and other

communications provided for hereunder shall be in writing (including telegraphic or telecopy communication) and mailed, telegraphed, telecopied or delivered, if to the Guarantor, addressed to it at c/o Viacom Inc., 1515 Broadway, New York, New York 10036, Attention: Treasurer, if to any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, addressed to it at the address of such Bank, Facility Agent,

Managing Agent, Agent or Co-Agent (as the case may be) specified in the Parent Facility, or as to each party at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this Section. All such notices and other communications shall, when mailed or telegraphed, respectively, be effective when deposited in the mails or delivered to the telegraph company, respectively, addressed as aforesaid, and shall, when delivered or telecopied, be effective when received.

SECTION 7. No Waiver; Remedies. No failure on the part of

any Bank, Facility Agent, Managing Agent, Agent or Co-Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8. Right of Set-off. Upon the occurrence and

during the continuance of any Event of Default (as defined in the Parent Facility) and, except in the case of one of the events referred in clause (f) of Section 11.1 of the Parent Facility, the making of the request or the granting of the consent specified by Section 11.1 of the Parent Facility to authorize the Administrative Agent to declare all amounts under the Parent Facility due and payable pursuant to the provisions of said Section 11.1, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Guarantor against any and all of the obligations of the Guarantor now or hereafter existing under this Guarantee, irrespective of whether or not such Bank shall have made any demand under this Guarantee and although such obligations may be contingent and unmatured. Each Bank agrees promptly to notify the Guarantor after any such set-off and application made by such Bank; provided,

however, that the failure to give such notice shall not affect the

validity of such set-off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have.

SECTION 9. Continuing Guarantee; Transfer of Interest.

This Guarantee is a continuing guaranty and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations and all other amounts payable under this Guarantee, (ii) be binding upon the Guarantor, its successors and assigns, and (iii) inure to the benefit of and be enforceable by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, and their respective successors, transferees, and assigns. Without limiting the generality of the foregoing clause (iii), any Bank may assign or otherwise transfer all or any

part of its rights and obligations under the Parent Facility in accordance therewith, and such other person or entity shall thereupon become vested with all the rights in respect thereof granted to such Bank herein or otherwise, subject, however, to the provisions of Article XIII of the Parent Facility.

SECTION 10. Reinstatement. This Guarantee shall remain in

full force and effect and continue to be effective should any petition be filed by or against any Loan Party (as defined in the Parent Facility) for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Loan Party's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of this Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored, or returned, the Obligations shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

SECTION 11. Limitation of Obligation. The liability of the

Guarantor under this Guarantee shall not exceed the greater of (i) 95% of the Adjusted Net Assets (as defined below) of the Guarantor on the date of delivery hereof and (ii) 95% of the Adjusted Net Assets (as defined below) of the Guarantor on the date of any payment hereunder; provided, that nothing in this Section 11 shall be construed to limit

the liability of the Guarantor under any other Loan Document to which it is a party. "Adjusted Net Assets" of any Guarantor at any date

means the lesser of (x) the amount by which the fair value of the property of such Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) exceeds the total amount of liabilities, including, without limitation, contingent liabilities, but excluding liabilities under this Guarantee, of the Guarantor at such date and (y) the amount by which the present fair salable value of the assets of the Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) at such date exceeds the amount that will be required to pay the probable liability of the Guarantor on its debts, excluding debt in respect of this Guarantee, as they become absolute and matured.

SECTION 12. GOVERNING LAW. THIS GUARANTEE SHALL BE

GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PROVISIONS THEREOF RELATING TO CONFLICT OF LAWS.

SECTION 13. WAIVER OF JURY TRIAL. THE GUARANTOR WAIVES ALL

RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR
DEFEND ANY RIGHTS OR REMEDIES HEREUNDER, UNDER THE PARENT FACILITY OR
UNDER THE OTHER LOAN DOCUMENTS RELATIVE TO EACH OF THE FOREGOING.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee
to be duly executed and delivered by its officer thereunto duly
authorized as of the date first above written.

