

SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM S-4  
 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

VIACOM INC.  
 (Exact name of registrant as specified in its charter)  
 Delaware  
 (State or other jurisdiction of incorporation or organization)  
 04-2949533  
 (I.R.S. Employer Identification No.)  
 1515 Broadway  
 New York, NY 10036  
 (212) 258-6000  
 (Address, including zip code, and telephone number,  
 including area code, of Registrants' principal  
 executive offices)

VIACOM INTERNATIONAL INC.  
 (Exact name of registrant as specified in its charter)  
 Delaware  
 (State or other jurisdiction of incorporation or organization)  
 13-3844753  
 (I.R.S. Employer Identification No.)  
 1515 Broadway  
 New York, NY 10036  
 (212) 258-6000  
 (Address, including zip code, and telephone number,  
 including area code, of Registrants' principal  
 executive offices)

Michael D. Fricklas, Esq.  
 Executive Vice President,  
 General Counsel and Secretary  
 Viacom Inc.  
 1515 Broadway  
 New York, New York 10036  
 (212) 258-6000  
 (Name, address, including zip code, and telephone number,  
 including area code, of agent for service)

Copies to:  
 Stephen T. Giove, Esq.  
 Shearman & Sterling  
 599 Lexington Avenue  
 New York, New York 10022

Approximate date of commencement of proposed sale to the public: Upon consummation of the Exchange Offer described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [ ]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be registered	Proposed Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
6.40% senior notes due 2006	\$400,000,000	100%	\$400,000,000	
6.625% senior notes due 2011	\$1,000,000,000	100%	\$1,000,000,000	
6.40% senior notes due 2006	\$3,075,000	100%	\$3,075,000	
7.70% senior notes due 2010	\$1,000,000	100%	\$1,000,000	\$351,068.75(2)
7.875% senior debentures due 2030	\$200,000	100%	\$200,000	
Guarantees of all senior securities	---	---	---	

(1) Estimated solely for the purposes of calculating the registration fee in accordance with Rule 457(f) under the Securities Act of 1933, as amended.  
 (2) Calculated based upon the market value of the securities to be received by the registrants in the exchange in accordance with Rule 457(f). Pursuant to Rule 457(n), no registration fee will be paid in connection with the guarantees. \$1,068.75 of the currently due registration fee has been previously paid in connection with the filing of Registration Statement No. 333-54626 on January 30, 2001 and is offset against the currently due registration fee pursuant to Rule 457(p).

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become

effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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#### EXPLANATORY NOTE

This registration statement contains two separate prospectuses.

The first prospectus relates to an offer to exchange (i) the unregistered 6.40% senior notes due 2006 (\$400,000,000 aggregate principal amount outstanding) which were issued on May 17, 2001 for an equal amount of 6.40% senior notes due 2006 which have been registered under the Securities Act of 1933, and (ii) the unregistered 6.625% senior notes due 2011 (\$1,000,000,000 aggregate principal amount outstanding) which were issued on May 17, 2001 for an equal amount of 6.625% senior notes due 2011 which have been registered under the Securities Act of 1933.

The second prospectus relates to an offer to exchange (i) the remaining unregistered 6.40% senior notes due 2006 (\$3,075,000 aggregate principal amount outstanding) which were issued January 17, 2001 for an equal amount of 6.40% senior notes due 2006 which have been registered under the Securities Act of 1933, (ii) the remaining unregistered 7.70% senior notes due 2010 (\$1,000,000 aggregate principal amount outstanding) for an equal amount of 7.70% senior notes due 2010 which have been registered under the Securities Act of 1933 and (iii) the remaining unregistered 7.875% senior debentures due 2030 (\$200,000 aggregate principal amount outstanding) for an equal amount of 7.875% senior debentures due 2030 which have been registered under the Securities Act of 1933. Pursuant to a registered exchange offer consummated on March 19, 2001, additional unregistered senior securities issued on January 17, 2001 were exchanged, and \$396,925,000 registered 6.40% senior notes due 2006, \$499,000,000 registered 7.70% senior notes due 2010 and \$749,800,000 registered 7.875% senior debentures due 2030 are currently outstanding.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion dated July 13, 2001

VIACOM INC.

OFFER TO EXCHANGE

6.40% Senior Notes due 2006  
(\$400,000,000 aggregate principal amount issued May 17, 2001)  
for  
6.40% Senior Notes due 2006  
that have been registered under the Securities Act of 1933

and

6.625% Senior Notes due 2011  
(\$1,000,000,000 aggregate principal amount issued May 17, 2001)  
for  
6.625% Senior Notes due 2011  
that have been registered under the Securities Act of 1933

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Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)  
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TERMS OF EXCHANGE OFFER

- o The exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2001, unless we extend the offer.
- o Tenders of outstanding unregistered senior securities may be withdrawn at any time before 5:00 p.m. on the date of expiration of the exchange offer.
- o All outstanding unregistered senior securities that are validly tendered and not validly withdrawn will be exchanged.
- o The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except for being registered under the Securities Act of 1933 and not having any transfer restrictions, registration rights or rights to additional interest.
- o The exchange of senior securities will not be a taxable exchange for U.S. federal income tax purposes.
- o We will not receive any proceeds from the exchange offer.
- o Application has been made to list the exchange senior securities on the Luxembourg Stock Exchange.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the senior securities to be distributed in the exchange offer, nor have any of these organizations determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2001

Each holder of an unregistered senior security wishing to accept the exchange offer must deliver the unregistered senior securities to be exchanged, together with the letter of transmittal that accompanies this prospectus and any other required documentation, to the exchange agent identified in this prospectus. Alternatively, you may effect a tender of unregistered senior securities by book-entry transfer into the exchange agent's account at Euroclear Bank S.A./N.A., as operator of the Euroclear System ("Euroclear"), Clearstream Banking, société anonyme, Luxembourg ("Clearstream Luxembourg") or The Depository Trust Company ("DTC"). All deliveries are at the risk of the holder. You can find detailed instructions concerning delivery in the section called "The Exchange Offer" in this prospectus and in the accompanying letter of transmittal.

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If you are a broker-dealer that receives exchange senior securities for your own account you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange senior securities. The letter of transmittal accompanying this prospectus states that by so acknowledging and by delivering a prospectus, you will not be deemed to admit that you are an "underwriter" within the meaning of the Securities Act. You may use this prospectus, as we may amend or supplement it in the future, for your resales of exchange senior securities. We will make this prospectus available to any broker-dealer for use in connection with any such resale for a period of 180 days after the date of expiration of this exchange offer.

You should rely only on the information contained in or incorporated by reference in this prospectus. Neither we nor Viacom International has authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information contained or incorporated by reference in this prospectus is accurate only as of the date of this prospectus or the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since then. Neither we nor Viacom International is making an offer of the senior securities in any jurisdiction where the offer is not permitted.

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References to "Viacom," "we," "us" and "our" in this prospectus are references to Viacom Inc. References to "Viacom International" are references to Viacom International Inc. References to "\$" and "dollars" are to United States dollars.

Whenever we refer in this prospectus to the 6.40% senior notes due 2006 issued on May 17, 2001 or the 6.625% senior notes due 2011 issued on May 17, 2001, we will refer to them as the "unregistered 2006 senior notes" or the "unregistered 2011 senior notes", respectively, and collectively as the "unregistered senior securities". Whenever we refer in this prospectus to the registered 6.40% senior notes due 2006 or the registered 6.625% senior notes due 2011, we will refer to them as the "exchange 2006 senior notes" or the "exchange 2011 senior notes", respectively, and collectively as the "exchange senior securities". The unregistered 2006 senior notes and the exchange 2006 senior notes are collectively referred to as the "2006 senior notes" and the unregistered 2011 senior notes and the exchange 2011 senior notes are collectively referred to as the "2011 senior notes". The unregistered senior securities and the exchange senior securities are collectively referred to as the "senior securities".

## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus contain both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events. These forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. You should review carefully all information, including the financial statements and the notes to the financial statements, included or incorporated by reference into this prospectus.

The following important factors, among others, could affect our future results, causing these results to differ materially from those expressed in our forward-looking statements:

- o We derive substantial revenues from the sale of advertising time on our over-the-air networks, basic cable networks, television stations, radio stations and outdoor businesses. The advertising market has recently experienced softness. The sale of advertising time is affected by viewer demographics, viewer ratings and market conditions for advertising time. Adverse changes to any of these factors could have a negative effect on revenues.
- o Operating results derived from our motion picture and television production fluctuate depending primarily upon cost of such productions and acceptance of such productions by the public, which are difficult to predict. Motion picture and television production has experienced cycles in which increased costs of talent and other factors have resulted in higher production costs. In addition, the commercial success of our motion picture and television productions also depends upon the quality and acceptance of other competing productions, and the availability of alternative forms of entertainment and leisure time activities.
- o Our operating results also fluctuate due to the timing and availability of theatrical and home video releases, as well as a result of the recording of license fees for television exhibition of motion pictures and for syndication and basic cable exhibition of television programming in the period that the products are available for such exhibition.
- o Our basic cable network and premium subscription television networks are dependent on affiliation agreements with cable and direct broadcast satellite distributors on acceptable terms. The loss of carriage on such distributors, or continued carriage on less favorable terms, could adversely affect, with respect to basic cable networks, revenues from subscribers fees and the ability to sell advertising time, and with respect to premium subscription television networks, subscribers fee revenues.
- o Some of our businesses are seasonal. More specifically, the home video business and consumer publishing business are subject to increased periods of demand coinciding with summer and winter holidays, while a substantial majority of the theme parks operating income is generated from May through September. In addition, the home video and theme parks businesses' revenues are influenced by weather.

- o Changes in FCC laws and regulations could, directly or indirectly, adversely affect the operations and ownership of our properties.
- o We have contingent liabilities related to discontinued operations, including environmental liabilities and pending litigation. While there can be no assurance in this regard, the pending or potential litigation, environmental and other liabilities should not have a material adverse effect on us.
- o We may be adversely affected by changes in technology and its effect on competition in our markets.
- o Labor agreements covering the services of actors whom we utilize in our motion picture and television businesses are currently scheduled to expire during 2001. Work stoppages and/or higher costs in connection with these agreements could adversely impact our ability to produce or acquire new programming.
- o Other economic, business, competitive and/or regulatory factors affecting our businesses generally.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this prospectus are made only as of the date of this prospectus and under Section 27A of the Securities Act and Section 21E of the Exchange Act and we do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances. We cannot assure you that projected results or events will be achieved.



#### WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549; 7 World Trade Center, Suite 1300, New York, New York 10048; and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

Our Class A common stock and Class B common stock are listed on the New York Stock Exchange. Information about us also is available at the New York Stock Exchange. In accordance with U.S. securities laws, Viacom International is not obligated to file annual, quarterly and current reports, proxy statements and other information with the SEC. Accordingly, Viacom International does not file separate financial statements with the SEC and does not independently publish its financial statements. Viacom International's financial condition, results of operations and cash flows are consolidated into the financial statements of Viacom.

We are "incorporating by reference" specified documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. Later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 by us until the exchange offer is completed.

- o Our Annual Report on Form 10-K for the year ended December 31, 2000.
- o Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2001.
- o Our Current Report on Form 8-K dated May 4, 2000, as amended on July 17, 2000, and our Current Reports on Form 8-K dated January 5, 2001, January 8, 2001, February 15, 2001, February 21, 2001, May 30, 2001, June 1, 2001 and July 3, 2001.
- o Our definitive Proxy Statement dated April 16, 2001.
- o CBS Corporation Annual Report on Form 10-K for the year ended December 31, 1999, as amended on April 28, 2000.
- o The consolidated financial statements of Infinity Broadcasting Corporation, as set forth in Item 8 and the notes thereto to Infinity's Annual Report on Form 10-K for the year ended December 31, 1999.
- o The condensed financial statements of Infinity, as set forth in Item 1 to Infinity's Quarterly Report on Form 10-Q for the quarter ended September 30, 2000.
- o Our Registration Statement on Form S-4 dated January 12, 2001.

You may obtain a copy of these filings at no cost, by writing or telephoning us at the following address:

Viacom Inc.  
1515 Broadway  
52nd Floor  
New York, New York 10036  
Attn: Investor Relations  
Telephone Number: (212) 258-6000

In addition, copies of all documents that we incorporate into this prospectus by reference may be obtained free of charge at the offices of Kredietbank S.A. Luxembourgeoise, 43, Boulevard Royal, L-2955 Luxembourg, our Luxembourg paying and transfer agent.

## PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that you should consider before participating in this exchange offer. You should read the entire prospectus, accompanying letter of transmittal and documents incorporated by reference carefully.

### THE COMPANY

We, together with our subsidiaries, are a diversified worldwide entertainment company with operations in six segments: Cable Networks, Television, Infinity, Entertainment, Video and Publishing. The Cable Networks segment operates MTV: MUSIC TELEVISION(R), SHOWTIME(R), NICKELODEON(R), NICK AT NITE(R), VH1 MUSIC FIRST(R), TV LAND(R), TNN: THE NATIONAL NETWORK, TM CMT: COUNTRY MUSIC TELEVISION(TM) and BET: BLACK ENTERTAINMENT TELEVISION(R), among other program services. The Television segment consists of CBS(R) and UPN(R) television networks, 39 owned broadcast television stations and Viacom's television production and syndication business, including KING WORLD PRODUCTIONS(TM) and PARAMOUNT TELEVISION(TM). The Infinity segment operates approximately 184 radio stations through INFINITY BROADCASTING(R) and outdoor advertising properties through INFINITY OUTDOOR(TM) and TDI(R). The Entertainment segment includes PARAMOUNT PICTURES(R), which produces and distributes theatrical motion pictures; PARAMOUNT PARKS(R), which owns and operates five theme parks and a themed attraction in the United States and Canada; and movie theater and music publishing operations. The Video segment consists of an approximately 82% equity interest in Blockbuster Inc., which operates and franchises BLOCKBUSTER(R) video stores worldwide. The remainder of Blockbuster's common stock was sold to the public in August 1999. The Publishing segment publishes and distributes consumer books and related multimedia products, under such imprints as SIMON & SCHUSTER(R), POCKET BOOKS(TM), SCRIBNER(R) and THE FREE PRESS(TM). We were organized under the laws of the State of Delaware in 1986. Viacom's principal offices are located at 1515 Broadway, New York, New York 10036 and our telephone number is (212) 258-6000.

### THE GUARANTOR

Viacom International, the guarantor of the senior securities, was organized under the laws of the State of Delaware in 1995 and has its corporate headquarters at 1515 Broadway, New York, New York 10036. Viacom International has 100 shares of common stock outstanding, all of which are held by Viacom. The operating assets of Viacom International and its subsidiaries include MTV: MUSIC TELEVISION(R), SHOWTIME(R), NICKELODEON(R), NICK AT NITE(R), VH1 MUSIC FIRST(R), TV LAND(R), approximately 18 broadcast television stations, all interests in the businesses of the Video, Entertainment and Publishing segments and certain related Internet sites.

#### CERTAIN SUBSIDIARIES

Viacom has one subsidiary, Blockbuster, Inc., which is subject to the reporting requirements of the Exchange Act. Blockbuster, incorporated under the laws of the State of Delaware in 1989, has its corporate headquarters at 1201 Elm Street, Dallas, Texas 75270. As of March 31, 2001, Blockbuster had 31,014,696 shares of Class A common stock and 144,000,000 shares of Class B common stock outstanding. Blockbuster is a retailer of rentable home videocassettes, DVDs and video games, and has stores throughout the United States and in many other countries. Blockbuster operates primarily under the Blockbuster brand name. Blockbuster's financial condition, results of operations and cash flows are consolidated into the financial statements of Viacom. We own all of Blockbuster's Class B common stock representing an approximately 82% equity interest in Blockbuster.

#### RECENT DEVELOPMENTS

As a result of Viacom's merger with CBS Corporation on May 4, 2000, Viacom acquired an approximate 64.2% equity interest in Infinity Broadcasting Corporation. On February 21, 2001, Infinity merged with and into a wholly owned subsidiary of Viacom. In connection with the Viacom/Infinity merger, Viacom issued 0.592 of a share of its Class B common stock for each issued and outstanding share of Infinity Class A common stock resulting in the issuance of approximately 232 million shares of Viacom Class B common stock.

On November 3, 2000, Viacom announced an agreement to acquire BET Holdings II, Inc., which operates the BET: BLACK ENTERTAINMENT TELEVISION(R) cable networks. On January 23, 2001, we completed our acquisition of BET for a total purchase price of approximately \$3.0 billion, which principally represents the issuance of approximately 43.4 million shares of Viacom Class B common stock and the assumption by Viacom of approximately \$590 million in debt.

SUMMARY OF THE EXCHANGE OFFER

On May 17, 2001, we issued \$400 million aggregate principal amount of unregistered 6.40% senior notes due 2006 and \$1 billion aggregate principal amount of unregistered 6.625% senior notes due 2011. The unregistered senior securities are unconditionally guaranteed as to payment of principal and interest by Viacom International. On the same day, we and the initial purchasers of the unregistered senior securities entered into a registration rights agreement in which we agreed that you, as a holder of unregistered senior securities, would be entitled to exchange your unregistered senior securities for exchange senior securities registered under the Securities Act but otherwise having substantially identical terms to the unregistered senior securities. This exchange offer is intended to satisfy these rights. After the exchange offer is completed, you will no longer be entitled to any registration rights with respect to your senior securities. The exchange senior securities will be our obligations and will be entitled to the benefits of the indenture and supplemental indentures relating to the unregistered senior securities. The exchange senior securities will also be unconditionally guaranteed as to payment of principal and interest by Viacom International. The form and terms of the exchange senior securities are identical in all material respects to the form and terms of unregistered senior securities, except:

- o the exchange senior securities have been registered under the Securities Act, and therefore will contain no restrictive legends;
- o the exchange senior securities will not have registration rights; and
- o the exchange senior securities will not have rights to additional interest.

For additional information on the terms of the exchange offer, see "The Exchange Offer."

The Exchange Offer..... We are offering to exchange \$1,000 principal amount of:

- o 6.40% senior notes due 2006 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount of our outstanding unregistered 2006 senior notes that were issued on May 17, 2001. As of the date of this prospectus, \$400 million in aggregate principal amount of our unregistered 2006 senior notes are outstanding;
- o 6.625% senior notes due 2011 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount of our outstanding unregistered 2011 senior notes that were issued on May 17, 2001. As of the date of this prospectus, \$1 billion in aggregate principal amount of our unregistered 2011 senior notes are outstanding.

Expiration of Exchange Offer..... The exchange offer will expire at 5:00 p.m., New York City time, on , 2001, unless we decide to extend the expiration date.

Conditions of the Exchange

Offer.....

We will not be required to accept for exchange any unregistered senior securities, and we may amend or terminate the exchange offer if any of the following conditions or events occurs:

- o the exchange offer, or the making of any exchange by a senior security holder, violates applicable law or any applicable interpretation of the staff of the SEC;
- o any action or proceeding shall have been instituted or threatened with respect to the exchange offer which, in our judgment or the judgment of Viacom International, would impair our ability to proceed with the exchange offer; and
- o any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated which, in our good faith determination or the good faith determination of Viacom International, does not permit us to effect the exchange offer.

We will give oral or written notice of any non-acceptance, amendment or termination to the registered holders of the unregistered senior securities as promptly as practicable. We reserve the right to waive any conditions of the exchange offer.