VIACOM INTERNATIONAL INC.

By: _____
Name:
Title:

PARAMOUNT PARENT GUARANTEE

GUARANTEE, dated as of July 1, 1994, made by Paramount Communications, Inc., a Delaware corporation (the "Guarantor"), in favor of the banks (the "Banks") parties, from time to time, to the Parent Facility (as defined below), The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York, and Bank of America NT&SA, as managing agents (the "Managing Agents") for the Banks, the Bank of New York, as documentation agent (the "Documentation Agent") for the Banks, Citibank, N.A., as administrative agent (the "Administrative Agent") for the Banks, JP Morgan Inc. as syndication agent (the "Syndication Agent") for the Banks, the banks identified as agents on the signature pages of the Parent Facility, as agents (the "Agents") for the Banks, and the banks identified as co-agents on the signature pages of the Parent Facility, as co-agents (the "Co-Agents") for the Banks.

W I T N E S S E T H :
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WHEREAS, the Documentation Agent, the Administrative Agent, the Syndication Agent (collectively the "Facility Agents"), the Managing Agents, the Co-Agents, the Agents and the Banks have entered into a credit agreement dated as of July 1, 1994 (said agreement, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "Parent Facility", and the terms defined therein and not otherwise defined herein being used herein as therein defined) with Viacom Inc., a corporation organized and existing under the laws of the State of Delaware (the "Borrower"), or any successor thereto;

WHEREAS, the Banks, the Facility Agents, the Managing Agents, the Agents and the Co-Agents have entered into the Subsidiary Facility simultaneously with the Parent Facility pursuant to which the Banks will provide senior debt financing to certain subsidiaries of the Borrower; and

WHEREAS, it is a condition precedent to the Initial Funding Date under the Parent Facility that the Guarantor shall have executed and delivered this Guarantee;

NOW, THEREFORE, in consideration of the premises and in order to induce the Banks to make the loans under the Parent Facility, the Guarantor hereby agrees as follows:

SECTION 1. Guarantee. The Guarantor hereby unconditionally

and irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of the Borrower now or hereafter existing under the Parent Facility, whether for borrowed money, interest, fees or any other amounts due

thereunder or otherwise (the "Obligations") and any and all expenses (including counsel fees and expenses) reasonably incurred by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent in enforcing any

rights under this Guarantee.

SECTION 2. Guarantee Absolute. The Guarantor guarantees

that the Obligations will be paid strictly in accordance with the terms of the Parent Facility, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Bank, Facility Agent, Managing Agent, Agent or Co-Agent with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(i) any lack of validity or enforceability of the Parent Facility or any other agreement or instrument relating thereto;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the Parent Facility;

(iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations; or

(iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Borrower, or a guarantor.

SECTION 3. Waiver. The Guarantor hereby waives all notices

with respect to any of the Obligations and this Guarantee and any requirement that any Bank, Facility Agent, Managing Agent, Agent or Co-Agent protect, secure, perfect or insure any security interests or lien on any property subject thereto or exhaust any right or take any action against the Borrower, or any other person or entity or any collateral.

SECTION 4. Subrogation. (a) The Guarantor shall not

exercise any rights which it may have acquired by way of subrogation under this Guarantee, by any payment made hereunder or otherwise nor shall the Guarantor seek any reimbursement from Borrower in respect of payments made by the Guarantor hereunder, unless and until all of the Obligations shall have been paid to the Banks and discharged, in full, and if any payment shall be made to the Guarantor on account of such subrogation or reimbursement rights at any time when the Obligations shall not have been paid and discharged, in full, each and every amount so paid shall forthwith be paid to the Banks to be credited and applied against the Obligations, whether matured or unmatured.

(b) If, pursuant to applicable law, the Guarantor, by payment or otherwise, becomes subrogated to all or any of the rights of the Banks under any of the Loan Documents, the rights of the Banks to which the Guarantor shall be subrogated shall be accepted by the Guarantor "as is" and without any representation or warranty of any kind by the Banks, express or implied, with respect to the legality, value, validity or enforceability of any of such rights, or the existence, availability, value, merchantability or fitness for any particular purpose of any collateral and shall be without recourse to the Banks.

SECTION 5. Representations and Warranties. The Guarantor

hereby represents and warrants as follows:

(a) It is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

(b) The execution, delivery and performance by the Guarantor of this Guarantee are within the Guarantor's corporate powers, have been duly authorized by all necessary corporate action, do not contravene the Guarantor's charter or by-laws, any law or any contractual restriction binding on or affecting and material to the Guarantor, and do not result in or require the creation of any Lien upon or with respect to any of its properties.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Guarantor of this Guarantee.

(d) This Guarantee is a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except where such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditor's rights generally or equitable principles relating to enforceability.

(e) There is no pending or threatened action or proceeding affecting the Guarantor before any court, governmental agency or arbitrator, in which, individually or in the aggregate, there is a reasonable probability of an adverse decision which could have a Material Adverse Effect or result in a Material Credit Agreement Change.

SECTION 6. Addresses for Notices. All notices and other

communications provided for hereunder shall be in writing (including telegraphic or telecopy communication) and mailed, telegraphed, telecopied or delivered, if to the Guarantor, addressed to it at c/o Viacom Inc., 1515 Broadway, New York, New York 10036, Attention: Treasurer, if to any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, addressed to it at the address of such Bank, Facility Agent, Managing Agent, Agent or Co-Agent (as the case may be) specified in

the Parent Facility, or as to each party at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this Section. All such notices and other communications shall, when mailed or telegraphed, respectively, be effective when deposited in the mails or delivered to the telegraph company, respectively, addressed as aforesaid, and shall, when delivered or telecopied, be effective when received.

SECTION 7. No Waiver; Remedies. No failure on the part of

any Bank, Facility Agent, Managing Agent, Agent or Co-Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8. Right of Set-off. Upon the occurrence and

during the continuance of any Event of Default (as defined in the Parent Facility) and, except in the case of one of the events referred in clause (f) of Section 11.1 of the Parent Facility, the making of the request or the granting of the consent specified by Section 11.1 of the Parent Facility to authorize the Administrative Agent to declare all amounts under the Parent Facility due and payable pursuant to the provisions of said Section 11.1, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Guarantor against any and all of the obligations of the Guarantor now or hereafter existing under this Guarantee, irrespective of whether or not such Bank shall have made any demand under this Guarantee and although such obligations may be contingent and unmatured. Each Bank agrees promptly to notify the Guarantor after any such set-off and application made by such Bank; provided,

however, that the failure to give such notice shall not affect the

validity of such set-off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have.

SECTION 9. Continuing Guarantee; Transfer of Interest.

This Guarantee is a continuing guaranty and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations and all other amounts payable under this Guarantee, (ii) be binding upon the Guarantor, its successors and assigns, and (iii) inure to the benefit of and be enforceable by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, and their respective successors, transferees, and assigns. Without limiting the generality of the foregoing clause (iii), any Bank may assign or otherwise transfer all or any part of its rights and obligations under the Parent Facility in accordance therewith, and such other person or entity shall thereupon

become vested with all the rights in respect thereof granted to such Bank herein or otherwise, subject, however, to the provisions of Article XIII of the Parent Facility.