Resale of Exchange Senior

Securities.....

Based on interpretative letters of the SEC staff to third parties unrelated to us, we believe that you can resell and transfer the exchange senior securities you receive pursuant to this exchange offer, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

- o any exchange senior securities to be received by you will be acquired in the ordinary course of your business;
- o you are not engaged in, do not intend to engage in and have no arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities;
- o you are not an "affiliate" (as defined in Rule 405 under the Securities Act) of Viacom or Viacom International or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- o if you are a broker-dealer, you have not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom or Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange

senior securities;

- o if you are a broker-dealer, you will receive exchange senior securities for your own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities and that you will deliver a prospectus in connection with any resale of such exchange senior securities; and
- o you are not acting on behalf of any person or entity that could not truthfully make these representations.

If you wish to accept the exchange offer, you must represent to us that these conditions have been met.

If our belief is inaccurate and you transfer any exchange senior security without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration under the Securities Act, you may incur liability under the Securities Act. We do not assume or indemnify you against such liability, but we do not believe that any such liability should exist.

Accrued Interest on the  
Exchange Senior Securities  
and Unregistered Senior  
Securities.....

The exchange senior securities will accrue interest from the date interest was last paid on the unregistered senior securities. If no interest was paid on your unregistered senior securities, your exchange senior securities will accrue interest from and including May 17, 2001. We will pay interest on the exchange 2006 senior notes semi-annually on January 30 and July 30 of each year. We will pay interest on the exchange 2011 senior notes semi-annually on May 15 and November 15 of each year.

Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer.

Procedures for Tendering  
Unregistered Senior  
Securities.....

If you wish to participate in the exchange offer, you must transmit a properly completed and signed letter of transmittal, and all other documents required by the letter of transmittal, to the exchange agent at the address set forth in the letter of

transmittal. These materials must be received by the exchange agent before 5:00 p.m., New York City time, on , 2001, the expiration date of the exchange offer. You must also provide:

- o a confirmation of any book-entry transfer of unregistered senior securities tendered electronically into the exchange agent's account with DTC, Euroclear or Clearstream Luxembourg. You must comply with DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders, by which you will agree to be bound in the letter of transmittal; or
- o physical delivery of your unregistered senior securities to the exchange agent's address as set forth in the letter of transmittal.

The letter of transmittal must also contain the representations you must make to us as described under "The Exchange Offer--Procedures for Tendering."

Special Procedures for Beneficial Owners.....

If you are a beneficial owner of unregistered senior securities that are held through a broker, dealer, commercial bank, trust company or other nominee and you wish to tender such unregistered senior securities, you should contact the person promptly and instruct the person to tender your unregistered senior securities on your behalf.

Guaranteed Delivery Procedures for Unregistered Senior Securities.....

If you cannot meet the expiration deadline, or you cannot deliver your unregistered senior securities, the letter of transmittal or any other required documentation, or comply with DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders on time, you may tender your unregistered senior securities according to the guaranteed delivery procedures set forth under "The Exchange Offer-Guaranteed Delivery Procedures."

Withdrawal Rights.....

You may withdraw the tender of your unregistered senior securities at any time prior to 5:00 p.m., New York City time, on , 2001, the expiration date.

Consequences of Failure to Exchange.....

If you are eligible to participate in this exchange offer and you do not tender your unregistered senior securities as described in this prospectus, you will not have any further registration rights. In that case, your unregistered senior securities will continue to be subject to restrictions on transfer. As a result of the restrictions on transfer and the availability of exchange



senior securities, the unregistered senior securities are likely to be much less liquid than before the exchange offer. The unregistered senior securities will, after the exchange offer, bear interest at the same rate as the exchange senior securities.

Certain U.S. Federal Income  
Tax Consequences.....

The exchange of the unregistered senior securities for exchange senior securities pursuant to the exchange offer will not be a taxable exchange for U.S. federal income tax purposes.

Use of Proceeds.....

We will not receive any proceeds from the issuance of exchange senior securities pursuant to the exchange offer.

Exchange Agents for  
Unregistered Senior Securities...

Citibank, N.A., the trustee under the indenture for the unregistered senior securities, is serving as the principal exchange agent in connection with the exchange offer. Citibank can be reached at 111 Wall Street, 15th Floor, New York, New York 10005; its telephone number is (800) 422-2066 and its facsimile number is (212) 825-3483.

Kredietbank S.A. Luxembourgeoise, our Luxembourg listing, paying and transfer agent, will also act as Luxembourg exchange agent. In its capacity as Luxembourg exchange agent, Kredietbank will act solely as an intermediary between Citibank, as the principal exchange agent, and holders of unregistered senior securities wishing to accept the exchange offer. Kredietbank will forward the tenders it receives to the principal exchange agent. Kredietbank can be reached at 43, Boulevard Royal, L-2955 Luxembourg; its telephone number is (352) 47 97 3933 and its facsimile number is (352) 47 97 73 951.

SUMMARY DESCRIPTION OF THE EXCHANGE SENIOR SECURITIES

The following summarized description of the exchange senior securities is subject to a number of important exceptions and qualifications. For additional information on the terms of the exchange senior securities, see "Description of Senior Securities."

Exchange Senior Securities.....	o	\$400,000,000 aggregate principal amount of registered 6.40% senior notes due 2006.
	o	\$1,000,000,000 aggregate principal amount of registered 6.625% senior notes due 2011.
Further Issuance.....		The unregistered 2006 senior notes will be, upon their exchange for exchange 2006 senior notes registered under the Securities Act, a further issuance of our 6.40% senior notes due 2006, \$396,925,000 of which were issued on March 19, 2001.
Maturity Dates.....	o	January 30, 2006 for the exchange 2006 senior notes.
	o	May 15, 2011 for the exchange 2011 senior notes.
Interest Payment Dates.....	o	January 30 and July 30 of each year for the exchange 2006 senior notes.
	o	May 15 and November 15 of each year for the exchange 2011 senior notes.
		Interest will be paid beginning on the interest payment date immediately following the last interest payment date for which interest was paid on unregistered senior securities.
Optional Redemption.....		The exchange 2011 senior notes are redeemable at our option, in whole or in part, at any time. The redemption price is the principal amount of the exchange 2011 senior notes redeemed, plus accrued and unpaid interest, plus a make-whole premium based on a discount rate of 25 basis points, over an appropriate treasury rate.
Covenants.....		The indenture governing the exchange senior securities contains covenants that, among other things, limit our ability to:
	o	create certain liens;
	o	enter into certain sale and leaseback transactions; and
	o	consolidate, merge or sell all or substantially all of our assets, unless certain conditions are met.

- Events of Default..... The indenture provides for events of default, subject to applicable cure periods, including:
- o we do not pay interest on a senior security within 30 days of its due date;
  - o we do not pay the principal of or any premium on a senior security on its due date;
  - o we remain in breach of a covenant or warranty in respect of the indenture for 60 days after we receive a written notice of default. The notice must be sent by either the trustee or holders of at least 25% in principal amount of a series of outstanding senior securities;
  - o we are in default under agreements under which we have indebtedness outstanding in excess of \$250 million in the aggregate and which indebtedness is due either at maturity or has been declared due prior to maturity and remains unpaid;
  - o we fail to pay a money judgment in excess of \$250 million for a period of 60 days after it becomes final and not subject to further appeal; or
  - o we or Viacom International file for bankruptcy, or other specified events of bankruptcy, insolvency or reorganization occur.

Trustee..... Citibank, N.A.

Listing..... Application has been made to list the exchange senior securities on the Luxembourg Stock Exchange.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2001:

- o on a historical basis, as reported by Viacom and
- o on a pro forma basis to reflect the issuance and sale of unregistered 6.40% senior notes due 2006 and unregistered 6.625% senior notes due 2011 on May 17, 2001, the issuance and sale of registered 7.25% senior notes due 2051 on June 27, 2001, and the application of the net proceeds from the sale of these senior notes to the repayment of outstanding commercial paper indebtedness.

We will not receive any proceeds from this exchange offer.

	At March 31, 2001(1) (Unaudited)	
	----- Historical -----	Pro Forma -----
	(in millions, except per share amounts)	
Long-term Debt:		
Continuing operations:		
Notes payable to banks (including commercial paper).....	\$ 4,532	\$ 2,815
Senior notes and debentures (6.75% - 10.50%, due 2002-2030) .....	6,953	6,953
Senior subordinated notes (8.875%-10.25%, due 2001-2007).....	564	564
Subordinated exchange debentures (11.375%, due 2009).....	39	39
Other .....	42	42
Obligations under capital leases.....	508	508
6.40% senior notes due 2006 .....	399	805
6.625% senior notes due 2011 .....	---	993
7.25% senior notes due 2051 .....	---	335
	-----	-----
Total debt.....	13,037	13,054
	-----	-----
Stockholders' Equity:		
Class A common stock, par value \$.01 per share; 500 shares authorized; 139 shares issued(1).....	1	1
Class B common stock, par value \$.01 per share; 3,000 shares authorized; 1,689 shares issued(1).....	17	17
Additional paid-in capital.....	64,726	64,726
Retained earnings.....	1,425	1,425
Accumulated other comprehensive loss.....	(201)	(201)
Less: Treasury stock.....	(2,510)	(2,510)
	-----	-----
Total stockholders' equity.....	63,458	63,458
	-----	-----
Total capitalization.....	\$ 76,495	\$ 76,512
	=====	=====

(1) Except as set forth above and except as otherwise disclosed in any documents incorporated herein by reference, there has been no material change in the total capitalization of Viacom since March 31, 2001.

SUMMARY HISTORICAL FINANCIAL DATA

The summary consolidated financial data presented below have been derived from, and should be read together with, our audited consolidated financial statements and the accompanying notes included in our annual report on Form 10-K for the year ended December 31, 2000 and the unaudited interim consolidated financial statements and the accompanying notes included in our quarterly report on Form 10-Q for the quarter ended March 31, 2001, both of which are incorporated by reference into this prospectus.

	Three Months Ended March 31, (Unaudited)		Year Ended December 31,				
	2001(a)	2000	2000(a)	1999	1998	1997	1996
	(in millions, except per share amounts)						
<b>Statement of Operations Data:</b>							
Revenues .....	\$ 5,752	\$ 3,026	\$ 20,044	\$ 12,859	\$12,096	\$ 10,685	\$ 9,684
Depreciation.....	214	135	800	497	442	447	331
Amortization of intangibles.....	531	95	1,424	348	336	325	323
Operating income.....	404	240	1,321	1,247	752	685	1,197
Earnings (loss) from continuing operations .....	(7)	68	(364)	372	(44)	374	152
Net earnings (loss).....	(7)	(384)	(816)	334	(122)	794	1,248
Net earnings (loss) attributable to common stock.....	(7)	(384)	(816)	322	(150)	734	1,188
Earnings (loss) per common share:							
Basic:							
Earnings (loss) from continuing operations.....	\$ —	\$ 0.10	\$ (0.30)	\$ 0.52	\$ (0.10)	\$ 0.44	\$ 0.13
Net earnings (loss).....	\$ —	\$ (0.55)	\$ (0.67)	\$ 0.46	\$ (0.21)	\$ 1.04	\$ 1.63
Diluted:							
Earnings (loss) from continuing operations.....	\$ —	\$ 0.10	\$ (0.30)	\$ 0.51	\$ (0.10)	\$ 0.44	\$ 0.13
Net earnings (loss).....	\$ —	\$ (0.54)	\$ (0.67)	\$ 0.45	\$ (0.21)	\$ 1.04	\$ 1.62
Weighted average shares outstanding:							
Basic.....	1,628	695	1,225	695	709	706	728
Diluted.....	1,628	711	1,225	710	709	709	735
Other Data:							
EBITDA(b).....	\$ 1,149	\$ 470	\$ 3,544	\$ 2,092	\$ 1,530	\$ 1,457	\$ 1,851

	At March 31, 2001	At December 31,				
	(Unaudited)(a)	2000(a)	1999	1998	1997	1996
	(in millions)					
<b>Balance Sheet Data:</b>						
Cash and cash equivalents.....	\$ 948	\$ 935	\$ 681	\$ 767	\$ 292	\$ 209
Intangibles, net.....	71,867	62,004	11,479	11,557	14,700	14,894
Total assets.....	92,550	82,646	24,486	23,613	28,289	28,834
Long-term debt, net of current portion..	12,887	12,474	5,698	3,813	7,423	9,856
Stockholders' equity .....	63,458	47,967	11,132	12,050	13,384	12,587

(a) Includes financial information for CBS Corporation from May 4, 2000, the date of its merger with and into Viacom. Accordingly, operating results and financial position are not necessarily comparable on a year-to-year basis.

(b) We define EBITDA as operating income before depreciation and amortization, principally of goodwill related to business combinations. We believe that EBITDA is an appropriate measure for evaluating our operating performance. However, EBITDA should be considered in addition to, not as a substitute for or superior to, operating income, net earnings, cash flow and other measures of financial performance prepared in accordance with generally accepted accounting principles. As EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles, this measure may not be comparable to similarly titled measures employed by other companies.

SUMMARY UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following summary unaudited pro forma combined financial information is based upon the historical financial statements of Viacom, adjusted for the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions. The unaudited pro forma combined condensed statement of operations data for the three months ended March 31, 2001 and the year ended December 31, 2000 is presented as if the above transactions had occurred on January 1, 2000.

The summary unaudited pro forma combined condensed financial data is for illustrative purposes only and does not necessarily indicate the operating results that would have been achieved had the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions been completed as of the dates indicated or of the results that may be obtained in the future. In addition, the data does not reflect synergies that might be achieved from combining these operations.

Unaudited Pro Forma Combined Statement of Operations Data

	Three Months Ended March 31, 2001	Year Ended December 31, 2000
	----- (in millions, except per share amounts)	
Statement of Operations Data:		
Revenues .....	\$ 5,768	\$ 23,620
Operating income.....	378	1,908
Earnings from continuing operations before income taxes.....	121	971
Loss from continuing operations.....	(30)	(189)
Basic and diluted loss from continuing operations per share.....	(0.02)	(0.11)
Basic and diluted weighted average shares outstanding.....	1,770	1,774
Other Data:		
EBITDA(a) .....	\$ 1,154	\$ 5,047

(a) We define EBITDA as operating income before depreciation and amortization, principally of goodwill related to business combinations. We believe that EBITDA is an appropriate measure for evaluating our operating performance. However, EBITDA should be considered in addition to, not as a substitute for or superior to, operating income, net earnings, cash flow and other measures of financial performance prepared in accordance with generally accepted accounting principles. As EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles, this measure may not be comparable to similarly titled measures employed by other companies.

RATIO OF EARNINGS TO FIXED CHARGES  
(Unaudited)

The ratio of earnings to fixed charges for Viacom are set forth below, on a pro forma basis, for the three months ended March 31, 2001 and the year ended December 31, 2000 to give effect to the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions, as if the transactions each occurred on January 1, 2000, and on a historical basis for the three months ended March 31, 2001 and for each year in the five-year period ended December 31, 2000.

For purposes of computing the following ratios, earnings represents income from continuing operations before fixed charges and taxes. Fixed charges represent interest expense, amortization of capitalized interest and such portion of rental expense, which represents an appropriate interest factor.

	Three Months Ended March 31, 2001		2000 Pro Forma	Year Ended December 31, Viacom Historical				
	Historical	Pro Forma		2000	1999	1998	1997	1996
Ratio of Earnings to Fixed Charges.....	1.5x	1.4x	1.2x	1.5x	2.2x	1.1x	2.0x	1.4x

#### USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the exchange senior securities contemplated by this prospectus, we will receive unregistered senior securities from you in like principal amount. The unregistered senior securities surrendered in exchange for the exchange senior securities will be retired and canceled and cannot be reissued. Accordingly, issuance of the exchange senior securities will not result in any change in our indebtedness.



## THE EXCHANGE OFFER

### Purpose and Effect of Exchange Offer; Registration Rights

We sold the unregistered senior securities to Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Smith Barney Inc., as representatives of the initial purchasers, on May 17, 2001. The initial purchasers then resold the unregistered senior securities under an offering memorandum dated May 10, 2001 in reliance on Rule 144A and Regulation S under the Securities Act. On May 17, 2001, we entered into a registration rights agreement with the initial purchasers. Under the registration rights agreement, we agreed:

- o to file with the SEC a registration statement relating to the exchange offer under the Securities Act no later than July 16, 2001;
- o to use our reasonable best efforts to cause the exchange offer registration statement to be declared effective under the Securities Act on or before November 13, 2001; and
- o to use our reasonable best efforts to cause the exchange offer to be consummated not later than 45 days following the date of effectiveness of the exchange offer registration statement, but not before July 30, 2001.

If you participate in the exchange offer, you will, with limited exceptions, receive senior securities that are freely tradable and not subject to restrictions on transfer. You should read the information in this prospectus under the heading "-Resales of Exchange Senior Securities" for more information relating to your ability to transfer exchange senior securities.

The exchange offer is not being made to, nor will we accept tenders for exchange from, holders of unregistered senior securities in any jurisdiction in which the exchange offer or the acceptance of the exchange offer would not be in compliance with the securities laws or blue sky laws of such jurisdiction.

If you are eligible to participate in this exchange offer and you do not tender your unregistered senior securities as described in this prospectus, you will not have any further registration rights. In that case, your unregistered senior securities will continue to be subject to restrictions on transfer under the Securities Act.

### Shelf Registration

In the registration rights agreement, we agreed to file a shelf registration statement only if:

- o after May 17, 2001, there is a change in law or applicable interpretations of the law by the staff of the SEC, and as a result we are not permitted to complete the exchange offer as contemplated by the registration rights agreement;
- o any holder of unregistered senior securities is not able to participate in the exchange offer;
- o any holder of unregistered senior securities does not receive fully transferable exchange senior securities;

- o the exchange offer registration statement is not declared effective by November 13, 2001 or the exchange offer is not consummated within 45 days after the exchange offer registration statement is declared effective, but not earlier than July 30, 2001, although we may terminate the shelf registration statement at any time, without penalty, if the exchange offer registration statement is declared effective or the exchange offer is consummated; or
- o upon the request of any of the initial purchasers made within 90 days after the consummation of the exchange offer with respect to unregistered senior securities not eligible to be exchanged in the exchange offer and held by it following the consummation of the exchange offer.

If a shelf registration statement is required, we will use our reasonable best efforts to:

- o file the shelf registration statement with the SEC no later than (a) December 13, 2001 or (b) the 60th day after such filing obligation arises, whichever is later;
- o use our reasonable efforts to cause the shelf registration statement to be declared effective by the SEC no later than January 14, 2002; and
- o use our reasonable efforts to keep the shelf registration statement effective until two years after the effective date, or if earlier until all of the unregistered senior securities covered by the shelf registration statement are sold thereunder or are already freely tradable.

During any 365-day period, we will have the ability to suspend the availability of the shelf registration statement for up to 4 periods of up to 45 consecutive days (except for the consecutive 45-day period immediately prior to the maturity of the senior securities), but no more than an aggregate of 90 days during any 365-day period, if our board of directors determines in good faith that there is a valid purpose for the suspension.

The shelf registration statement will permit only certain holders to resell their unregistered senior securities from time to time. In particular, such holders must:

- o provide specified information in connection with the shelf registration statement; and
- o agree in writing to be bound by all provisions of the registration rights agreement (including the applicable indemnification obligations).