SECTION 10. Reinstatement. This Guarantee shall remain in

full force and effect and continue to be effective should any petition be filed by or against any Loan Party (as defined in the Parent Facility) for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Loan Party's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of this Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored, or returned, the Obligations shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

SECTION 11. Limitation of Obligation. The liability of the

Guarantor under this Guarantee shall not exceed the greater of (i) 95% of the Adjusted Net Assets (as defined below) of the Guarantor on the date of delivery hereof and (ii) 95% of the Adjusted Net Assets (as defined below) of the Guarantor on the date of any payment hereunder; provided, that nothing in this Section 11 shall be construed to limit

the liability of the Guarantor under any other Loan Document to which it is a party. "Adjusted Net Assets" of any Guarantor at any date

means the lesser of (x) the amount by which the fair value of the property of such Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) exceeds the total amount of liabilities, including, without limitation, contingent liabilities, but excluding liabilities under this Guarantee, of the Guarantor at such date and (y) the amount by which the present fair salable value of the assets of the Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) at such date exceeds the amount that will be required to pay the probable liability of the Guarantor on its debts, excluding debt in respect of this Guarantee, as they become absolute and matured.

SECTION 12. GOVERNING LAW. THIS GUARANTEE SHALL BE

GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PROVISIONS THEREOF RELATING TO CONFLICT OF LAWS.

SECTION 13. WAIVER OF JURY TRIAL. THE GUARANTOR WAIVES ALL

RIGHT TO TRIAL BY JURY IN ANY ACTION OR

PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES HEREUNDER,
UNDER THE PARENT FACILITY OR UNDER THE OTHER LOAN DOCUMENTS RELATIVE
TO EACH OF THE FOREGOING.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee
to be duly executed and delivered by its officer thereunto duly
authorized as of the date first above written.

PARAMOUNT COMMUNICATIONS INC.

By: _____
Name:
Title:

VIACOM GUARANTEE

GUARANTEE, dated as of July 1, 1994, made by Viacom Inc., a Delaware corporation (the "Guarantor"), in favor of the banks (the "Banks") parties, from time to time, to the Subsidiary Facility (as defined below), The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York, and Bank of America NT&SA, as managing agents (the "Managing Agents") for the Banks, the Bank of New York, as documentation agent (the "Documentation Agent") for the Banks, Citibank, N.A., as administrative agent (the "Administrative Agent") for the Banks, JP Morgan Inc. as syndication agent (the "Syndication Agent") for the Banks, the banks identified as agents on the signature pages of the Subsidiary Facility, as agents (the "Agents") for the Banks, and the banks identified as co-agents on the signature pages of the Subsidiary Facility, as co-agents (the "Co-Agents") for the Banks.

W I T N E S S E T H:

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WHEREAS, the Documentation Agent, the Administrative Agent, the Syndication Agent (collectively the "Facility Agents"), the Managing Agents, the Co-Agents, the Agents and the Banks have entered into a credit agreement dated as of July 1, 1994 (said agreement, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "Subsidiary Facility", and the terms defined therein and not otherwise defined herein being used herein as therein defined) with Viacom International Inc., Viacom Cablevision of Dayton, Inc., WNYT Inc., WMZQ Inc., and WVIT Inc., each a Delaware corporation (the "Subsidiary Borrowers"); and

WHEREAS, the Banks, the Facility Agents, the Managing Agents, the Agents and the Co-Agents have entered into the Parent Facility simultaneously with the Subsidiary Facility pursuant to which the Banks will provide senior debt financing to Viacom; and

WHEREAS, it is a condition precedent to the Funding Date under the Subsidiary Facility that the Guarantor shall have executed and delivered this Guarantee;

NOW, THEREFORE, in consideration of the premises and in order to induce the Banks to make Subsidiary Loans under the Subsidiary Facility, the Guarantor hereby agrees as follows:

SECTION 1. Guarantee. The Guarantor hereby unconditionally and

irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of each of the Subsidiary Borrowers now or hereafter existing under the Subsidiary Facility, whether for borrowed money, interest, fees or any other amounts due thereunder or otherwise (the "Obligations") and any and all expenses reasonably (including counsel fees and expenses) incurred by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent in enforcing any rights under this Guarantee.

SECTION 2. Guarantee Absolute. The Guarantor guarantees that the

Obligations will be paid strictly in accordance with the terms of the

Subsidiary Facility, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Bank, Facility Agent, Managing Agent, Agent or Co-Agent with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(i) any lack of validity or enforceability of the Subsidiary Facility or any other agreement or instrument relating thereto;

(ii) any change in the time, manner or place of payment of, or

in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the Subsidiary Facility;

(iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations; or

(iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Subsidiary Borrowers, or a guarantor.

SECTION 3. Waiver. The Guarantor hereby waives all notices with

respect to any of the Obligations and this Guarantee and any requirement that any Bank, Facility Agent, Managing Agent, Agent or Co-Agent protect, secure, perfect or insure any security interests or lien on any property subject thereto or exhaust any right or take any action against the Subsidiary Borrowers, or any other person or entity or any collateral.

SECTION 4. Subrogation. (a) The Guarantor shall not exercise any

rights which it may have acquired by way of subrogation under this Guarantee, by any payment made hereunder or otherwise nor shall the Guarantor seek any reimbursement from Borrower in respect of payments made by the Guarantor hereunder, unless and until all of the Obligations shall have been paid to the Banks and discharged, in full, and if any payment shall be made to the Guarantor on account of such subrogation or reimbursement rights at any time when the Obligations shall not have been paid and discharged, in full, each and every amount so paid shall forthwith be paid to the Banks to be credited and applied against the Obligations, whether matured or unmatured.

(b) If, pursuant to applicable law, the Guarantor, by payment or otherwise, becomes subrogated to all or any of the rights of the Banks under any of the Loan Documents, the rights of the Banks to which the Guarantor shall be subrogated shall be accepted by the Guarantor "as is" and without any representation or warranty of any kind by the Banks, express or implied, with respect to the legality, value, validity or enforceability of any of such rights, or the existence, availability,

value, merchantability or fitness for any particular purpose of any collateral and shall be without recourse to the Banks.

SECTION 5. Representations and Warranties. The Guarantor hereby

represents and warrants as follows:

(a) It is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

(b) The execution, delivery and performance by the Guarantor of this Guarantee are within the Guarantor's corporate powers, have been duly authorized by all necessary corporate action, do not contravene the Guarantor's charter or by-laws, any law or any contractual restriction binding on or affecting and material to the Guarantor, and do not result in or require the creation of any Lien upon or with respect to any of its properties.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Guarantor of this Guarantee.

(d) This Guarantee is a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except where such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditor's rights generally or equitable principles relating to enforceability.

(e) There is no pending or threatened action or proceeding affecting the Guarantor before any court, governmental agency or arbitrator, in which, individually or in the aggregate, there is a reasonable probability of an adverse decision which could have a Material Adverse Effect or result in a Material Credit Agreement Change.

SECTION 6. Addresses for Notices. All notices and other

communications provided for hereunder shall be in writing (including telegraphic or telecopy communication) and mailed, telegraphed, telecopied or delivered, if to the Guarantor, addressed to it at 1515 Broadway, New York, New York 10036, Attention: Treasurer, if to any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, addressed to it at the address of such Bank, Facility Agent, Managing Agent, Agent or Co-Agent (as the case may be) specified in the Subsidiary Facility, or as to each party at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this Section. All such notices and other communications shall, when mailed or telegraphed, respectively, be effective when deposited in the mails or delivered to the telegraph company, respectively, addressed as aforesaid, and shall, when delivered or telecopied, be effective when received.