If we are required to file a shelf registration statement, we will provide to each holder of unregistered senior securities that are covered by the shelf registration statement copies of the prospectus that is a part of the shelf registration statement and notify each such holder when the shelf registration statement becomes effective. A holder who sells unregistered senior securities pursuant to the shelf registration statement will be required to be named as a selling securityholder in the prospectus and to deliver a copy of the prospectus to purchasers. Such holder will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales, and will be bound by the provisions of the registration rights agreement which are applicable to such a holder (including the applicable indemnification obligations).

#### Additional Interest

If a registration default (as defined below) occurs, we will be required to pay additional interest to each holder of unregistered senior securities. During the first 90-day period that a registration default

occurs, we will pay additional interest equal to 0.25% per annum. At the beginning of the second and any subsequent 90-day period that a registration default is continuing, the amount of additional interest will increase by an additional 0.25% per annum until all registration defaults have been cured. However, in no event will the rate of additional interest exceed 0.50% per annum for each of the unregistered senior securities. Such additional interest will accrue only for those days that a registration default occurs and is continuing. All accrued additional interest will be paid to the holders of the unregistered senior securities in the same manner as interest payments on the unregistered senior securities are made, with payments being made on the interest payment dates for the senior securities. Following the cure of all registration defaults, no more additional interest will accrue. You will not be entitled to receive any additional interest if you were, at any time while the exchange offer was pending, eligible to exchange, and did not validly tender your unregistered senior securities for exchange senior securities in the exchange offer.

A "registration default" includes any of the following:

- o we fail to file any of the registration statements required by the registration rights agreement on or before the date specified for such filing;
- o any of such registration statements is not declared effective by the SEC on or prior to the date specified for such effectiveness;
- o we fail to complete the exchange offer on or prior to the date specified for such completion; or
- o the shelf registration statement or the exchange offer registration statement is declared effective but thereafter ceases to be effective or usable in connection with resales of the senior securities during the period specified in the registration rights agreement, subject to certain exceptions for limited periods of time with respect to the shelf registration statement.

The exchange offer is intended to satisfy our exchange offer obligations under the registration rights agreement. The above summary of the registration rights agreement is not complete and is subject to, and qualified by reference to, all the provisions of the registration rights agreement. A copy of the registration rights agreement is filed as an exhibit to the registration statement that includes this prospectus.

#### Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we are offering to exchange \$1,000 principal amount of exchange senior securities for each \$1,000 principal amount of unregistered senior securities. You may tender some or all of your unregistered senior securities only in integral multiples of \$1,000. As of the date of this prospectus, \$400 million aggregate principal amount of the unregistered 2006 senior notes issued May 17, 2001 and \$1 billion aggregate principal amount of the unregistered 2011 senior notes issued May 17, 2001 are outstanding.

The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except that the exchange senior securities have been registered under the Securities Act and, therefore, the certificates for the exchange senior securities will not bear legends restricting their transfer. The exchange senior securities will be issued under and be entitled to the benefits of the Indenture, dated as of May 15, 1995, among us, our wholly owned subsidiary, Viacom International, as guarantor, and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, Trustee. The Indenture was supplemented by the First Supplemental

Indenture, dated as of May 24, 1995, was supplemented and amended by the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, was supplemented by the Third Supplemental Indenture, dated as of July 22, 1996, was supplemented by the Fourth Supplemental Indenture, dated as of August 1, 2000, was supplemented by the Fifth Supplemental Indenture, dated as of January 17, 2001, was supplemented, in connection with the issuance of the unregistered senior securities, by the Sixth Supplemental Indenture, dated as of May 17, 2001 and was supplemented by the Seventh Supplemental Indenture, dated as of May 31, 2001. We refer to the Indenture, as so supplemented and amended, as the "Indenture."

In connection with the issuance of the unregistered senior securities, we arranged for the unregistered senior securities to be issued and transferable in book-entry form through the facilities of Euroclear, Clearstream Luxembourg and DTC, acting as a depository. The exchange senior securities will also be issuable and transferable in book-entry form through Euroclear, Clearstream Luxembourg and DTC.

There will be no fixed record date for determining the eligible holders of the unregistered senior securities that are entitled to participate in the exchange offer. We will be deemed to have accepted for exchange validly tendered unregistered senior securities when and if we have given oral (promptly confirmed in writing) or written notice of acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders of unregistered senior securities for the purpose of receiving exchange senior securities from us and delivering them to such holders.

If any tendered unregistered senior securities are not accepted for exchange because of an invalid tender or the occurrence of certain other events described herein, certificates for any such unaccepted unregistered senior securities will be returned, without expenses, to the tendering holder thereof as promptly as practicable after the expiration of the exchange offer.

Holders of unregistered senior securities who tender in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of unregistered senior securities for exchange senior securities pursuant to the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, in connection with the exchange offer. It is important that you read the section "- Fees and Expenses" below for more details regarding fees and expenses incurred in the exchange offer.

If we successfully complete this exchange offer, any unregistered senior securities which holders do not tender or which we do not accept in the exchange offer will remain outstanding and will continue to be subject to restrictions on transfer. The unregistered senior securities will continue to accrue interest, but, in general, the holders of unregistered senior securities after the exchange offer will not have further rights under the registration rights agreement, and we will not have any further obligation to register the unregistered senior securities under the Securities Act. In that case, holders wishing to transfer unregistered senior securities would have to rely on exemptions from the registration requirements of the Securities Act.

#### Conditions of the Exchange Offer

You must tender your unregistered senior securities in accordance with the requirements of this prospectus and the letter of transmittal in order to participate in the exchange offer. Notwithstanding any other provision of the exchange offer, or any extension of the exchange offer, we will not be required to accept for exchange any unregistered senior securities, and may amend or terminate the exchange offer if:

- o the exchange offer, or the making of any exchange by a senior security holder, violates applicable law or any applicable interpretation of the staff of the SEC;
- o any action or proceeding shall have been instituted or threatened with respect to the exchange offer which, in our judgment or the judgment of Viacom International, would impair our ability to proceed with the exchange offer; and
- o any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated which, in our good faith determination or the good faith determination of Viacom International, does not permit us to effect the exchange offer.

Expiration Date; Extensions; Amendment; Termination

The exchange offer will expire 5:00 p.m., New York City time, on 2001, unless, in our sole discretion, we extend it. In the case of any extension, we will notify the exchange agent orally (promptly confirmed in writing) or in writing of any extension. We will also notify the registered holders of unregistered senior securities of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration of the exchange offer.

To the extent we are legally permitted to do so, we expressly reserve the right, in our sole discretion, to:

- o delay accepting any unregistered senior security;
- o waive any condition of the exchange offer; and
- o amend the terms of the exchange offer in any manner.

We will give oral or written notice of any non-acceptance or amendment to the registered holders of the unregistered senior securities as promptly as practicable. If we consider an amendment to the exchange offer to be material, we will promptly inform the registered holders of unregistered senior securities of such amendment in a reasonable manner.

If we or Viacom International determine in our sole discretion that any of the events or conditions described in "- Conditions of the Exchange Offer" has occurred, we may terminate the exchange offer. If we decide to terminate the exchange offer, we may:

- o refuse to accept any unregistered senior securities and return any unregistered senior securities that have been tendered to the holders;
- o extend the exchange offer and retain all unregistered senior securities tendered prior to the expiration of the exchange offer, subject to the rights of the holders of tendered unregistered senior securities to withdraw their tendered unregistered senior securities; or
- o waive the termination event with respect to the exchange offer and accept all properly tendered unregistered senior securities that have not been withdrawn.

If any such waiver constitutes a material change in the exchange offer, we will disclose the change by means of a supplement to this prospectus that will be distributed to each registered holder of unregistered senior securities, and we will extend the exchange offer for a period of five to ten business

days, depending upon the significance of the waiver and the manner of disclosure to the registered holders of the unregistered senior securities, if the exchange offer would otherwise expire during that period.

Any determination by us concerning the events described above will be final and binding upon parties. Without limiting the manner by which we may choose to make public announcements of any extension, delay in acceptance, amendment or termination of the exchange offer, we will have no obligation to publish, advertise, or otherwise communicate any public announcement, other than by making a timely release to a financial news service.

#### Interest on the Exchange Senior Securities

The exchange senior securities will accrue interest from the date interest was last paid on the unregistered senior securities. If no interest was paid on your unregistered senior securities, your exchange senior securities will accrue interest from and including May 17, 2001. Interest will be paid on the exchange 2006 senior notes semi-annually on January 30 and July 30 of each year. Interest will be paid on the exchange 2011 senior notes semi-annually on May 15 and November 15 of each year. Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer.

#### Resale of Exchange Senior Securities

Based upon existing interpretations of the staff of the SEC set forth in several no-action letters issued to third parties unrelated to us, we believe that the exchange senior securities issued pursuant to the exchange offer in exchange for the unregistered senior securities may be offered for resale, resold and otherwise transferred by their holders, without complying with the registration and prospectus delivery provisions of the Securities Act, provided that:

- o any exchange senior securities to be received by you will be acquired in the ordinary course of your business;
- o you are not engaged in, do not intend to engage in or have any arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities;
- o you are not an "affiliate" (as defined in Rule 405 under the Securities Act) of Viacom or Viacom International or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- o if you are a broker-dealer, you have not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom or Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange senior securities;
- o if you are a broker-dealer, you will receive exchange senior securities for your own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities and that you will deliver a prospectus in connection with any resale of such exchange senior securities; and
- o you are not acting on behalf of any person or entity that could not truthfully make these representations.

If you wish to participate in the exchange offer, you will be required to make these representations to us in the letter of transmittal.

If you are a broker-dealer that receives exchange senior securities in exchange for unregistered senior securities held for your own account, as a result of market-making or other trading activities, you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange senior securities. The letter of transmittal states that by so acknowledging and by delivering a prospectus, you will not be deemed to admit that you are an "underwriter" within the meaning of the Securities Act. The prospectus, as it may be amended or supplemented from time to time, may be used by any broker-dealers in connection with resales of exchange senior securities received in exchange for unregistered senior securities. We have agreed that, for a period of 180 days after the expiration of the exchange offer, we will make this prospectus and any amendment or supplement to this prospectus available to any such broker-dealer for use in connection with any resale.

#### Clearing of the Exchange Senior Securities

Upon consummation of the exchange offer, the exchange senior securities will have different CUSIP, Common Code and ISIN numbers from the unregistered senior securities. Upon consummation of the exchange offer, the exchange 2006 senior securities will have the same CUSIP, Common Code and ISIN numbers given to our registered 6.40% senior notes due 2006 which were issued on March 19, 2001.

Senior securities that were issued under Regulation S that are not tendered for exchange will continue to clear through Euroclear and Clearstream Luxembourg under their original Common Codes and their ISIN numbers will remain the same. Regulation S senior securities (unless acquired by a manager as part of their original distribution) may now be sold in the United States or to U.S. persons and, upon any such transfer, a beneficial interest in the Regulation S global senior securities will be able to be exchanged for an interest in the exchange global senior security in accordance with procedures established by Euroclear or Clearstream Luxembourg and DTC.

Beneficial interests in the restricted Regulation S global senior securities may be transferred to a person who takes delivery in the form of an interest in the Regulation S global senior securities upon receipt by the trustee of a written certification from the transferor, in the form provided in the Indenture, to the effect that the transfer is being made in accordance with Rule 903 or 904 of Regulation S.

We cannot predict the extent to which beneficial owners of an interest in the Regulation S global senior securities will participate in the exchange offer. Beneficial owners should consult their own financial advisors as to the benefits to be obtained from exchange.

#### Procedures for Tendering

The term "holder" with respect to the exchange offer means any person in whose name unregistered senior securities are registered on our agent's books or any other person who has obtained a properly completed bond power from the registered holder, or any person whose unregistered senior securities are held of record by DTC, Euroclear or Clearstream Luxembourg who desires to deliver such unregistered senior securities by book-entry transfer at DTC, Euroclear or Clearstream Luxembourg as the case may be.

Except in limited circumstances, only a Euroclear participant, Clearstream Luxembourg participant or a DTC participant listed on a DTC securities position listing with respect to the unregistered

senior securities may tender its unregistered senior securities in the exchange offer. To tender unregistered senior securities in the exchange offer:

- o holders of unregistered senior securities that are DTC participants may follow the procedures for book-entry transfer as provided for below under "-Book-Entry Transfer" and in the letter of transmittal.
- o Euroclear participants and Clearstream Luxembourg participants on behalf of the beneficial owners of unregistered senior securities are required to use book-entry transfer pursuant to the standard operating procedures of Euroclear or Clearstream Luxembourg, as the case may be, which include transmission of a computer-generated message to Euroclear or Clearstream Luxembourg, as the case may be, in lieu of a letter of transmittal. See the term "agent's message" under "-Book-Entry Transfer."

In addition, either:

- o the exchange agent must receive any corresponding certificate or certificates representing unregistered senior securities along with the letter of transmittal; or
- o the exchange agent must receive, before expiration of the exchange offer, a timely confirmation of book-entry transfer of unregistered senior securities into the exchange agent's account at DTC, Euroclear or Clearstream Luxembourg according to their respective standard operating procedures for electronic tenders described below and a properly transmitted agent's message described below; or
- o the holder must comply with the guaranteed delivery procedures described below.

The tender by a holder of unregistered senior securities will constitute an agreement between such holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal. If less than all the unregistered senior securities held by a holder of unregistered senior securities are tendered, a tendering holder should fill in the amount of unregistered senior securities being tendered in the specified box on the letter of transmittal. The entire amount of unregistered senior securities delivered to the exchange agent will be deemed to have been tendered unless otherwise indicated.

The method of delivery of unregistered senior securities, the letter of transmittal and all other required documents or transmission of an agent's message, as described under "-Book Entry Transfer," to the exchange agent is at the election and risk of the holder. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery prior to the expiration of the exchange offer. No letter of transmittal or unregistered senior securities should be sent to Viacom but must instead be delivered to the exchange agent. Delivery of documents to DTC, Euroclear or Clearstream Luxembourg in accordance with their respective procedures will not constitute delivery to the exchange agent.

If you are a beneficial owner of unregistered senior securities that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your unregistered senior securities, you should contact the registered holder promptly and instruct the registered holder to tender on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your unregistered senior securities, either:



- o make appropriate arrangements to register ownership of the unregistered senior securities in your name; or
- o obtain a properly completed bond power from the registered holder.

The transfer of record ownership may take considerable time and may not be completed prior to the expiration date.

Signatures on a letter of transmittal or a notice of withdrawal as described in "--Withdrawal of Tenders" below, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act, unless the unregistered senior securities tendered pursuant thereto are tendered:

- o by a registered holder who has not completed the box entitled "Special Registration Instructions" or "Special Delivery Instructions" on the letter of transmittal; or
- o for the account of an eligible institution.

If the letter of transmittal is signed by a person other than the registered holder of any unregistered senior securities listed therein, the unregistered senior securities must be endorsed or accompanied by appropriate bond powers which authorize the person to tender the unregistered senior securities on behalf of the registered holder, in either case signed as the name of the registered holder or holders appears on the unregistered senior securities. If the letter of transmittal or any unregistered senior securities or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

We will determine in our sole discretion all the questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of the tendered unregistered senior securities. Our determinations will be final and binding. We reserve the absolute right to reject any and all unregistered senior securities not validly tendered or any unregistered senior securities our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any irregularities or conditions of tender as to particular unregistered senior securities. Our interpretation of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of unregistered senior securities must be cured within such time as we will determine. Neither we, the exchange agent nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of unregistered senior securities nor shall any of them incur any liability for failure to give such notification. Tenders of unregistered senior securities will not be deemed to have been made until such irregularities have been cured or waived. Any unregistered senior securities received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned without cost by the exchange agent to the tendering holder of such unregistered senior securities unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date of the exchange offer.

In addition, we reserve the right in our sole discretion to (a) purchase or make offers for any unregistered senior securities that remain outstanding subsequent to the expiration date, and (b) to the extent permitted by applicable law, purchase unregistered senior securities in the open market, in

privately negotiated transactions or otherwise. The terms of any such purchases or offers may differ from the terms of the exchange offer.

#### Book-Entry Transfer

We understand that the exchange agent will make a request promptly after the date of this document to establish accounts with respect to the unregistered senior securities at DTC, Euroclear or Clearstream Luxembourg for the purpose of facilitating the exchange offer. Any financial institution that is a participant in DTC's system may make book-entry delivery of unregistered senior securities by causing DTC to transfer such unregistered senior securities into the exchange agent's DTC account in accordance with DTC's Automated Tender Offer Program procedures for such transfer. Any participant in Euroclear or Clearstream Luxembourg may make book-entry delivery of Regulation S unregistered senior securities by causing Euroclear or Clearstream Luxembourg to transfer such senior securities into the exchange agent's account in accordance with established Euroclear or Clearstream Luxembourg procedures for transfer. The exchange for tendered unregistered senior securities will only be made after a timely confirmation of a book-entry transfer of the unregistered senior securities into the exchange agent's account, and timely receipt by the exchange agent of an agent's message.

The term "agent's message" means a message, transmitted by DTC, Euroclear or Clearstream Luxembourg, as the case may be, and received by the exchange agent and forming part of the confirmation of a book-entry transfer, which states that DTC, Euroclear or Clearstream Luxembourg, as the case may be, has received an express acknowledgment from a participant tendering unregistered senior securities and that such participant has received an appropriate letter of transmittal and agrees to be bound by the terms of the letter of transmittal, and we may enforce such agreement against the participant. Delivery of an agent's message will also constitute an acknowledgment from the tendering DTC, Euroclear or Clearstream Luxembourg participant, as the case may be, that the representations contained in the appropriate letter of transmittal and described above are true and correct.

#### Guaranteed Delivery Procedures

Holders who wish to tender their unregistered senior securities and (i) whose unregistered senior securities are not immediately available, or (ii) who cannot deliver their unregistered senior securities, the letter of transmittal, or any other required documents to the exchange agent prior to the expiration date, or if such holder cannot complete DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders before expiration of the exchange offer, may tender their unregistered senior securities if:

- o the tender is made through an eligible institution;
- o before expiration of the exchange offer, the exchange agent receives from the eligible institution either a properly completed and duly executed notice of guaranteed delivery in the form accompanying this prospectus, by facsimile transmission, mail or hand delivery, or a properly transmitted agent's message in lieu of notice of guaranteed delivery:
  - o setting forth the name and address of the holder and the registered number(s), the certificate number or numbers of the unregistered senior securities tendered and the principal amount of unregistered senior securities tendered;
  - o stating that the tender offer is being made by guaranteed delivery; and

- o guaranteeing that, within three (3) business days after expiration of the exchange offer, the letter of transmittal, or facsimile of the letter of transmittal, together with the unregistered senior securities tendered or a book-entry confirmation, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and
- o the exchange agent receives the properly completed and executed letter of transmittal, or facsimile of the letter of transmittal, as well as all tendered unregistered senior securities in proper form for transfer or a book-entry confirmation, and all other documents required by the letter of transmittal, within three (3) business days after expiration of the exchange offer.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their unregistered senior securities according to the guaranteed delivery procedures set forth above.