SECTION 7. No Waiver; Remedies. No failure on the part of any

Bank, Facility Agent, Managing Agent, Agent or Co-Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8. Right of Set-off. Upon the occurrence and during the

continuance of any Event of Default (as defined in the Subsidiary Facility) and, except in the case of one of the events referred in clause (f) of Section 8.1 of the Subsidiary Facility, the making of the request or the granting of the consent specified by Section 8.1 of the Subsidiary Facility to authorize the Administrative Agent to declare all amounts under the Subsidiary Facility due and payable pursuant to the provisions of said Section 8.1, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Guarantor against any and all of the obligations of the Guarantor now or hereafter existing under this Guarantee, irrespective of whether or not such Bank shall have made any demand under this Guarantee and although such obligations may be contingent and unmatured. Each Bank agrees promptly to notify the Guarantor after any such set-off and application made by such Bank; provided, however, that the failure to give

such notice shall not affect the validity of such set-off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have.

SECTION 9. Continuing Guarantee; Transfer of Interest. This

Guarantee is a continuing guaranty and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations and all other amounts payable under this Guarantee, (ii) be binding upon the Guarantor, its successors and assigns, and (iii) inure to the benefit of and be enforceable by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, and their respective successors, transferees, and assigns. Without limiting the generality of the foregoing clause (iii), any Bank may assign or otherwise transfer all or any part of its rights and obligations under the Subsidiary Facility in accordance therewith, and such other person or entity shall thereupon become vested with all the rights in respect thereof granted to such Bank herein or otherwise, subject, however, to the provisions of Article X of the Subsidiary Facility.

SECTION 10. Reinstatement. This Guarantee shall remain in full

force and effect and continue to be effective should any petition be filed by or against any Loan Party (as defined in the Subsidiary Facility) for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Loan Party's assets, and shall, to the fullest extent permitted by law, continue to be

effective or be reinstated, as the case may be, if at any time payment and performance of this Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored, or returned, the Obligations shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

SECTION 11. GOVERNING LAW. THIS Guarantee SHALL BE GOVERNED BY,

AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PROVISIONS THEREOF RELATING TO CONFLICT OF LAWS.

SECTION 12. WAIVER OF JURY TRIAL. THE GUARANTOR WAIVES ALL RIGHT

TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES HEREUNDER, UNDER THE SUBSIDIARY FACILITY OR UNDER THE OTHER LOAN DOCUMENTS RELATIVE TO EACH OF THE FOREGOING.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

VIACOM INC.

By: _____
Name:
Title:

PARAMOUNT AFFILIATE GUARANTEE

GUARANTEE, dated as of July 1, 1994, made by Paramount Communications Inc., a Delaware corporation (the "Guarantor"), in favor of the banks (the "Banks") parties, from time to time, to the Subsidiary Facility (as defined below), The Bank of New York, Citibank, N.A., Morgan Guaranty Trust Company of New York, and Bank of America NT&SA, as managing agents (the "Managing Agents") for the Banks, the Bank of New York, as documentation agent (the "Documentation Agent") for the Banks, Citibank, N.A., as administrative agent (the "Administrative Agent") for the Banks, JP Morgan Inc. as syndication agent (the "Syndication Agent") for the Banks, the banks identified as agents on the signature pages of the Subsidiary Facility, as agents (the "Agents") for the Banks, and the banks identified as co-agents on the signature pages of the Subsidiary Facility, as co-agents (the "Co-Agents") for the Banks.

W I T N E S S E T H :
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WHEREAS, the Documentation Agent, the Administrative Agent, the Syndication Agent (collectively the "Facility Agents"), the Managing Agents, the Co-Agents, the Agents and the Banks have entered into a credit agreement dated as of July 1, 1994 (said agreement, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "Subsidiary Facility", and the terms defined therein and not otherwise defined herein being used herein as therein defined) with Viacom International Inc., Viacom Cablevision of Dayton, Inc., WNYT Inc., WMZQ Inc., and WVIT Inc., each a Delaware corporation (the "Subsidiary Borrowers");

WHEREAS, the Banks, the Facility Agents, the Managing Agents, the Agents and the Co-Agents have entered into the Parent Facility simultaneously with the Subsidiary Facility pursuant to which the Banks will provide senior debt financing to Viacom; and

WHEREAS, it is a condition precedent to the occurrence of the Funding Date under the Subsidiary Facility that the Guarantor shall have executed and delivered this Guarantee;

NOW, THEREFORE, in consideration of the premises and in order to induce the Banks to make Subsidiary Loans under the Subsidiary Facility, the Guarantor hereby agrees as follows:

SECTION 1. Guarantee. The Guarantor hereby unconditionally and

irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of each of the Subsidiary Borrowers now or hereafter existing under the Subsidiary Facility, whether for borrowed money, interest, fees or any other amounts due thereunder or otherwise (the "Obligations") and any and all expenses (including counsel fees and expenses) reasonably incurred by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent in enforcing any rights under this Guarantee.

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SECTION 2. Guarantee Absolute. The Guarantor guarantees that the

Obligations will be paid strictly in accordance with the terms of the Subsidiary Facility, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Bank, Facility Agent, Managing Agent, Agent or Co-Agent with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

- (i) any lack of validity or enforceability of the Subsidiary

Facility or any other agreement or instrument relating thereto;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the Subsidiary Facility;

(iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations; or

(iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Subsidiary Borrowers, or a guarantor.

SECTION 3. Waiver. The Guarantor hereby waives all notices with

respect to any of the Obligations and this Guarantee and any requirement that any Bank, Facility Agent, Managing Agent, Agent or Co-Agent protect, secure, perfect or insure any security interests or lien on any property subject thereto or exhaust any right or take any action against the Subsidiary Borrowers, or any other person or entity or any collateral.

SECTION 4. Subrogation. (a) The Guarantor shall not exercise any

rights which it may have acquired by way of subrogation under this Guarantee, by any payment made hereunder or otherwise nor shall the Guarantor seek any reimbursement from Borrower in respect of payments made by the Guarantor hereunder, unless and until all of the Obligations shall have been paid to the Banks and discharged, in full, and if any payment shall be made to the Guarantor on account of such subrogation or reimbursement rights at any time when the Obligations shall not have been paid and discharged, in full, each and every amount so paid shall forthwith be paid to the Banks to be credited and applied against the Obligations, whether matured or unmatured.

(b) If, pursuant to applicable law, the Guarantor, by payment or otherwise, becomes subrogated to all or any of the rights of the Banks under any of the Loan Documents, the rights of the Banks to which the Guarantor shall be subrogated shall be accepted by the Guarantor "as is" and without any representation or warranty of any kind by the Banks, express or implied, with respect to the legality, value, validity or

enforceability of any of such rights, or the existence, availability, value, merchantability or fitness for any particular purpose of any collateral and shall be without recourse to the Banks.

SECTION 5. Representations and Warranties. The Guarantor hereby

represents and warrants as follows:

(a) It is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

(b) The execution, delivery and performance by the Guarantor of this Guarantee are within the Guarantor's corporate powers, have been duly authorized by all necessary corporate action, do not contravene the Guarantor's charter or by-laws, any law or any contractual restriction binding on or affecting and material to the Guarantor, and do not result in or require the creation of any Lien upon or with respect to any of its properties.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Guarantor of this Guarantee.

(d) This Guarantee is a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except where such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditor's rights generally or equitable principles relating to enforceability.

(e) There is no pending or threatened action or proceeding affecting the Guarantor before any court, governmental agency or arbitrator, in which, individually or in the aggregate, there is a reasonable probability of an adverse decision which could have a Material Adverse Effect or result in a Material Credit Agreement Change.

SECTION 6. Addresses for Notices. All notices and other

communications provided for hereunder shall be in writing (including telegraphic or teletype communication) and mailed, telegraphed, telecopied or delivered, if to the Guarantor, addressed to it c/o Viacom Inc., 1515 Broadway, New York, New York 10036, Attention: Treasurer, if to any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, addressed to it at the address of such Bank, Facility Agent, Managing Agent, Agent or Co-Agent (as the case may be) specified in the Subsidiary Facility, or as to each party at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this Section. All such notices and other communications shall, when mailed or telegraphed, respectively, be effective when deposited in the mails or delivered to the telegraph company, respectively, addressed as aforesaid, and shall, when delivered or telecopied, be effective when received.