#### Withdrawal of Tenders

Except as otherwise provided herein, tenders of unregistered senior securities may be withdrawn at any time prior to 5:00 p.m., New York City time, on \_\_\_\_\_, 2001, the expiration date of the exchange offer.

For a withdrawal to be effective:

- o the exchange agent must receive a written notice, which may be by telegram, telex, facsimile transmission or letter, of withdrawal at the address set forth below under "Exchange Agent"; or
- o for DTC, Euroclear or Clearstream Luxembourg participants, holders must comply with their respective standard operating procedures for electronic tenders and the exchange agent must receive an electronic notice of withdrawal from DTC, Euroclear or Clearstream Luxembourg.

Any notice of withdrawal must:

- o specify the name of the person who tendered the unregistered senior securities to be withdrawn;
- o identify the unregistered senior securities to be withdrawn, including the certificate number or numbers and principal amount of the unregistered senior securities to be withdrawn;
- o be signed by the person who tendered the unregistered senior securities in the same manner as the original signature on the letter of transmittal, including any required signature guarantees; and
- o specify the name in which the unregistered senior securities are to be re-registered, if different from that of the withdrawing holder.

If unregistered senior securities have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at DTC, Euroclear or Clearstream Luxembourg to be credited with the withdrawn unregistered senior securities and otherwise comply with the procedures of the facility. We will determine all questions as to the validity, form and eligibility (including time of receipt) for such withdrawal notices, and our determination shall be final and binding on all parties. Any unregistered senior securities so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer, and no exchange senior securities will be issued with respect thereto unless the unregistered senior securities so withdrawn

are validly re-tendered. Any unregistered senior securities which have been tendered but which are not accepted for exchange will be returned to the holder without cost to such holder as soon as practicable after withdrawal. Properly withdrawn unregistered senior securities may be re-tendered by following the procedures described above under "-Procedures for Tendering" at any time prior to the expiration date.

#### Consequences of Failure to Exchange

If you do not tender your unregistered senior securities to be exchanged in this exchange offer, they will remain "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act. Accordingly, they:

- o may be resold only if (i) registered pursuant to the Securities Act, (ii) an exemption from registration is available or (iii) neither registration nor an exemption is required by law; and
- o shall continue to bear a legend restricting transfer in the absence of registration or an exemption therefrom.

As a result of the restrictions on transfer and the availability of the exchange senior securities, the unregistered senior securities are likely to be much less liquid than before the exchange offer. Following the consummation of the exchange offer, in general, holders of unregistered senior securities will have no further registration rights under the registration rights agreement.

#### Exchange Agent

Citibank, N.A. has been appointed as the principal exchange agent and Kredietbank S.A. Luxembourggeoise has been appointed as the Luxembourg exchange agent for the exchange of the unregistered senior securities. In its capacity as Luxembourg exchange agent, Kredietbank will act solely as an intermediary between Citibank, as the principal exchange agent and the holders of unregistered senior securities wishing to accept the exchange offer. Kredietbank will forward the tenders it receives to the principal exchange agent. Questions and requests for assistance relating to the exchange of the unregistered senior securities should be directed to the exchange agents addressed as follows:

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Citibank, N.A. 111 Wall Street, 15th Floor New York, New York 10005 Telephone number: (800) 422-2066 Facsimile number: (212) 825-3483	Kredietbank S.A. Luxembourggeoise 43, Boulevard Royal L-2955 Luxembourg Telephone number: (352) 47 97 3933 Facsimile number: (352) 47 97 73 951
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#### Fees and Expenses

We will bear the expenses of soliciting tenders pursuant to the exchange offer. The principal solicitation for tenders pursuant to the exchange offer is being made by mail. Additional solicitations may be made by our officers and regular employees and our affiliates in person, by telegraph or telephone.

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offer. We, however, will pay the exchange agent reasonable and customary fees for its services and will reimburse the exchange agent for its related reasonable out-of-pocket expenses and accounting and legal fees. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of

transmittal and related documents to the beneficial owners of the unregistered senior securities and in handling or forwarding tenders for exchange.

We will pay all transfer taxes, if any, applicable to the exchange of unregistered senior securities pursuant to the exchange offer. The tendering holder, however, will be required to pay any transfer taxes whether imposed on the registered holder or any other person, if:

- o certificates representing exchange senior securities or unregistered senior securities for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of unregistered senior securities tendered;
- o tendered unregistered senior securities are registered in the name of any person other than the person signing the letter of transmittal; or
- o a transfer tax is imposed for any reason other than the exchange of unregistered senior securities under the exchange offer.

If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

## DESCRIPTION OF SENIOR SECURITIES

### General

We issued the unregistered senior securities and will issue the exchange senior securities under the Indenture, dated as of May 15, 1995, among us, our wholly owned subsidiary, Viacom International, as guarantor, and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, Trustee. The Indenture was supplemented by the First Supplemental Indenture, dated as of May 24, 1995, was supplemented and amended by the Second Supplemental Indenture and Amendment No.1, dated as of December 15, 1995, was supplemented by the Third Supplemental Indenture, dated as of July 22, 1996, was supplemented by the Fourth Supplemental Indenture, dated as of August 1, 2000, was supplemented by a Fifth Supplemental Indenture, dated as of January 17, 2001, was supplemented, in connection with the issuance of the unregistered senior securities, by the Sixth Supplemental Indenture, dated as of May 17, 2001 and was supplemented by the Seventh Supplemental Indenture, dated as of May 31, 2001. We refer to the Indenture, as so supplemented and amended, as the "Indenture."

The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except that the exchange senior securities have been registered under the Securities Act of 1933, the certificates for the exchange senior securities will not bear legends restricting their transfer and the exchange senior securities will not have registration rights or any rights to additional interest.

The senior securities initially are limited to \$1,400,000,000 principal amount, consisting of \$400,000,000 principal amount of 2006 senior notes and \$1,000,000,000 principal amount of 2011 senior notes. The unregistered 2006 senior notes will be, upon their exchange for exchange 2006 senior notes registered under the Securities Act, a further issuance of our 6.40% senior notes due 2006, \$396,925,000 of which were issued on March 19, 2001.

Each exchange senior security will bear interest at the applicable annual rate noted on the cover page of this prospectus. Interest will be payable on the senior notes due 2006 on January 30 and July 30 of each year beginning on July 30, 2001 and will be computed on the basis of a 360-day year of 30-day months. Interest on the senior notes due 2006 will accrue from and including the settlement date and will be paid to holders of record on the July 15 or January 15 immediately before the interest payment date. Interest will be payable on the senior notes due 2011 on May 15 and November 15 of each year, beginning on November 15, 2001, and will be computed on the basis of a 360-day year of 30-day months. Interest on the senior notes due 2011 will accrue from and including the settlement date and will be paid to holders of record on May 1 or November 1 immediately before the interest payment date. Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer.

The 2006 senior notes will mature on January 30, 2006. The 2011 senior notes will mature on May 15, 2011. On the maturity dates of the senior securities, the holders will be entitled to receive 100% of the principal amount of the applicable exchange senior securities. We may redeem the 2011 senior notes at any time at their principal amount, plus the applicable premium and accrued interest. The senior securities do not provide for any sinking fund.

The senior securities are issued in denominations of not less than \$1,000 and integral multiples thereof.

Viacom's rights and the rights of its creditors, including holders of senior securities, to participate in any distribution of assets of any Viacom subsidiary upon its liquidation or reorganization or otherwise is subject to the prior claims of creditors of the subsidiary, except to the extent that Viacom's claims as a creditor of the subsidiary may be recognized.

#### Guarantees

Viacom International will unconditionally guarantee the due and punctual payment of the principal of, premium, if any, and any interest on the senior securities when and as the same shall become due and payable, whether at maturity, upon redemption, upon acceleration or otherwise. The guarantees of the senior securities are endorsed on the senior securities.

Various federal and state fraudulent conveyance laws have been enacted for the protection of creditors and may be utilized by a court of competent jurisdiction to subordinate or avoid all or part of any guarantee issued by Viacom International. The Indenture provides that in the event that the guarantees would constitute or result in a fraudulent transfer or conveyance for purposes of, or result in a violation of, any United States federal, or applicable United States state, fraudulent transfer or conveyance or similar law, then the liability of Viacom International under the guarantees shall be reduced to the extent necessary to eliminate such fraudulent transfer or conveyance or violation under the applicable fraudulent transfer or conveyance or similar law. Application of this clause could limit the amount which holders of senior securities may be entitled to collect under the guarantees. Holders, by their acceptance of the senior securities, will have agreed to such limitations.

To the extent that a court were to find that (x) a guarantee was incurred by Viacom International with the intent to hinder, delay or defraud any present or future creditor or (y) Viacom International did not receive fair consideration or reasonably equivalent value for issuing its guarantee and Viacom International (i) was insolvent or rendered insolvent by reason of the issuance of the guarantee, (ii) was engaged or about to engage in a business or transaction for which the remaining assets of Viacom International constituted unreasonably small capital to carry on its business or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured, the court could subordinate or avoid all or part of such guarantee in favor of Viacom International's other creditors. To the extent any guarantee issued by Viacom International were voided as a fraudulent conveyance or held unenforceable for any other reason, the holders of the senior securities guaranteed by Viacom International could cease to have any claim against Viacom International and would be creditors solely of Viacom.

We and Viacom International believe that the issuances of the guarantees by Viacom International are not fraudulent conveyances. There can be no assurance, however, that a court passing on such questions would reach the same conclusions. In rendering their opinions on the validity of the senior securities and, if applicable, the related guarantees, neither our counsel, counsel for Viacom International nor counsel for the initial purchasers of the unregistered senior securities will express any opinion as to federal or state laws relating to fraudulent transfers.

#### Ranking

The senior securities are senior unsecured obligations of Viacom and rank equally in right of payment with all of Viacom's other unsecured and unsubordinated indebtedness. The guarantees on the

senior securities are senior unsecured obligations of Viacom International and rank equally in right of payment with all of Viacom International's other unsecured and unsubordinated indebtedness.

The senior securities and the guarantees are effectively subordinated to any secured indebtedness of Viacom or Viacom International, as the case may be, to the extent of the value of the assets securing such indebtedness. The Indenture does not limit the amount of debt that Viacom, Viacom International or their respective subsidiaries can incur.

In addition, both Viacom International and Viacom conduct their operations through subsidiaries, which generate a substantial portion of their respective operating income and cash flow. As a result, distributions or advances from subsidiaries of Viacom and Viacom International are a major source of funds necessary to meet their respective debt service and other obligations. Contractual provisions, laws or regulations, as well as our subsidiaries' financial condition and operating requirements, may limit the ability of Viacom or Viacom International to obtain cash required to pay Viacom's debt service obligations, including payments on the senior securities, or Viacom International's payment obligations under the guarantees. The senior securities will be structurally subordinated to all obligations of Viacom's subsidiaries (other than Viacom International) including claims with respect to trade payables. The guarantees will be structurally subordinated to all obligations of Viacom International's subsidiaries, including claims with respect to trade payables. This means that holders of the senior securities of Viacom will have a junior position to the claims of creditors of Viacom's subsidiaries (other than Viacom International) on the assets and earnings of such subsidiaries. Holders of guarantees of Viacom International will have a junior position to the claims of creditors of Viacom International's subsidiaries on the assets and earnings of such subsidiaries and will have no claim by virtue of such guarantees against Viacom or any subsidiary of Viacom that is not a subsidiary of Viacom International.

As of March 31, 2001, our subsidiaries, other than Viacom International, had approximately \$2.3 billion of indebtedness outstanding. This indebtedness was primarily incurred by Infinity and its subsidiaries and Blockbuster. We own several operating subsidiaries, including Viacom International, the guarantor of the senior securities, Infinity and Blockbuster. Viacom International is a wholly owned subsidiary of Viacom, with approximately \$766 million of indebtedness outstanding as of March 31, 2001. Viacom International's subsidiaries had approximately \$1.4 billion of indebtedness outstanding as of March 31, 2001.

#### Optional Redemption

Prior to maturity, we may redeem the 2011 senior notes at any time, at our option, in whole or in part, on not less than 30 nor more than 60 days' prior notice, prior to their maturity at a redemption price equal to the sum of their principal amount, the Make-Whole Amount described below and any accrued and unpaid interest to the date of redemption. Holders of record on a record date that is on or prior to a redemption date will be entitled to receive interest due on the interest payment date.

The term "Make-Whole Amount" means, the excess, if any, of (i) the aggregate present value as of the date of the redemption of principal being redeemed and the amount of interest (exclusive of interest accrued to the date of redemption) that would have been payable if redemption had not been made, determined by discounting, on a semiannual basis, the remaining principal and interest at the Reinvestment Rate described below (determined on the third business day preceding the date notice of redemption is given) from the dates on which the principal and interest would have been payable if the redemption had not been made, to the date of redemption, over (ii) the aggregate principal amount of the 2011 senior notes being redeemed.



The term "Reinvestment Rate" means 0.25% for the 2011 senior notes plus the arithmetic mean of the yields under the heading "Week Ending" published in the most recent Federal Reserve Statistical Release H.15 under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding to the remaining life to maturity, as of the payment date of the principal being redeemed or paid. If no maturity exactly corresponds to the maturity, yields for the two published maturities most closely corresponding to the maturity would be so calculated and the Reinvestment Rate would be interpolated or extrapolated on a straight-line basis, rounding to the nearest month. The most recent Federal Reserve Statistical Release H.15 published prior to the date of determination of the Make-Whole Amount will be used for purposes of calculating the Reinvestment Rate.

The Make-Whole Amount will be calculated by an independent investment banking institution of national standing appointed by us. If we fail to make the appointment at least 45 business days prior to the date of redemption, or if the institution is unwilling or unable to make the calculation, the calculation will be made by an independent investment banking institution of national standing appointed by the Trustee.

If the Reinvestment Rate is not available as described above, the Reinvestment Rate will be calculated by interpolation or extrapolation of comparable rates selected by the independent investment banking institution.

In the case of any partial redemption, selection of the 2011 senior notes for redemption will be made by the Trustee in compliance with the requirements of the principal U.S. national securities exchange, if any, on which the 2011 senior notes are listed or, if they are not listed on a U.S. national securities exchange, by lot or by such other method as the Trustee in its sole discretion deems to be fair and appropriate. The Luxembourg Stock Exchange has no such requirements.

#### Further Issues

We may from time to time without notice to, or the consent of, the holders of a series of senior securities, create and issue further senior securities of the same series, equal in rank to the senior securities in all respects (or in all respects except for the payment of interest accruing prior to the issue date of the new securities or except for the first payment of interest following the issue date of the new securities) so that the new securities may be consolidated and form a single series with the relevant series of senior securities and have the same terms as to status, redemption or otherwise as the relevant series of senior securities. In the event that we issue additional senior securities of the same series, we will prepare a new offering memorandum or prospectus and make a new application to list such securities on the Luxembourg Stock Exchange.

#### Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the senior securities such additional amounts as are necessary in order that the net payment by us or a paying agent of the principal of and interest on the senior securities to a holder who is a non-United States person (as defined under this heading below), after deduction for any present or future tax, assessment or other governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount provided in the series of senior securities to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

- (1) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder, or a fiduciary, settlor, beneficiary, member or shareholder of the holder if

the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been present or engaged in a trade or business in the United States or having had a permanent establishment in the United States;

(b) having a current or former relationship with the United States, including a relationship as a citizen or resident thereof;

(c) being or having been a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of ours as defined in Section 871(h)(3) of the Code (as defined in "United States Tax Considerations") or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of a senior security, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that is imposed or withheld by reason of the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States, or otherwise with respect to the status, of the holder or beneficial owner of such senior security (or any beneficiary, settlor, beneficial owner or member thereof), if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party, or by any official interpretation or ruling promulgated pursuant to any of the foregoing, as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or similar tax, assessment or other governmental charge;

(7) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any senior security, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of items (1), (2), (3), (4), (5), (6) and (7).

The senior securities are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Except as specifically provided under this heading "Payment of Additional Amounts" and under the heading "Redemption for Tax Reasons," we shall not be required to make any payment with respect to any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

We will also not pay additional amounts on the senior securities

- o where withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of November 26 and 27, 2000 or any law implementing or complying with, or introduced in order to conform to, that Directive; or
- o presented for payment by or on behalf of a beneficial owner who would have been able to avoid the withholding or deduction by presenting the relevant global note to another paying agent in a member state of the European Union.

The European Union is currently considering a proposal for a new directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that member states of the European Union will be required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other member state, subject to the right of certain member states to opt instead for a withholding system for a transitional period in relation to these payments and subject to the proposals not being required to be applied to the global notes.

As used under this heading, "--Payment of Additional Amounts", and under the headings, "--Redemption for Tax Reasons" and "United States Tax Considerations", the terms "United States" and "U.S." mean the United States of America (including the States thereof and the District of Columbia) and its territories, its possessions and other areas subject to its jurisdiction, and the term "United States person" means any individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States, any State thereof or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable United States Treasury regulations), any estate the income of which is subject to United States federal income taxation regardless of its source, or any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust. Notwithstanding the preceding sentence, to the extent provided in the Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to such date that elect to continue to be treated as United States persons, will also be United States persons. A "non-United States person" means a person who is not a United States person.

#### Redemption for Tax Reasons

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the date of this prospectus, we become or, based upon a written opinion of

independent counsel selected by us, will become obligated to pay additional amounts as described herein under the heading "Payment of Additional Amounts" with respect to a series of senior securities, we may, at our option, redeem, as a whole, but not in part, the relevant series of senior securities on not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of their principal amount together with interest accrued but unpaid thereon to the date fixed for redemption.

#### Merger, Consolidation or Sale of Assets

Under the terms of the Indenture, we and Viacom International generally would be permitted to consolidate or merge with another corporation. We and Viacom International would also be permitted to sell all or substantially all of our assets to another person. However, neither we nor Viacom International may take any of these actions unless all the following conditions are met:

- (1) the merger, consolidation or sale of assets must not cause an Event of Default. See "--Defaults and Remedies" below. An Event of Default for this purpose would also include any event that would be an Event of Default if the notice or time requirements were disregarded;
- (2) the person we would merge or consolidate with or sell all or substantially all of our assets to must be organized under the laws of the United States or any state thereof;
- (3) the person we would merge or consolidate with or sell all or substantially all of our assets to must agree to be legally responsible for the outstanding securities issued under the Indenture; and
- (4) we or Viacom International must deliver specified certificates and documents to the trustee.

We and Viacom International may merge or consolidate with, or sell all or substantially all of our assets to each other or any of our Subsidiaries.

When we make reference in this section to the sale of "all or substantially all of our assets," we mean property and assets generating revenues representing, in the aggregate, at least 80% of our total consolidated revenues.

#### Limitations on Liens

We covenant in the Indenture that we will not create, assume or permit any Lien on any of our properties or assets, unless we secure the senior securities at least equally and ratably to the secured Indebtedness. The foregoing only applies to Liens that in the aggregate exceed 15% of our total consolidated assets, reduced by the Attributable Debt related to any permitted sale leaseback arrangement. See "--Limitations on Sale and Leaseback Transactions" below. The restrictions do not apply to Capitalized Leases or Indebtedness that is secured by:

- (1) Liens existing, in the case of the 2006 senior notes, on January 17, 2001, and in the case of the 2011 senior notes, on May 17, 2001;
- (2) Liens on any property or any Indebtedness of a person existing at the time the person becomes a Subsidiary (whether by acquisition, merger or consolidation);
- (3) Liens in favor of us or our Subsidiaries; and

(4) Liens existing at the time of acquisition of the assets secured thereby and purchase money Liens.

The restrictions do not apply to extensions, renewals or replacements of any of the foregoing types of Liens.

#### Limitations on Sale and Leaseback Transactions

We covenant in the Indenture that neither we nor any Restricted Subsidiary will enter into any arrangement with any person to lease a Principal Property (except for any arrangements that exist, in the case of the 2006 senior notes, on January 17, 2001 and, in the case of the 2011 senior notes, on May 17, 2001; or that exist at the time any person that owns a Principal Property becomes a Restricted Subsidiary) which has been or is to be sold by us or the Restricted Subsidiary to the Person unless:

(1) the sale and leaseback arrangement involves a lease for a term of not more than three years;

(2) the sale and leaseback arrangement is entered into between us and any Subsidiary or between our Subsidiaries;

(3) we or the Restricted Subsidiary would be entitled to incur indebtedness secured by a Lien on the Principal Property at least equal in amount to the Attributable Debt permitted pursuant to the first paragraph under "--Limitations on Liens" without having to secure equally and ratably the senior securities;

(4) the proceeds of the sale and leaseback arrangement are at least equal to the fair market value (as determined by our Board of Directors in good faith) of the property and we apply within 180 days after the sale an amount equal to the greater of the net proceeds of the sale or the Attributable Debt associated with the property to (i) the retirement of long-term debt for borrowed money that is not subordinated to the senior securities and that is not debt to us or a Subsidiary, or (ii) the purchase or development of other comparable property; or

(5) the sale and leaseback arrangement is entered into within 180 days after the initial acquisition of the Principal Property subject to the sale and leaseback arrangement.

The term "Attributable Debt," with regard to a sale and leaseback arrangement of a Principal Property, is defined in the Indenture as an amount equal to the lesser of: (a) the fair market value of the property (as determined in good faith by our Board of Directors); and (b) the present value of the total net amount of rent payments to be made under the lease during its remaining term, discounted at the rate of interest set forth or implicit in the terms of the lease, compounded semi-annually. The calculation of the present value of the total net amount of rent payments is subject to adjustments specified in the Indenture. The term "Principal Property" is defined in the Indenture to include any parcel of our or our Restricted Subsidiaries' real property and related fixtures or improvements located in the United States, the aggregate book value of which on the date of determination exceeds \$1.0 billion. The term "Principal Property" does not include any telecommunications equipment or parcels of real property and related fixtures or improvements which are determined in good faith by our Board of Directors, not to be of material importance to our and our Subsidiaries' total business. As of the date of this prospectus, neither we nor any of our Subsidiaries own any Principal Property.

#### Defaults and Remedies

You have specified rights if an Event of Default occurs in respect of the senior securities of your series, as described below. The term "Event of Default" in respect of the senior securities of your series means any of the following:

- (1) we do not pay interest on a senior security of such series within 30 days of its due date;
- (2) we do not pay the principal of or any premium on a senior security of such series on its due date;
- (3) we remain in breach of a covenant or warranty in respect of the Indenture for 60 days after we receive a written notice of default. The notice must be sent by either the trustee or holders of at least 25% in principal amount of a series of outstanding senior securities;
- (4) we are in default under agreements under which we have Indebtedness outstanding in excess of \$250 million in the aggregate and which Indebtedness is due either at maturity or has been declared due prior to maturity and remains unpaid;
- (5) we fail to pay a money judgment in excess of \$250 million for a period of 60 days after it becomes final and not subject to further appeal; or
- (6) we or Viacom International file for bankruptcy, or other specified events of bankruptcy, insolvency or reorganization occur.

If an Event of Default has occurred, the trustee or the holders of at least 25% in principal amount of the senior securities of the affected series may declare the entire principal amount and premium, if any, and all the accrued interest on, the senior securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. There is no action on the part of the trustee or any holder of senior securities required for such declaration if the Event of Default is a bankruptcy, insolvency or reorganization. Holders of a majority in principal amount of the senior securities of a series may also waive certain past defaults under the Indenture on behalf of all of the holders of such series of senior securities. A declaration of acceleration of maturity may be canceled, under specified circumstances, by the holders of at least a majority in principal amount of a series of senior securities.

Except in cases of default, where the trustee has special duties, the trustee is not required to take any action under the Indenture at the request of holders unless the holders offer the trustee reasonable protection from expenses and liability satisfactory to the trustee. If a reasonable indemnity is provided, the holders of a majority in principal amount of a series of senior securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. The trustee may refuse to follow those directions in specified circumstances. No delay or omission in exercising any right or remedy will be treated as a waiver of the right, remedy or Event of Default.

Before holders are allowed to bypass the trustee and bring a lawsuit or other formal legal action or take other steps to enforce their rights or protect their interests relating to the senior securities, the following must occur:

- o holders must give the trustee written notice that an Event of Default has occurred and remains uncured;

- o holders of at least 25% in principal amount of the outstanding senior securities of a series must make a written request that the trustee take action because of the default and must offer the trustee indemnity satisfactory to the trustee against the cost and other liabilities of taking that action;
- o the trustee must have failed to take action for 60 days after receipt of the notice and offer of indemnity; and
- o holders of a majority in principal amount of the senior securities of a series must not have given the trustee a direction inconsistent with the above notice.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your senior securities on or after the due date.

We are required to furnish to the trustee an annual statement as to our performance of our obligations under the Indenture and as to any default in such performance. We are also required to notify the trustee of any event that is, or after notice or lapse of time or both would become, an Event of Default.

#### Book Entry, Delivery and Form

Each series of senior securities will be issued in one or more fully registered global securities which will be deposited with, or on behalf of, The Depository Trust Company, New York, New York (the "Depository") and registered in the name of Cede & Co., the Depository's nominee. We will not issue senior securities in certificated form. Beneficial interests in the global securities will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depository (the "Depository Participants"). Investors may elect to hold interests in the global securities through either the Depository (in the United States), or Clearstream Luxembourg or Euroclear (in Europe) if they are participants in those systems, or, indirectly, through organizations that are participants in those systems. Clearstream Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream Luxembourg's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the Depository. At the present time, Citibank, N.A. acts as U.S. depository for Clearstream Luxembourg and The Chase Manhattan Bank acts as U.S. depository for Euroclear (the "U.S. Depositories"). Beneficial interests in the global securities will be held in denominations of \$1,000 and integral multiples thereof. Except as set forth below, the global securities may be transferred, in whole but not in part, only to another nominee of the Depository or to a successor of the Depository or its nominee.

Clearstream Luxembourg has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream Luxembourg holds securities for its participating organizations ("Clearstream Luxembourg Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Luxembourg Participants through electronic book-entry changes in accounts of Clearstream Luxembourg Participants, thereby eliminating the need for physical movement of certificates. Clearstream Luxembourg provides to Clearstream Luxembourg Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Luxembourg Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the initial purchasers or their affiliates. Indirect access to Clearstream Luxembourg is also available to others, such as banks,

brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a Clearstream Luxembourg Participant either directly or indirectly.

Distributions with respect to each series of senior securities held beneficially through Clearstream Luxembourg will be credited to cash accounts of Clearstream Luxembourg Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream Luxembourg.

Euroclear has advised us that it was created in 1968 to hold securities for its participants ("Euroclear Participants") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. The Euroclear System is owned by Euroclear Clearance System Public Limited Company (ECS plc) and operated through a license agreement by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium as the "Euroclear operator".

The Euroclear operator holds securities and book-entry interests in securities for participating organizations and facilitates the clearance and settlement of securities transactions between Euroclear Participants, and between Euroclear Participants and participants of certain other securities intermediaries through electronic book-entry changes in accounts of such participants or other securities intermediaries.

The Euroclear operator provides Euroclear Participants, among other things, with safekeeping, administration, clearance and settlement, securities lending and borrowing, and related services.

Non-participants of Euroclear may hold and transfer book-entry interests in the securities through accounts with a direct participant of Euroclear or any other securities intermediary that holds a book-entry interest in the securities through one or more securities intermediaries standing between such other securities intermediary and the Euroclear operator.

The Euroclear operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of, or relationship with, persons holding through Euroclear Participants.

Distributions with respect to each series of senior securities held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

#### Global Clearance and Settlement Procedures

Secondary market trading between Depository Participants will occur in the ordinary way in accordance with the Depository's rules and will be settled in immediately available funds using the Depository's Same-Day Funds Settlement System. Secondary market trading between Clearstream Luxembourg Participants and Euroclear Participants will occur in the ordinary way in accordance with the



applicable rules and operating procedures of Clearstream Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through the Depository on the one hand, and directly or indirectly through Clearstream Luxembourg or Euroclear Participants, on the other, will be effected within the Depository in accordance with the Depository's rules on behalf of the relevant European international clearing system by its U. S. Depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time).

The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U. S. Depository to take action to effect final settlement on its behalf by delivering or receiving senior securities in the Depository, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to the Depository. Clearstream Luxembourg Participants and Euroclear Participants may not deliver instructions directly to their respective U.S. Depositories.

Because of time-zone differences, credits of senior securities received in Clearstream Luxembourg or Euroclear as a result of a transaction with a Depository Participant will be made during subsequent securities settlement processing and dated the business day following the Depository settlement date. Such credits, or any transactions in the senior securities settled during such processing, will be reported to the relevant Euroclear Participants or Clearstream Luxembourg Participants on that business day. Cash received in Clearstream Luxembourg or Euroclear as a result of sales of senior securities by or through a Clearstream Luxembourg Participant or a Euroclear Participant to a Depository Participant will be received with value on the business day of settlement in the Depository but will be available in the relevant Clearstream Luxembourg or Euroclear cash account only as of the business day following settlement in the Depository.

Although the Depository, Clearstream Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of securities among participants of the Depository, Clearstream Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and they may discontinue the procedures at any time.

#### Payment and Paying Agents

Principal of, premium, if any, and interest on the senior securities will be payable, subject to any applicable laws and regulations, at the office of our paying agent or paying agents that we may designate from time to time, except that at our option, payment of interest may be made by check mailed to the address of the person entitled thereto at the address in the security register. We will pay interest on the senior securities on any interest payment date to the person in whose name the senior security (or predecessor senior security) is registered at the close of business on the regular record date for such interest.

The corporate trust office of the trustee will be designated as our paying agent for payments with respect to the senior securities of each series. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that we will be required to maintain a paying agent in each place of payment for the series.

Any money paid by us or Viacom International, as guarantor, to a paying agent for the payment of the principal of, premium, if any, or interest on any senior security of any series that remains unclaimed at the end of two years after such principal, premium or interest has become due and payable will be repaid to us or Viacom International, as guarantor, as the case may be, and the holder of such senior security may thereafter look only to us and Viacom International for that payment.

#### Meetings, Modification and Waiver

Modifications and amendments of the Indenture may be made by us, Viacom International, as guarantor, and the trustee with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding senior securities of each series affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the holders of each outstanding senior security affected thereby, (a) change the stated maturity of the principal of, or any installment of principal of or interest on, any senior security or the terms of any sinking fund or analogous payment with respect to any senior security, (b) reduce the principal amount of, or premium or interest on, any senior security, (c) change our obligation to pay additional amounts, (d) reduce the amount of principal of an original issue discount senior security payable upon acceleration of the maturity thereof or provable in bankruptcy, (e) change the place of payment where, or the coin or currency in which, any senior security or any premium or interest thereon is payable, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any senior security, (g) reduce the percentage in principal amount of outstanding senior securities of any series, the consent of whose holders is required for modification or amendment of the Indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults, (h) reduce the requirements contained in the Indenture for quorum or voting, (i) change our obligation to maintain an office or agency in the places and for the purposes required by the Indenture, or (j) reduce the obligations of Viacom International, if any, in respect of the due and punctual payment of any principal of, premium or interest on any senior security or any additional amounts in respect thereof.

The holders of at least a majority in aggregate principal amount of the outstanding senior securities of a series may, on behalf of the holders of all the senior securities of that series, waive, insofar as that series is concerned, our compliance with specified provisions of the Indenture. The holders of not less than a majority in aggregate principal amount of the outstanding senior securities of a series may, on behalf of all holders of senior securities of that series, waive any past default under the Indenture with respect to senior securities of that series, except a default (a) in the payment of principal of or any premium or interest on any senior security of such series or (b) in respect of any other provision of the Indenture that cannot be modified or amended without the consent of the holder of each outstanding senior security of such series affected thereby.

The Indenture provides that, in determining whether the holders of the requisite principal amount of the outstanding senior securities have given any request, demand, authorization, direction, notice, consent or waiver thereunder or are present at a meeting of holders of senior securities for quorum purposes, the principal amount of an original issue discount senior security that shall be deemed to be outstanding shall be the amount that would be due and payable as of the date of such determination upon acceleration of the maturity thereof.

The Indenture contains provisions for convening meetings of the holders of senior securities of any or all series. A meeting may be called at any time by the trustee, and also, upon request, by us or the holders of at least 33 1/3% in aggregate principal amount of the outstanding senior securities of such series, in any such case upon notice given in accordance with "Notices" below. Except for any consent that must be given by the holder of each outstanding senior security affected thereby, as described above, any resolution presented at a meeting or adjourned meeting at which a quorum is present may be adopted

by the affirmative vote of the holders of a majority in principal amount of the outstanding senior securities of that series; provided, however, that, except for any consent that must be given by the holder of each outstanding senior security affected thereby, as described above, any resolution with respect to any consent, waiver, request, demand, notice, authorization, direction or other action that may be made, given or taken by the holders of not less than a specified percentage in principal amount of the outstanding senior securities of a series may be adopted at a meeting or an adjourned meeting at which a quorum is present only by the affirmative vote of the holders of not less than such specified percentage in principal amount of the outstanding senior securities of that series. Any resolution passed or decision taken at any meeting of holders of senior securities of any series duly held in accordance with the Indenture will be binding on all holders of senior securities of that series. The quorum at any meeting called to adopt a resolution, and at any adjourned meeting, will be persons holding or representing a majority in principal amount of the outstanding senior securities of a series; provided, however, that, if any action is to be taken at such meeting with respect to a consent, waiver, request, demand, notice, authorization, direction or other action that may be given by the holders of not less than a specified percentage in principal amount of the outstanding senior securities of a series, the persons holding or representing such specified percentage in principal amount of the outstanding senior securities of such series will constitute a quorum.

#### Defeasance and Covenant Defeasance

We may elect either (i) to defease and be discharged (and, if applicable, to have Viacom International defeased and discharged) from any and all obligations with respect to the senior securities (except as otherwise provided in the Indenture) ("defeasance") or (ii) to be released from our obligations with respect to certain covenants that are described in the Indenture ("covenant defeasance"), upon the deposit with the trustee, in trust for such purpose, of money and/or specified government obligations that through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of, premium, if any and interest on the senior securities of such series to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous senior payments thereon. As a condition to defeasance or covenant defeasance, we must deliver to the trustee an opinion of counsel to the effect that the holders of the senior securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under clause (i) above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the Indenture.

We may exercise our defeasance option with respect to the senior securities of any series notwithstanding our prior exercise of our covenant defeasance option. If we exercise our defeasance option, payment of the senior securities of such series may not be accelerated because of an event of default and the guarantees relating to such senior securities will cease to exist. If we exercise our covenant defeasance option, payment of the senior securities of such series may not be accelerated by reference to any covenant from which we are released as described under clause (ii) above. However, if acceleration were to occur for other reasons, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on the senior securities of such series, in that the required deposit in the defeasance trust is based upon scheduled cash flows rather than market value, which will vary depending upon interest rates and other factors.

#### Notices

Notices to holders of senior securities will be given by mail to the addresses of such holders as they appear in the security register.

#### Title

We, Viacom International, as guarantor, the trustee and any agent of us, Viacom International, as guarantor, or the trustee may treat the registered owner of any registered senior security as the absolute owner thereof (whether or not the senior security shall be overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes.

#### Replacement of Senior Securities

We will replace any mutilated senior security at the expense of the holders upon surrender to the trustee. We will replace senior securities that become destroyed, lost or stolen at the expense of the holder upon delivery to the trustee of satisfactory evidence of the destruction, loss or theft thereof. In the event of a destroyed, lost or stolen senior security, an indemnity or security satisfactory to us and the trustee may be required at the expense of the holder of the senior security before a replacement senior security will be issued.

#### Governing Law

The Indenture, the senior securities and the guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

#### Regarding the Trustee

We and Viacom International maintain deposit accounts and banking and borrowing relations with Citibank, N.A., the trustee under the Indenture, and such trustee is currently a lender to us and Viacom International and certain of our other subsidiaries. We may remove the trustee at any time with respect to the senior securities of any series, provided that we immediately appoint a successor trustee meeting the requirements for trustees specified in the Indenture and provided further that no default with respect to such senior securities has occurred and is continuing.

#### Certain Definitions

The following definitions are applicable to the Indenture:

"Capitalized Lease" means any obligation of a person to pay rent or other amounts incurred with respect to real property or equipment acquired or leased by such person and used in its business that is required to be recorded as a capital lease in accordance with generally accepted accounting principles consistently applied as in effect from time to time.

"Indebtedness" of any person means, without duplication (i) any obligation of such person for money borrowed, (ii) any obligation of such person evidenced by bonds, debentures, notes or other similar instruments, (iii) any reimbursement obligation of such person in respect of letters of credit or other similar instruments which support financial obligations which would otherwise become Indebtedness, (iv) any obligation of such person under Capitalized Leases (other than in respect of (x) telecommunications equipment including, without limitation, satellite transponders, and (y) theme park equipment and attractions), and (v) any obligation of any third party to the extent secured by a Lien on the assets of such person; provided, however, that "Indebtedness" of such person shall not include any obligation of such person (a) to any Subsidiary of such person or to any person with respect to which such

person is a Subsidiary or (b) specifically with respect to the production, distribution or acquisition of motion pictures or other programming rights, talent or publishing rights. When used with respect to Viacom, the term "Indebtedness" also includes any obligation of Viacom International specified in clauses (i) through (v) above to the extent that said Indebtedness is guaranteed by Viacom.

"Lien" means any pledge, mortgage, lien, encumbrance or other security interest.

"Restricted Subsidiary" means a corporation all of the outstanding voting stock of which is owned, directly or indirectly, by Viacom or by one or more of its Subsidiaries, or by Viacom and one or more of its Subsidiaries, which is incorporated under the laws of a State of the United States, and which owns a Principal Property.

"Subsidiary" of any person means (i) a corporation a majority of the outstanding voting stock of which is at the time, directly or indirectly, owned by such person, by one or more Subsidiaries of such person, or by such person and one or more Subsidiaries thereof or (ii) any other person (other than a corporation), including, without limitation, a partnership or joint venture, in which such person, one or more Subsidiaries thereof, or such person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other persons performing similar functions).

## UNITED STATES TAX CONSIDERATIONS

This description is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), administrative pronouncements, judicial decisions and existing and proposed Treasury Regulations, and interpretations of the foregoing, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. These statements address only the tax consequences to holders holding senior securities as capital assets within the meaning of Section 1221 of the Code. They do not discuss all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as certain financial institutions, insurance companies, dealers in securities or foreign currencies, United States Holders (as defined below) whose functional currency (as defined in Code Section 985) is not the U.S. dollar, persons holding senior securities in connection with a hedging transaction, "straddle", conversion transaction or other integrated transaction, traders in securities that elect to mark to market, holders liable for alternative minimum tax or persons who have ceased to be United States citizens or to be taxed as resident aliens. Persons considering the purchase of the senior securities should consult their tax advisors concerning the application of United States federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

As used in this section, a "United States Holder" means a beneficial owner of senior securities that is for United States federal income tax purposes a holder that is a United States person (as defined in "Description of Senior Securities--Payment of Additional Amounts").

As used in this section, the term "United States Alien Holder" means a beneficial owner of senior securities that is, for United States federal income tax purposes:

- o a nonresident alien individual;
- o a foreign corporation;
- o a nonresident alien fiduciary of a foreign estate or trust; or
- o a foreign partnership one or more of the members of which is a nonresident alien individual, a foreign corporation or a nonresident alien fiduciary of a foreign estate or trust.

### Exchange Offer

The exchange of unregistered senior securities for exchange senior securities pursuant to the exchange offer will not be a taxable event for United States federal income tax purposes. Accordingly, a holder will not recognize taxable gain or loss as a result of such exchange and will have the same adjusted tax basis and holding period in the exchange senior securities as such holder had in the unregistered senior securities immediately before the exchange.

### Tax Consequences to United States Holders

#### Payments of Interest

Interest on senior securities will generally be taxable to a United States Holder as ordinary interest income at the time it accrues or is received in accordance with the United States Holder's method of accounting for federal income tax purposes.

#### Sale, Exchange or Retirement

Upon the sale, exchange or retirement of senior securities, a United States Holder will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement of the senior securities and such holder's adjusted tax basis in the senior securities. A United States Holder's adjusted tax basis in senior securities will equal the cost of the senior securities to such holder, subject to possible reduction by amortized bond premium. The amount realized excludes any amounts attributable to unpaid interest accrued between interest payment dates and not previously included in income, which will be taxable as ordinary income. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange or retirement the senior securities have been held for more than one year. Under current laws, the excess of the taxpayer's net long-term capital gains over net short-term capital losses is taxed at a lower rate than ordinary income for certain non-corporate taxpayers. The distinction between capital gain or loss and ordinary income or loss is also relevant for purposes of, among other things, the limitations on the deductibility of capital losses.

#### Amortizable Bond Premium

In general, if a United States Holder purchases a senior security at a premium (that is, for an amount in excess of the amount payable upon the maturity thereof), such holder will be considered to have purchased such senior security with "amortizable bond premium" equal to the amount of such excess. Such holder may elect to amortize such bond premium as an offset to interest income, and not as a separate deduction item, as it accrues under a constant-yield method over the remaining term of the senior security. Such holder's tax basis in the senior security will be reduced by the amount of the amortized bond premium. Any such election shall apply to all debt instruments (other than instruments the interest on which is excludible from gross income) held by the United States Holder at the beginning of the first taxable year for which the election applies or thereafter acquired and is irrevocable without the consent of the Internal Revenue Service. Bond premium on senior securities held by a United States Holder who does not elect to amortize the premium will decrease the gain or increase the loss otherwise recognized on the disposition of the senior securities.

#### Market Discount

If a United States Holder purchases a senior security for less than its principal amount, the difference will be treated as a "market discount" for U.S. federal income tax purposes subject to a de minimus exception.

Under the market discount rules, a United States Holder will be required to treat any principal payment on a senior security, or any gain on its sale, exchange, retirement or other disposition, as ordinary income to the extent of the accrued market discount which was not previously included in gross income. If the senior security is disposed of in a non-taxable transaction (other than a nonrecognition transaction described in section 1276 of the Code), accrued market discount will be taxable to the United States Holder as ordinary income as if the United States Holder had sold the senior security at its fair market value. In addition, a United States Holder may be required to defer, until the maturity of a senior security or its earlier disposition (including a non-taxable transaction other than a transaction described in section 1276 of the Code), the deduction of all or a portion of the interest expense in respect of any indebtedness incurred or continued to purchase or carry the senior security. Market discount will be considered to accrue on a straight-line basis during the period from the date of acquisition to the maturity date of the senior security, unless the United States Holder elects to accrue on a constant-yield basis.

A United States Holder may elect to include market discount in income as it accrues --on either a ratable or constant-yield basis. If a United States Holder makes this election, the rules regarding the

treatment of gain upon the disposition of the senior security and upon the receipt of principal payments as ordinary income and regarding the deferral of interest deductions will not apply. If a United States Holder elects to include market discount in income as it accrues, the election will apply to all market discount obligations acquired during or after the first taxable year to which the election applies. This election may not be revoked without the consent of the Internal Revenue Service.

#### Tax Consequences to United States Alien Holders

Under present United States federal tax law, and subject to the discussion below concerning backup withholding:

(a) payments of principal, interest and premium on the senior securities by Viacom or its paying agent to any United States Alien Holder will be exempt from the 30% United States federal withholding tax, provided that (i) such holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of stock of Viacom entitled to vote, (ii) such holder is not a controlled foreign corporation related, directly or indirectly, to Viacom through stock ownership, and (iii) the requirement to certify such holder's non-U.S. status, as set forth in section 871(h) or section 881(c) of the Code, has been fulfilled with respect to the beneficial owner, as discussed below;

(b) a United States Alien Holder of senior securities will not be subject to United States federal income tax on gain realized on the sale, exchange or retirement of such senior securities, unless (i) such holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition, and either the gain is attributable to an office or other fixed place of business maintained by such individual in the United States or, generally, such individual has a "tax home" in the United States or (ii) such gain is effectively connected with such holder's conduct of a trade or business in the United States (and, if an income tax treaty applies, generally is attributable to a U.S. "permanent establishment" maintained by such holder); and

(c) senior securities held by an individual who is not, for United States estate tax purposes, a resident or citizen of the United States at the time of his death will not be subject to United States federal estate tax, provided that the individual does not own, actually or constructively, 10% or more of the total combined voting power of all classes of stock of Viacom entitled to vote and, at the time of such individual's death, payments with respect to such senior securities would not have been effectively connected with the conduct by such individual of a trade or business in the United States.

The certification requirement referred to in subparagraph (a) will be fulfilled if the beneficial owner of senior securities certifies on Internal Revenue Service Form W-8BEN or successor form under penalties of perjury, that it is not a United States person and provides its name and address, and (i) such beneficial owner files such Form W-8BEN or successor form with the withholding agent or (ii) in the case of senior securities held on behalf of the beneficial owners by a securities clearing organization, bank or other financial institution holding customers' securities in the ordinary course of its trade or business, such financial institution files with the withholding agent a statement that it has received the Form W-8BEN or successor form from the United States Alien Holder, furnishes the withholding agent with a copy thereof and otherwise complies with the applicable Internal Revenue Service requirements.

Alternatively, these certification requirements will not apply if the beneficial owner of the senior securities holds those securities directly through a "qualified intermediary" (which is a non-U.S. office of a bank, securities dealer or similar intermediary that has signed an agreement with the Internal Revenue Service concerning withholding tax procedures), the qualified intermediary has sufficient information in its files to indicate that the holder is a United States Alien Holder and the intermediary complies with Internal Revenue Service requirements. Special rules may apply with respect to senior securities held by a



foreign partnership. Prospective investors, including foreign partnerships and their partners and holders who hold their senior securities through a qualified intermediary, should consult their tax advisers regarding possible reporting requirements.

If a United States Alien Holder of senior securities is engaged in a trade or business in the United States, and if interest on the senior securities (or gain realized on their sale, exchange or other disposition) is effectively connected with the conduct of such trade or business (and, if an income tax treaty applies, generally is attributable to a U.S. "permanent establishment" maintained by such holder), the United States Alien Holder, although exempt from the withholding tax discussed in the preceding paragraphs, will be subject to regular United States income tax on such effectively connected income, generally in the same manner as if it were a United States Holder. See "Tax Consequences to United States Holders" above. In lieu of the certificate described in the preceding paragraph, such a holder will be required to provide to the withholding agent a properly executed Internal Revenue Service Form W-8ECI or successor form, as appropriate, to claim an exemption from withholding tax. In addition, if such United States Alien Holder is a foreign corporation, it may be subject to a 30% branch profits tax (unless reduced or eliminated by an applicable treaty) on its earnings and profits for the taxable year attributable to such effectively connected income, subject to certain adjustments.

Interest payments made to a United States Alien Holder will generally be reported to such holder and to the Internal Revenue Service on Form 1042-S. However, this reporting does not apply if such holder holds the senior securities directly through a qualified intermediary.

#### Backup Withholding and Information Reporting

Under current United States federal income tax law, information reporting requirements apply to certain payments of principal, premium, market discount and interest made to, and to the proceeds of sales before maturity by, non-corporate United States Holders. In addition, a 31% backup withholding tax will apply if the noncorporate United States Holder (i) fails to furnish its Taxpayer Identification Number ("TIN") which, for an individual, is his Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the Internal Revenue Service that it is subject to backup withholding for failure to report interest and dividend payments, or (iv) under certain circumstances fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the Internal Revenue Service that it is subject to backup withholding for failure to report interest and dividend payments. Holders should consult their tax advisers regarding their qualification for exemption from backup withholding and the procedure for obtaining such an exemption if applicable.

Backup withholding will not apply to payments made on senior securities if the certifications required by Sections 871(h) and 881(c) as described above are received or if the exemption for qualified intermediaries discussed above applies, provided that Viacom or its paying agent or the qualified intermediary, as the case may be, does not have actual knowledge or reason to know that the payee is a United States person.

Under current Treasury Regulations, payments on the sale, exchange or other disposition of senior securities made to or through a foreign office of a broker generally will not be subject to backup withholding. However, if such broker is:

- o a United States person;
- o a controlled foreign corporation for United States federal income tax purposes;

- o a foreign person 50% or more of whose gross income for certain periods is effectively connected with a United States trade or business; or
- o a foreign partnership with certain connections to the United States;

then information reporting will be required unless the broker has in its records documentary evidence that the beneficial owner is not a United States person and certain other conditions are met or the beneficial owner otherwise establishes an exemption. Backup withholding may apply to any payment that such broker is required to report if the broker has actual knowledge or reason to know that the payee is a United States person. Payments to or through the United States office of a broker will be subject to backup withholding and information reporting unless such holder certifies, under penalties of perjury, that it is not a United States person and the payor does not have actual knowledge or reason to know that such holder is a United States person, or such holder otherwise establishes an exemption.

United States Alien Holders of senior securities should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if available. Any amounts withheld from a payment to a United States Alien Holder under the backup withholding rules will be allowed as a credit against such holder's United States federal income tax liability and may entitle such holder to a refund, provided that such holder files a United States income tax return and the required information is furnished to the Internal Revenue Service.

## PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange senior securities for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange senior securities. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange senior securities received in exchange for unregistered senior securities where such unregistered senior securities were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration of the exchange offer, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until 90 days after the date of this prospectus, all dealers effecting transactions in the exchange senior securities may be required to deliver a prospectus.

We will not receive any proceeds from any sale of exchange senior securities by broker-dealers. Exchange senior securities received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange senior securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such exchange senior securities. Any broker-dealer that resells exchange senior securities that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such exchange senior securities may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of exchange senior securities and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

We have agreed to pay all expenses incident to the exchange offer (including the expenses of one counsel for the holders of the unregistered senior securities) other than commissions, discounts or concessions of any broker-dealers and will indemnify the holders of the unregistered senior securities (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

#### LEGAL MATTERS

The validity of the exchange senior securities and the guarantees will be passed upon for Viacom and Viacom International by Shearman & Sterling, New York, New York.

#### EXPERTS

Our financial statements incorporated by reference in this prospectus from our Annual Report on Form 10-K for the year ended December 31, 2000 have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements and schedule of CBS as of December 31, 1999 and 1998, and for each of the years in the three-year period ended December 31, 1999, incorporated in this prospectus by reference from Item 8 of the CBS's Annual Report on Form 10-K for the year ended December 31, 1999, have been audited by KPMG LLP, independent accountants, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements and schedule of Infinity as of December 31, 1999 and 1998 and for each of the years in the three-year period ended December 31, 1999, incorporated in this prospectus by reference from Item 8 of Infinity's Annual Report on Form 10-K for the year ended December 31, 1999, have been audited by KPMG LLP, independent accountants, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion dated July 13, 2001

VIACOM INC.

OFFER TO EXCHANGE

Unregistered 6.40% Senior Notes due 2006  
(\$3,075,000 aggregate principal amount outstanding issued January 17, 2001)

Unregistered 7.70% Senior Notes due 2010  
(\$1,000,000 aggregate principal amount outstanding issued January 17, 2001)

Unregistered 7.875% Senior Debentures due 2030  
(\$200,000 aggregate principal amount outstanding issued January 17, 2001)

for

6.40% Senior Notes due 2006 (\$3,075,000 aggregate principal amount)  
7.70% Senior Notes due 2010 (\$1,000,000 aggregate principal amount)  
7.875% Senior Debentures due 2030 (\$200,000 aggregate principal amount)  
that have been registered under the Securities Act of 1933  
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Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)  
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TERMS OF EXCHANGE OFFER

- o The exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2001, unless we extend the offer.
- o Tenders of outstanding unregistered senior securities may be withdrawn at any time before 5:00 p.m. on the date of expiration of the exchange offer.
- o All outstanding unregistered senior securities that are validly tendered and not validly withdrawn will be exchanged.
- o The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except for being registered under the Securities Act of 1933 and not having any transfer restrictions.
- o The exchange of senior securities will not be a taxable exchange for U.S. federal income tax purposes.
- o We will not receive any proceeds from the exchange offer.
- o Application has been made to list the exchange senior securities on the Luxembourg Stock Exchange.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the senior securities to be distributed in the exchange offer, nor have any of these organizations determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2001

Each holder of an unregistered senior security wishing to accept the exchange offer must deliver the unregistered senior securities to be exchanged, together with the letter of transmittal that accompanies this prospectus and any other required documentation, to the exchange agent identified in this prospectus. Alternatively, you may effect a tender of unregistered senior securities by book-entry transfer into the exchange agent's account at Euroclear Bank S.A./N.A., as operator of the Euroclear System ("Euroclear"), Clearstream Banking, societe anoyne, Luxembourg ("Clearstream Luxembourg") or The Depository Trust Company ("DTC"). All deliveries are at the risk of the holder. You can find detailed instructions concerning delivery in the section called "The Exchange Offer" in this prospectus and in the accompanying letter of transmittal.

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If you are a broker-dealer that receives exchange senior securities for your own account you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange senior securities. The letter of transmittal accompanying this prospectus states that by so acknowledging and by delivering a prospectus, you will not be deemed to admit that you are an "underwriter" within the meaning of the Securities Act. You may use this prospectus, as we may amend or supplement it in the future, for your resales of exchange senior securities. We will make this prospectus available to any broker-dealer for use in connection with any such resale for a period of 180 days after the date of expiration of this exchange offer.

You should rely only on the information contained in or incorporated by reference in this prospectus. Neither we nor Viacom International has authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information contained or incorporated by reference in this prospectus is accurate only as of the date of this prospectus or the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since then. Neither we nor Viacom International is making an offer of the senior securities in any jurisdiction where the offer is not permitted.

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References to "Viacom," "we," "us" and "our" in this prospectus are references to Viacom Inc. References to "Viacom International" are references to Viacom International Inc. References to "\$" and "dollars" are to United States dollars.

Whenever we refer in this prospectus to the 6.40% senior notes due 2006 issued on January 17, 2001, the 7.70% senior notes due 2010 issued on January 17, 2001 or the 7.875% senior debentures due 2030 issued on January 17, 2001, we will refer to them as the "unregistered 2006 senior notes", the "unregistered 2010 senior notes", or the "unregistered senior debentures", respectively, and collectively as the "unregistered senior securities". Whenever we refer in this prospectus to the registered 6.40% senior notes due 2006, 7.70% senior notes due 2010 or 7.875% senior debentures due 2030, we will refer to them as the "exchange 2006 senior notes", the "exchange 2010 senior notes" or the "exchange senior debentures", respectively, and collectively as the "exchange senior securities". The unregistered 2006 senior notes and the exchange 2006 senior notes are collectively referred to as the "2006 senior notes", the unregistered 2010 senior notes and the exchange 2010 senior notes are collectively referred to as the "2010 senior notes" and the unregistered senior debentures and the exchange senior debentures are collectively referred to as the "senior debentures". The unregistered senior securities and the exchange senior securities are collectively referred to as the "senior securities".

## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus contain both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events. These forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. You should review carefully all information, including the financial statements and the notes to the financial statements, included or incorporated by reference into this prospectus.

The following important factors, among others, could affect our future results, causing these results to differ materially from those expressed in our forward-looking statements:

- o We derive substantial revenues from the sale of advertising time on our over-the-air networks, basic cable networks, television stations, radio stations and outdoor businesses. The advertising market has recently experienced softness. The sale of advertising time is affected by viewer demographics, viewer ratings and market conditions for advertising time. Adverse changes to any of these factors could have a negative effect on revenues.
- o Operating results derived from our motion picture and television production fluctuate depending primarily upon cost of such productions and acceptance of such productions by the public, which are difficult to predict. Motion picture and television production has experienced cycles in which increased costs of talent and other factors have resulted in higher production costs. In addition, the commercial success of our motion picture and television productions also depends upon the quality and acceptance of other competing productions, and the availability of alternative forms of entertainment and leisure time activities.
- o Our operating results also fluctuate due to the timing and availability of theatrical and home video releases, as well as a result of the recording of license fees for television exhibition of motion pictures and for syndication and basic cable exhibition of television programming in the period that the products are available for such exhibition.
- o Our basic cable network and premium subscription television networks are dependent on affiliation agreements with cable and direct broadcast satellite distributors on acceptable terms. The loss of carriage on such distributors, or continued carriage on less favorable terms, could adversely affect, with respect to basic cable networks, revenues from subscribers fees and the ability to sell advertising time, and with respect to premium subscription television networks, subscribers fee revenues.
- o Some of our businesses are seasonal. More specifically, the home video business and consumer publishing business are subject to increased periods of demand coinciding with summer and winter holidays, while a substantial majority of the theme parks operating income is generated from May through September. In addition, the home video and theme parks businesses' revenues are influenced by weather.



- o Changes in FCC laws and regulations could, directly or indirectly, adversely affect the operations and ownership of our properties.
- o We have contingent liabilities related to discontinued operations, including environmental liabilities and pending litigation. While there can be no assurance in this regard, the pending or potential litigation, environmental and other liabilities should not have a material adverse effect on us.
- o We may be adversely affected by changes in technology and its effect on competition in our markets.
- o Labor agreements covering the services of actors whom we utilize in our motion picture and television businesses are currently scheduled to expire during 2001. Work stoppages and/or higher costs in connection with these agreements could adversely impact our ability to produce or acquire new programming.
- o Other economic, business, competitive and/or regulatory factors affecting our businesses generally.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this prospectus are made only as of the date of this prospectus and under Section 27A of the Securities Act and Section 21E of the Exchange Act and we do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances. We cannot assure you that projected results or events will be achieved.

#### WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549; 7 World Trade Center, Suite 1300, New York, New York 10048; and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

Our Class A common stock and Class B common stock are listed on the New York Stock Exchange. Information about us also is available at the New York Stock Exchange. In accordance with U.S. securities laws, Viacom International is not obligated to file annual, quarterly and current reports, proxy statements and other information with the SEC. Accordingly, Viacom International does not file separate financial statements with the SEC and does not independently publish its financial statements. Viacom International's financial condition, results of operations and cash flows are consolidated into the financial statements of Viacom.

We are "incorporating by reference" specified documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. Later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 by us until the exchange offer is completed.

- o Our Annual Report on Form 10-K for the year ended December 31, 2000.
- o Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2001.
- o Our Current Report on Form 8-K dated May 4, 2000, as amended on July 17, 2000, and our Current Reports on Form 8-K dated January 5, 2001, January 8, 2001, February 15, 2001, February 21, 2001, May 30, 2001, June 1, 2001 and July 3, 2001.
- o Our definitive Proxy Statement dated April 16, 2001.
- o CBS Corporation Annual Report on Form 10-K for the year ended December 31, 1999, as amended on April 28, 2000.
- o The consolidated financial statements of Infinity Broadcasting Corporation, as set forth in Item 8 and the notes thereto to Infinity's Annual Report on Form 10-K for the year ended December 31, 1999.
- o The condensed financial statements of Infinity, as set forth in Item 1 to Infinity's Quarterly Report on Form 10-Q for the quarter ended September 30, 2000.
- o Our Registration Statement on Form S-4 dated January 12, 2001.

You may obtain a copy of these filings at no cost, by writing or telephoning us at the following address:

Viacom Inc.  
1515 Broadway  
52nd Floor  
New York, New York 10036  
Attn: Investor Relations  
Telephone Number: (212) 258-6000

In addition, copies of all documents that we incorporate into this prospectus by reference may be obtained free of charge at the offices of Kredietbank S.A. Luxembourgeoise, 43, Boulevard Royal, L-2955 Luxembourg, our Luxembourg paying and transfer agent.

## PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that you should consider before participating in this exchange offer. You should read the entire prospectus, accompanying letter of transmittal and documents incorporated by reference carefully.

### THE COMPANY

We, together with our subsidiaries, are a diversified worldwide entertainment company with operations in six segments: Cable Networks, Television, Infinity, Entertainment, Video and Publishing. The Cable Networks segment operates MTV: MUSIC TELEVISION(R), SHOWTIME(R), NICKELODEON(R), NICK AT NITE(R), VH1 MUSIC FIRST(R), TV LAND(R), TNN: THE NATIONAL NETWORK, TM CMT: COUNTRY MUSIC TELEVISION(TM) and BET: BLACK ENTERTAINMENT TELEVISION(R), among other program services. The Television segment consists of CBS(R) and UPN(R) television networks, 39 owned broadcast television stations and Viacom's television production and syndication business, including KING WORLD PRODUCTIONS(TM) and PARAMOUNT TELEVISION(TM). The Infinity segment operates approximately 184 radio stations through INFINITY BROADCASTING(R) and outdoor advertising properties through INFINITY OUTDOOR(TM) and TDI(R). The Entertainment segment includes PARAMOUNT PICTURES(R), which produces and distributes theatrical motion pictures; PARAMOUNT PARKS(R), which owns and operates five theme parks and a themed attraction in the United States and Canada; and movie theater and music publishing operations. The Video segment consists of an approximately 82% equity interest in Blockbuster Inc., which operates and franchises BLOCKBUSTER(R) video stores worldwide. The remainder of Blockbuster's common stock was sold to the public in August 1999. The Publishing segment publishes and distributes consumer books and related multimedia products, under such imprints as SIMON & SCHUSTER(R), POCKET BOOKS(TM), SCRIBNER(R) and THE FREE PRESS(TM). We were organized under the laws of the State of Delaware in 1986. Viacom's principal offices are located at 1515 Broadway, New York, New York 10036 and our telephone number is (212) 258-6000.

### THE GUARANTOR

Viacom International, the guarantor of the senior securities, was organized under the laws of the State of Delaware in 1995 and has its corporate headquarters at 1515 Broadway, New York, New York 10036. Viacom International has 100 shares of common stock outstanding, all of which are held by Viacom. The operating assets of Viacom International and its subsidiaries include MTV: MUSIC TELEVISION(R), SHOWTIME(R), NICKELODEON(R), NICK AT NITE(R), VH1 MUSIC FIRST(R), TV LAND(R), approximately 18 broadcast television stations, all interests in the businesses of the Video, Entertainment and Publishing segments and certain related Internet sites.

#### CERTAIN SUBSIDIARIES

Viacom has one subsidiary, Blockbuster, Inc., which is subject to the reporting requirements of the Exchange Act. Blockbuster, incorporated under the laws of the State of Delaware in 1989, has its corporate headquarters at 1201 Elm Street, Dallas, Texas 75270. As of March 31, 2001, Blockbuster had 31,014,696 shares of Class A common stock and 144,000,000 shares of Class B common stock outstanding. Blockbuster is a retailer of rentable home videocassettes, DVDs and video games, and has stores throughout the United States and in many other countries. Blockbuster operates primarily under the Blockbuster brand name. Blockbuster's financial condition, results of operations and cash flows are consolidated into the financial statements of Viacom. We own all of Blockbuster's Class B common stock representing an approximately 82% equity interest in Blockbuster.

#### RECENT DEVELOPMENTS

As a result of Viacom's merger with CBS Corporation on May 4, 2000, Viacom acquired an approximate 64.2% equity interest in Infinity Broadcasting Corporation. On February 21, 2001, Infinity merged with and into a wholly owned subsidiary of Viacom. In connection with the Viacom/Infinity merger, Viacom issued 0.592 of a share of its Class B common stock for each issued and outstanding share of Infinity Class A common stock resulting in the issuance of approximately 232 million shares of Viacom Class B common stock.

On November 3, 2000, Viacom announced an agreement to acquire BET Holdings II, Inc., which operates the BET: BLACK ENTERTAINMENT TELEVISION(R) cable networks. On January 23, 2001, we completed our acquisition of BET for a total purchase price of approximately \$3.0 billion, which principally represents the issuance of approximately 43.4 million shares of Viacom Class B common stock and the assumption by Viacom of approximately \$590 million in debt.

SUMMARY OF THE EXCHANGE OFFER

On January 17, 2001, we issued \$400 million aggregate principal amount of unregistered 6.40% senior notes due 2006, \$500 million aggregate principal amount of unregistered 7.70% senior notes due 2010 and \$750 million aggregate principal amount of unregistered 7.875% senior debentures due 2030. The unregistered senior securities are unconditionally guaranteed as to payment of principal and interest by Viacom International. The exchange senior securities will be our obligations and will be entitled to the benefits of the indenture and supplemental indentures relating to the unregistered senior securities. The exchange senior securities will also be unconditionally guaranteed as to payment of principal and interest by Viacom International. The form and terms of the exchange senior securities are identical in all material respects to the form and terms of unregistered senior securities, except that the exchange senior securities have been registered under the Securities Act, and therefore will contain no restrictive legends. For additional information on the terms of the exchange offer, see "The Exchange Offer."

The Exchange Offer..... We are offering to exchange \$1,000 principal amount of:

- o 6.40% senior notes due 2006 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount of our outstanding unregistered 2006 senior notes that were issued on January 17, 2001. As of the date of this prospectus, \$3,075,000 in aggregate principal amount of our unregistered 2006 senior notes are outstanding;
- o 7.70% senior notes due 2010 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount of our outstanding unregistered 2010 senior notes that were issued on January 17, 2001. As of the date of this prospectus, \$1,000,000 in aggregate principal amount of our unregistered 2010 senior notes are outstanding; and
- o 7.875% senior debentures due 2030 which have been registered under the Securities Act of 1933 for each \$1,000 principal amount of our outstanding unregistered 2030 senior debentures that were issued on January 17, 2001. As of the date of this prospectus, \$200,000 in aggregate principal amount of our unregistered senior debentures are outstanding.

Expiration of Exchange Offer..... The exchange offer will expire at 5:00 p.m., New York City time, on , 2001, unless we decide to extend the expiration date.

Conditions of the Exchange

- Offer..... We will not be required to accept for exchange any unregistered senior securities, and we may amend or terminate the exchange offer if any of the following conditions or events occurs:
- o the exchange offer, or the making of any exchange by a senior security holder, violates applicable law or any applicable interpretation of the staff of the SEC;
  - o any action or proceeding shall have been instituted or threatened with respect to the exchange offer which, in our judgment or the judgment of Viacom International, would impair our ability to proceed with the exchange offer; and
  - o any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated which, in our good faith determination or the good faith determination of Viacom International, does not permit us to effect the exchange offer.

We will give oral or written notice of any non-acceptance, amendment or termination to the registered holders of the unregistered senior securities as promptly as practicable. We reserve the right to waive any conditions of the exchange offer.

Resale of Exchange Senior

- Securities..... Based on interpretative letters of the SEC staff to third parties unrelated to us, we believe that you can resell and transfer the exchange senior securities you receive pursuant to this exchange offer, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:
- o any exchange senior securities to be received by you will be acquired in the ordinary course of your business;
  - o you are not engaged in, do not intend to engage in and have no arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities;
  - o you are not an "affiliate" (as defined in Rule 405 under the Securities Act) of Viacom or Viacom International or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
  - o if you are a broker-dealer, you have not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom or Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange

senior securities;

- o if you are a broker-dealer, you will receive exchange senior securities for your own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities and that you will deliver a prospectus in connection with any resale of such exchange senior securities; and
- o you are not acting on behalf of any person or entity that could not truthfully make these representations.

If you wish to accept the exchange offer, you must represent to us that these conditions have been met.

If our belief is inaccurate and you transfer any exchange senior security without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration under the Securities Act, you may incur liability under the Securities Act. We do not assume or indemnify you against such liability, but we do not believe that any such liability should exist.

Accrued Interest on the Exchange Senior Securities and Unregistered Senior Securities.....

The exchange senior securities will accrue interest from the date interest was last paid on the unregistered senior securities. If no interest was paid on your unregistered senior securities, your exchange senior securities will accrue interest from and including January 17, 2001. We will pay interest on the exchange senior securities semi-annually on January 30 and July 30 of each year, except that there was no January 30, 2001 interest payment date for the 2006 senior notes.

Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer.

Procedures for Tendering Unregistered Senior Securities.....

If you wish to participate in the exchange offer, you must transmit a properly completed and signed letter of transmittal, and all other documents required by the letter of transmittal, to the exchange agent at the address set forth in the letter of transmittal. These materials must be received by the exchange



agent before 5:00 p.m., New York City time, on , 2001, the expiration date of the exchange offer. You must also provide:

- o a confirmation of any book-entry transfer of unregistered senior securities tendered electronically into the exchange agent's account with DTC, Euroclear or Clearstream Luxembourg. You must comply with DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders, by which you will agree to be bound in the letter of transmittal; or
- o physical delivery of your unregistered senior securities to the exchange agent's address as set forth in the letter of transmittal.

The letter of transmittal must also contain the representations you must make to us as described under "The Exchange Offer--Procedures for Tendering."

Special Procedures for Beneficial Owners.....

If you are a beneficial owner of unregistered senior securities that are held through a broker, dealer, commercial bank, trust company or other nominee and you wish to tender such unregistered senior securities, you should contact the person promptly and instruct the person to tender your unregistered senior securities on your behalf.

Guaranteed Delivery Procedures for Unregistered Senior Securities.....

If you cannot meet the expiration deadline, or you cannot deliver your unregistered senior securities, the letter of transmittal or any other required documentation, or comply with DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders on time, you may tender your unregistered senior securities according to the guaranteed delivery procedures set forth under "The Exchange Offer-Guaranteed Delivery Procedures."

Withdrawal Rights.....

You may withdraw the tender of your unregistered senior securities at any time prior to 5:00 p.m., New York City time, on , 2001, the expiration date.

Consequences of Failure to Exchange.....

If you are eligible to participate in this exchange offer and you do not tender your unregistered senior securities as described in this prospectus, your unregistered senior securities will continue to be subject to restrictions on transfer. As a result of the restrictions on transfer and the availability of exchange senior securities, the unregistered senior securities are likely to be much less liquid than before the exchange offer. The unregistered senior securities will, after the exchange offer,

bear interest at the same rate as the exchange senior securities.

Certain U.S. Federal Income

Tax Consequences..... The exchange of the unregistered senior securities for exchange senior securities pursuant to the exchange offer will not be a taxable exchange for U.S. federal income tax purposes.

Use of Proceeds..... We will not receive any proceeds from the issuance of exchange senior securities pursuant to the exchange offer.

Exchange Agents for Unregistered Senior

Securities..... Citibank, N.A., the trustee under the indenture for the unregistered senior securities, is serving as the principal exchange agent in connection with the exchange offer. Citibank can be reached at 111 Wall Street, 15th Floor, New York, New York 10005; its telephone number is (800) 422-2066 and its facsimile number is (212) 825-3483.

Kredietbank S.A. Luxembourgeoise, our Luxembourg listing, paying and transfer agent, will also act as Luxembourg exchange agent. In its capacity as Luxembourg exchange agent, Kredietbank will act solely as an intermediary between Citibank, as the principal exchange agent, and holders of unregistered senior securities wishing to accept the exchange offer. Kredietbank will forward the tenders it receives to the principal exchange agent. Kredietbank can be reached at 43, Boulevard Royal, L-2955 Luxembourg; its telephone number is (352) 47 97 3933 and its facsimile number is (352) 47 97 73 951.

SUMMARY DESCRIPTION OF THE EXCHANGE SENIOR SECURITIES

The following summarized description of the exchange senior securities is subject to a number of important exceptions and qualifications. For additional information on the terms of the exchange senior securities, see "Description of Senior Securities."

Exchange Senior Securities.....	0	\$3,075,000 aggregate principal amount of registered 6.40% senior notes due 2006.
	0	\$1,000,000 aggregate principal amount of registered 7.70% senior notes due 2010.
	0	\$200,000 aggregate principal amount of registered 7.875% senior debentures due 2030.
Further Issuance.....		The unregistered 2006 senior notes will be, upon their exchange for exchange 2006 senior notes registered under the Securities Act, a further issuance of our 6.40% senior notes due 2006, \$396,925,000 of which were issued on March 19, 2001. The unregistered 2010 senior notes will be, upon their exchange for exchange 2010 senior notes registered under the Securities Act, a further issuance of our 7.70% senior notes due 2010, \$1,150,000,000 of which were issued on August 1, 2000 and \$499,000,000 of which were issued on March 19, 2001. The unregistered senior debentures will be, upon their exchange for exchange senior debentures registered under the Securities Act, a further issuance of our 7.875% senior debentures due 2030, \$500,000,000 of which were issued on August 1, 2000 and \$749,800,000 of which were issued on March 19, 2001.
Maturity Dates.....	0	January 30, 2006 for the exchange 2006 senior notes.
	0	July 30, 2010 for the exchange 2010 senior notes.
	0	July 30, 2030 for the exchange senior debentures.
Interest Payment Dates.....		January 30 and July 30 of each year, beginning on the interest payment date immediately following the last interest payment date for which interest was paid on unregistered senior securities which were exchanged pursuant to the exchange offer, except that there was no January 30, 2001 interest payment date for the 2006 senior notes.
Optional Redemption.....		The exchange 2010 senior notes and the exchange senior debentures are redeemable at our option, in whole or in part, at any time. The redemption price is the principal amount of the exchange senior securities redeemed, plus accrued and unpaid interest, plus a make-whole premium based on a discount rate of 25 basis points, in the case of the exchange 2010 senior

notes, and 35 basis points, in the case of the exchange senior debentures, over an appropriate treasury rate.

Covenants..... The indenture governing the exchange senior securities contains covenants that, among other things, limit our ability to:

- o create certain liens;
- o enter into certain sale and leaseback transactions; and
- o consolidate, merge or sell all or substantially all of our assets, unless certain conditions are met.

Events of Default..... The indenture provides for events of default, subject to applicable cure periods, including:

- o we do not pay interest on a senior security within 30 days of its due date;
- o we do not pay the principal of or any premium on a senior security on its due date;
- o we remain in breach of a covenant or warranty in respect of the indenture for 60 days after we receive a written notice of default. The notice must be sent by either the trustee or holders of at least 25% in principal amount of a series of outstanding senior securities;
- o we are in default under agreements under which we have indebtedness outstanding in excess of \$250 million in the aggregate and which indebtedness is due either at maturity or has been declared due prior to maturity and remains unpaid;
- o we fail to pay a money judgment in excess of \$250 million for a period of 60 days after it becomes final and not subject to further appeal; or
- o we or Viacom International file for bankruptcy, or other specified events of bankruptcy, insolvency or reorganization occur.

Trustee..... Citibank, N.A.

Listing..... Application has been made to list the exchange senior securities on the Luxembourg Stock Exchange.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2001:

- o on a historical basis, as reported by Viacom and
- o on a pro forma basis to reflect the issuance and sale of unregistered 6.40% senior notes due 2006 and unregistered 6.625% senior notes due 2011 on May 17, 2001, the issuance and sale of registered 7.25% senior notes due 2051 on June 27, 2001, and the application of the net proceeds from the sale of these senior notes to the repayment of outstanding commercial paper indebtedness.

We will not receive any proceeds from this exchange offer.

	At March 31, 2001(1) (Unaudited)	
	Historical	Pro Forma
	(in millions, except per share amounts)	
-----		
Long-term Debt:		
Continuing operations:		
Notes payable to banks (including commercial paper).....	\$ 4,532	\$ 2,815
Senior notes and debentures (6.75% - 10.50%, due 2002-2030) .....	6,953	6,953
Senior subordinated notes (8.875%-10.25%, due 2001-2007).....	564	564
Subordinated exchange debentures (11.375%, due 2009).....	39	39
Other .....	42	42
Obligations under capital leases.....	508	508
6.40% senior notes due 2006 .....	399	805
6.625% senior notes due 2011 .....	---	993
7.25% senior notes due 2051 .....	---	335
	-----	-----
Total debt.....	13,037	13,054
	-----	-----
Stockholders' Equity:		
Class A common stock, par value \$.01 per share; 500 shares authorized; 139 shares issued(1).....	1	1
Class B common stock, par value \$.01 per share; 3,000 shares authorized; 1,689 shares issued(1).....	17	17
Additional paid-in capital.....	64,726	64,726
Retained earnings.....	1,425	1,425
Accumulated other comprehensive loss.....	(201)	(201)
Less: Treasury stock.....	(2,510)	(2,510)
	-----	-----
Total stockholders' equity.....	63,458	63,458
	-----	-----
Total capitalization.....	\$ 76,495	\$ 76,512
	=====	=====

(1) Except as set forth above and except as otherwise disclosed in any documents incorporated herein by reference, there has been no material change in the total capitalization of Viacom since March 31, 2001.

SUMMARY HISTORICAL FINANCIAL DATA

The summary consolidated financial data presented below have been derived from, and should be read together with, our audited consolidated financial statements and the accompanying notes included in our annual report on Form 10-K for the year ended December 31, 2000 and the unaudited interim consolidated financial statements and the accompanying notes included in our quarterly report on Form 10-Q for the quarter ended March 31, 2001, both of which are incorporated by reference into this prospectus.

	Three Months Ended March 31, (Unaudited)		Year Ended December 31,				
	2001(a)	2000	2000(a)	1999	1998	1997	1996
	(in millions, except per share amounts)						
<b>Statement of Operations Data:</b>							
Revenues .....	\$ 5,752	\$ 3,026	\$ 20,044	\$ 12,859	\$ 12,096	\$ 10,685	\$ 9,684
Depreciation.....	214	135	800	497	442	447	331
Amortization of intangibles.....	531	95	1,424	348	336	325	323
Operating income.....	404	240	1,321	1,247	752	685	1,197
Earnings (loss) from continuing operations .....	(7)	68	(364)	372	(44)	374	152
Net earnings (loss).....	(7)	(384)	(816)	334	(122)	794	1,248
Net earnings (loss) attributable to common stock.....	(7)	(384)	(816)	322	(150)	734	1,188
Earnings (loss) per common share:							
Basic:							
Earnings (loss) from continuing operations.....	\$ —	\$ 0.10	\$ (0.30)	\$ 0.52	\$ (0.10)	\$ 0.44	\$ 0.13
Net earnings (loss).....	\$ —	\$ (0.55)	\$ (0.67)	\$ 0.46	\$ (0.21)	\$ 1.04	\$ 1.63
Diluted:							
Earnings (loss) from continuing operations.....	\$ —	\$ 0.10	\$ (0.30)	\$ 0.51	\$ (0.10)	\$ 0.44	\$ 0.13
Net earnings (loss).....	\$ —	\$ (0.54)	\$ (0.67)	\$ 0.45	\$ (0.21)	\$ 1.04	\$ 1.62
Weighted average shares outstanding:							
Basic.....	1,628	695	1,225	695	709	706	728
Diluted.....	1,628	711	1,225	710	709	709	735
Other Data:							
EBITDA(b).....	\$ 1,149	\$ 470	\$ 3,544	\$ 2,092	\$ 1,530	\$ 1,457	\$ 1,851

	At March 31, 2001 (Unaudited)(a)	At December 31,				
	2000(a)	1999	1998	1997	1996	
	(in millions)					
<b>Balance Sheet Data:</b>						
Cash and cash equivalents.....	\$ 948	\$ 935	\$ 681	\$ 767	\$ 292	\$ 209
Intangibles, net.....	71,867	62,004	11,479	11,557	14,700	14,894
Total assets.....	92,550	82,646	24,486	23,613	28,289	28,834
Long-term debt, net of current portion..	12,887	12,474	5,698	3,813	7,423	9,856
Stockholders' equity .....	63,458	47,967	11,132	12,050	13,384	12,587

(a) Includes financial information for CBS Corporation from May 4, 2000, the date of its merger with and into Viacom. Accordingly, operating results and financial position are not necessarily comparable on a year-to-year basis.

(b) We define EBITDA as operating income before depreciation and amortization, principally of goodwill related to business combinations. We believe that EBITDA is an appropriate measure for evaluating our operating performance. However, EBITDA should be considered in addition to, not as a substitute for or superior to, operating income, net earnings, cash flow and other measures of financial performance prepared in accordance with generally accepted accounting principles. As EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles, this measure may not be comparable to similarly titled measures employed by other companies.

SUMMARY UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following summary unaudited pro forma combined financial information is based upon the historical financial statements of Viacom, adjusted for the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions. The unaudited pro forma combined condensed statement of operations data for the three months ended March 31, 2001 and the year ended December 31, 2000 is presented as if the above transactions had occurred on January 1, 2000.

The summary unaudited pro forma combined condensed financial data is for illustrative purposes only and does not necessarily indicate the operating results that would have been achieved had the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions been completed as of the dates indicated or of the results that may be obtained in the future. In addition, the data does not reflect synergies that might be achieved from combining these operations.

Unaudited Pro Forma Combined Statement of Operations Data

	Three Months Ended March 31, 2001	Year Ended December 31, 2000
Statement of Operations Data:	(in millions, except per share amounts)	
Revenues .....	\$ 5,768	\$ 23,620
Operating income.....	378	1,908
Earnings from continuing operations before income taxes.....	121	971
Loss from continuing operations.....	(30)	(189)
Basic and diluted loss from continuing operations per share.....	(0.02)	(0.11)
Basic and diluted weighted average shares outstanding.....	1,770	1,774
Other Data:		
EBITDA(a) .....	\$ 1,154	\$ 5,047

(a) We define EBITDA as operating income before depreciation and amortization, principally of goodwill related to business combinations. We believe that EBITDA is an appropriate measure for evaluating our operating performance. However, EBITDA should be considered in addition to, not as a substitute for or superior to, operating income, net earnings, cash flow and other measures of financial performance prepared in accordance with generally accepted accounting principles. As EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles, this measure may not be comparable to similarly titled measures employed by other companies.

RATIO OF EARNINGS TO FIXED CHARGES

(Unaudited)

The ratio of earnings to fixed charges for Viacom are set forth below, on a pro forma basis, for the three months ended March 31, 2001 and the year ended December 31, 2000 to give effect to the Viacom/CBS merger, BET acquisition, Viacom/Infinity merger and certain other transactions, as if the transactions each occurred on January 1, 2000, and on a historical basis for the three months ended March 31, 2001 and for each year in the five-year period ended December 31, 2000.

For purposes of computing the following ratios, earnings represents income from continuing operations before fixed charges and taxes. Fixed charges represent interest expense, amortization of capitalized interest and such portion of rental expense, which represents an appropriate interest factor.

	Three Months Ended March 31, 2001		2000 Pro Forma	Year Ended December 31, Viacom Historical				
	Historical	Pro Forma		2000	1999	1998	1997	1996
Ratio of Earnings to Fixed Charges.....	1.5x	1.4x	1.2x	1.5x	2.2x	1.1x	2.0x	1.4x



#### USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the exchange senior securities contemplated by this prospectus, we will receive unregistered senior securities from you in like principal amount. The unregistered senior securities surrendered in exchange for the exchange senior securities will be retired and canceled and cannot be reissued. Accordingly, issuance of the exchange senior securities will not result in any change in our indebtedness.

## THE EXCHANGE OFFER

### Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we are offering to exchange \$1,000 principal amount of exchange senior securities for each \$1,000 principal amount of unregistered senior securities. You may tender some or all of your unregistered senior securities only in integral multiples of \$1,000. As of the date of this prospectus, \$3,075,000 aggregate principal amount of the unregistered 2006 senior notes, \$1,000,000 aggregate principal amount of the unregistered 2010 senior notes and \$200,000 aggregate principal amount of the unregistered senior debentures are outstanding.

The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except that the exchange senior securities have been registered under the Securities Act and, therefore, the certificates for the exchange senior securities will not bear legends restricting their transfer. The exchange senior securities will be issued under and be entitled to the benefits of the Indenture, dated as of May 15, 1995, among us, our wholly owned subsidiary, Viacom International, as guarantor, and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, Trustee. The Indenture was supplemented by the First Supplemental Indenture, dated as of May 24, 1995, was supplemented and amended by the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, was supplemented by the Third Supplemental Indenture, dated as of July 22, 1996, was supplemented by the Fourth Supplemental Indenture, dated as of August 1, 2000, was supplemented, in connection with the issuance of the unregistered senior securities, by the Fifth Supplemental Indenture, dated as of January 17, 2001, was supplemented by the Sixth Supplemental Indenture, dated as of May 17, 2001 and was supplemented by the Seventh Supplemental Indenture, dated as of May 31, 2001. We refer to the Indenture, as so supplemented and amended, as the "Indenture."

In connection with the issuance of the unregistered senior securities, we arranged for the unregistered senior securities to be issued and transferable in book-entry form through the facilities of Euroclear, Clearstream Luxembourg and DTC, acting as a depository. The exchange senior securities will also be issuable and transferable in book-entry form through Euroclear, Clearstream Luxembourg and DTC.

There will be no fixed record date for determining the eligible holders of the unregistered senior securities that are entitled to participate in the exchange offer. We will be deemed to have accepted for exchange validly tendered unregistered senior securities when and if we have given oral (promptly confirmed in writing) or written notice of acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders of unregistered senior securities for the purpose of receiving exchange senior securities from us and delivering them to such holders.

If any tendered unregistered senior securities are not accepted for exchange because of an invalid tender or the occurrence of certain other events described herein, certificates for any such unaccepted unregistered senior securities will be returned, without expenses, to the tendering holder thereof as promptly as practicable after the expiration of the exchange offer.

Holders of unregistered senior securities who tender in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of unregistered senior securities for exchange senior securities pursuant to the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, in

connection with the exchange offer. It is important that you read the section "Fees and Expenses" below for more details regarding fees and expenses incurred in the exchange offer.

Any unregistered senior securities which holders do not tender or which we do not accept in the exchange offer will remain outstanding and continue to accrue interest and will be subject to restrictions on transfer. We do not have any obligation to register the unregistered senior securities under the Securities Act. In that case, holders wishing to transfer unregistered senior securities would have to rely on exemptions from the registration requirements of the Securities Act.

#### Conditions of the Exchange Offer

You must tender your unregistered senior securities in accordance with the requirements of this prospectus and the letter of transmittal in order to participate in the exchange offer. Notwithstanding any other provision of the exchange offer, or any extension of the exchange offer, we will not be required to accept for exchange any unregistered senior securities, and may amend or terminate the exchange offer if:

- o the exchange offer, or the making of any exchange by a senior security holder, violates applicable law or any applicable interpretation of the staff of the SEC;
- o any action or proceeding shall have been instituted or threatened with respect to the exchange offer which, in our judgment or the judgment of Viacom International, would impair our ability to proceed with the exchange offer; and
- o any law, rule or regulation or applicable interpretations of the staff of the SEC have been issued or promulgated which, in our good faith determination or the good faith determination of Viacom International, does not permit us to effect the exchange offer.

#### Expiration Date; Extensions; Amendment; Termination

The exchange offer will expire 5:00 p.m., New York City time, on 2001, unless, in our sole discretion, we extend it. In the case of any extension, we will notify the exchange agent orally (promptly confirmed in writing) or in writing of any extension. We will also notify the registered holders of unregistered senior securities of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration of the exchange offer.

To the extent we are legally permitted to do so, we expressly reserve the right, in our sole discretion, to:

- o delay accepting any unregistered senior security;
- o waive any condition of the exchange offer; and
- o amend the terms of the exchange offer in any manner.

We will give oral or written notice of any non-acceptance or amendment to the registered holders of the unregistered senior securities as promptly as practicable. If we consider an amendment to the exchange offer to be material, we will promptly inform the registered holders of unregistered senior securities of such amendment in a reasonable manner.

If we or Viacom International determine in our sole discretion that any of the events or conditions described in "- Conditions of the Exchange Offer" has occurred, we may terminate the exchange offer. If we decide to terminate the exchange offer, we may:

- o refuse to accept any unregistered senior securities and return any unregistered senior securities that have been tendered to the holders;
- o extend the exchange offer and retain all unregistered senior securities tendered prior to the expiration of the exchange offer, subject to the rights of the holders of tendered unregistered senior securities to withdraw their tendered unregistered senior securities; or
- o waive the termination event with respect to the exchange offer and accept all properly tendered unregistered senior securities that have not been withdrawn.

If any such waiver constitutes a material change in the exchange offer, we will disclose the change by means of a supplement to this prospectus that will be distributed to each registered holder of unregistered senior securities, and we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders of the unregistered senior securities, if the exchange offer would otherwise expire during that period.

Any determination by us concerning the events described above will be final and binding upon parties. Without limiting the manner by which we may choose to make public announcements of any extension, delay in acceptance, amendment or termination of the exchange offer, we will have no obligation to publish, advertise, or otherwise communicate any public announcement, other than by making a timely release to a financial news service.

#### Interest on the Exchange Senior Securities

The exchange senior securities will accrue interest from the date interest was last paid on the unregistered senior securities. If no interest was paid on your unregistered senior securities, your exchange senior securities will accrue interest from and including January 17, 2001. Interest will be paid on the exchange senior securities semi-annually on January 30 and July 30 of each year, except that there was no January 30, 2001 interest payment date for the 2006 senior notes. Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer.

#### Resale of Exchange Senior Securities

Based upon existing interpretations of the staff of the SEC set forth in several no-action letters issued to third parties unrelated to us, we believe that the exchange senior securities issued pursuant to the exchange offer in exchange for the unregistered senior securities may be offered for resale, resold and otherwise transferred by their holders, without complying with the registration and prospectus delivery provisions of the Securities Act, provided that:

- o any exchange senior securities to be received by you will be acquired in the ordinary course of your business;

- o you are not engaged in, do not intend to engage in or have any arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities;
- o you are not an "affiliate" (as defined in Rule 405 under the Securities Act) of Viacom or Viacom International or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- o if you are a broker-dealer, you have not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange senior securities;
- o if you are a broker-dealer, you will receive exchange senior securities for your own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities and that you will deliver a prospectus in connection with any resale of such exchange senior securities; and
- o you are not acting on behalf of any person or entity that could not truthfully make these representations.

If you wish to participate in the exchange offer, you will be required to make these representations to us in the letter of transmittal.

If you are a broker-dealer that receives exchange senior securities in exchange for unregistered senior securities held for your own account, as a result of market-making or other trading activities, you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange senior securities. The letter of transmittal states that by so acknowledging and by delivering a prospectus, you will not be deemed to admit that you are an "underwriter" within the meaning of the Securities Act. The prospectus, as it may be amended or supplemented from time to time, may be used by any broker-dealers in connection with resales of exchange senior securities received in exchange for unregistered senior securities. We have agreed that, for a period of 180 days after the expiration of the exchange offer, we will make this prospectus and any amendment or supplement to this prospectus available to any such broker-dealer for use in connection with any resale.

#### Clearing of the Exchange Senior Securities

Upon consummation of the exchange offer, the exchange senior securities will have different CUSIP, Common Code and ISIN numbers from the unregistered senior securities. Upon consummation of the exchange offer, the exchange 2006 senior securities will have the same CUSIP, Common Code and ISIN numbers given to our registered 6.40% senior notes due 2006 which were issued on March 19, 2001. Upon consummation of the exchange offer, the exchange 2010 senior securities and the exchange debentures will have the same CUSIP, Common Code and ISIN numbers given to our registered 7.70% senior notes due 2010 and our registered 7.875% senior debentures due 2030, respectively, which were issued on August 1, 2000 and March 19, 2001.

Senior securities that were issued under Regulation S that are not tendered for exchange will continue to clear through Euroclear and Clearstream Luxembourg under their original Common Codes and their ISIN numbers will remain the same. Regulation S senior securities (unless acquired by a manager as part of their original distribution) may now be sold in the United States or to U.S. persons and, upon any such transfer, a beneficial interest in the Regulation S global senior securities will be able to be exchanged for an interest in the exchange global senior security in accordance with procedures established by Euroclear or Clearstream Luxembourg and DTC.

Beneficial interests in the restricted Regulation S global senior securities may be transferred to a person who takes delivery in the form of an interest in the Regulation S global senior securities upon receipt by the trustee of a written certification from the transferor, in the form provided in the Indenture, to the effect that the transfer is being made in accordance with Rule 903 or 904 of Regulation S.

We cannot predict the extent to which beneficial owners of an interest in the Regulation S global senior securities will participate in the exchange offer. Beneficial owners should consult their own financial advisors as to the benefits to be obtained from exchange.

#### Procedures for Tendering

The term "holder" with respect to the exchange offer means any person in whose name unregistered senior securities are registered on our agent's books or any other person who has obtained a properly completed bond power from the registered holder, or any person whose unregistered senior securities are held of record by DTC, Euroclear or Clearstream Luxembourg who desires to deliver such unregistered senior securities by book-entry transfer at DTC, Euroclear or Clearstream Luxembourg as the case may be.

Except in limited circumstances, only a Euroclear participant, Clearstream Luxembourg participant or a DTC participant listed on a DTC securities position listing with respect to the unregistered senior securities may tender its unregistered senior securities in the exchange offer. To tender unregistered senior securities in the exchange offer:

- o holders of unregistered senior securities that are DTC participants may follow the procedures for book-entry transfer as provided for below under "-Book-Entry Transfer" and in the letter of transmittal.
- o Euroclear participants and Clearstream Luxembourg participants on behalf of the beneficial owners of unregistered senior securities are required to use book-entry transfer pursuant to the standard operating procedures of Euroclear or Clearstream Luxembourg, as the case may be, which include transmission of a computer-generated message to Euroclear or Clearstream Luxembourg, as the case may be, in lieu of a letter of transmittal. See the term "agent's message" under "-Book-Entry Transfer."

In addition, either:

- o the exchange agent must receive any corresponding certificate or certificates representing unregistered senior securities along with the letter of transmittal; or
- o the exchange agent must receive, before expiration of the exchange offer, a timely confirmation of book-entry transfer of unregistered senior securities into the exchange agent's account at DTC, Euroclear or Clearstream Luxembourg according to their respective standard operating procedures for electronic tenders described below and a properly transmitted agent's message described below; or
- o the holder must comply with the guaranteed delivery procedures described below.

The tender by a holder of unregistered senior securities will constitute an agreement between such holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal. If less than all the unregistered senior securities held by a holder of unregistered

senior securities are tendered, a tendering holder should fill in the amount of unregistered senior securities being tendered in the specified box on the letter of transmittal. The entire amount of unregistered senior securities delivered to the exchange agent will be deemed to have been tendered unless otherwise indicated.

The method of delivery of unregistered senior securities, the letter of transmittal and all other required documents or transmission of an agent's message, as described under "-Book Entry Transfer," to the exchange agent is at the election and risk of the holder. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery prior to the expiration of the exchange offer. No letter of transmittal or unregistered senior securities should be sent to Viacom but must instead be delivered to the exchange agent. Delivery of documents to DTC, Euroclear or Clearstream Luxembourg in accordance with their respective procedures will not constitute delivery to the exchange agent.

If you are a beneficial owner of unregistered senior securities that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your unregistered senior securities, you should contact the registered holder promptly and instruct the registered holder to tender on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your unregistered senior securities, either:

- o make appropriate arrangements to register ownership of the unregistered senior securities in your name; or
- o obtain a properly completed bond power from the registered holder.

The transfer of record ownership may take considerable time and may not be completed prior to the expiration date.

Signatures on a letter of transmittal or a notice of withdrawal as described in "--Withdrawal of Tenders" below, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act, unless the unregistered senior securities tendered pursuant thereto are tendered:

- o by a registered holder who has not completed the box entitled "Special Registration Instructions" or "Special Delivery Instructions" on the letter of transmittal; or
- o for the account of an eligible institution.

If the letter of transmittal is signed by a person other than the registered holder of any unregistered senior securities listed therein, the unregistered senior securities must be endorsed or accompanied by appropriate bond powers which authorize the person to tender the unregistered senior securities on behalf of the registered holder, in either case signed as the name of the registered holder or holders appears on the unregistered senior securities. If the letter of transmittal or any unregistered senior securities or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

We will determine in our sole discretion all the questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of the tendered unregistered senior securities. Our determinations will be final and binding. We reserve the absolute right to reject any and all unregistered senior securities not validly tendered or any unregistered senior securities our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any irregularities or conditions of tender as to particular unregistered senior securities. Our interpretation of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of unregistered senior securities must be cured within such time as we will determine. Neither we, the exchange agent nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of unregistered senior securities nor shall any of them incur any liability for failure to give such notification. Tenderees of unregistered senior securities will not be deemed to have been