SECTION 7. No Waiver; Remedies. No failure on the part of any

Bank, Facility Agent, Managing Agent, Agent or Co-Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8. Right of Set-off. Upon the occurrence and during the

continuance of any Event of Default (as defined in the Subsidiary Facility) and, except in the case of one of the events referred in clause (f) of Section 8.1 of the Subsidiary Facility, the making of the request or the granting of the consent specified by Section 8.1 of the Subsidiary Facility to authorize the Administrative Agent to declare all amounts under the Subsidiary Facility due and payable pursuant to the provisions of said Section 8.1, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Guarantor against any and all of the obligations of the Guarantor now or hereafter existing under this Guarantee, irrespective of whether or not such Bank shall have made any demand under this Guarantee and although such obligations may be contingent and unmatured. Each Bank agrees promptly to notify the Guarantor after any such set-off and application made by such Bank; provided, however, that the failure to give

such notice shall not affect the validity of such set-off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have.

SECTION 9. Continuing Guarantee; Transfer of Interest. This

Guarantee is a continuing guaranty and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations and all other amounts payable under this Guarantee, (ii) be binding upon the Guarantor, its successors and assigns, and (iii) inure to the benefit of and be enforceable by any Bank, Facility Agent, Managing Agent, Agent or Co-Agent, and their respective successors, transferees, and assigns. Without limiting the generality of the foregoing clause (iii), any Bank may assign or otherwise transfer all or any part of its rights and obligations under the Subsidiary Facility in accordance therewith, and such other person or entity shall thereupon become vested with all the rights in respect thereof granted to such Bank herein or otherwise, subject, however, to the provisions of Article X of the Subsidiary Facility.

SECTION 10. Reinstatement. This Guarantee shall remain in full

force and effect and continue to be effective should any petition be filed by or against any Loan Party (as defined in the Subsidiary Facility) for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Loan Party's assets, and shall, to the fullest extent permitted by law, continue to be

effective or be reinstated, as the case may be, if at any time payment and performance of this Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored, or returned, the Obligations shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

SECTION 11. Limitation of Obligation. The liability of the

Guarantor under this Guarantee shall not exceed the greater of (i) 95% of the Adjusted Net Assets (as defined below) of Guarantor on the date of delivery hereof and (ii) 95% of the Adjusted Net Assets (as defined below) of the Guarantor on the date of any payment hereunder; provided, that nothing in

this Section 11 shall be construed to limit the liability of the Guarantor under any other Loan Document to which it is a party. "Adjusted Net Assets"

of any Guarantor at any date means the lesser of (x) the amount by which the fair value of the property of such Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) exceeds the total amount of liabilities, including, without limitation, contingent liabilities, but excluding liabilities under this Guarantee, of the Guarantor at such date and (y) the amount by which the present fair salable value of the assets of the Guarantor (including, without limitation, rights of subrogation, contribution, and similar rights) at such date exceeds the amount that will be required to pay the probable liability of the Guarantor on its debts, excluding debt in respect of this Guarantee, as they become absolute and matured.

SECTION 12. GOVERNING LAW. THIS GUARANTEE SHALL BE GOVERNED BY,

AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE PROVISIONS THEREOF RELATING TO CONFLICT OF LAWS.

SECTION 13. WAIVER OF JURY TRIAL. THE GUARANTOR WAIVES ALL RIGHT

TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES HEREUNDER, UNDER THE SUBSIDIARY FACILITY OR UNDER THE OTHER CREDIT DOCUMENTS RELATIVE TO EACH OF THE FOREGOING.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PARAMOUNT COMMUNICATIONS INC.

By: _____
Name:
Title: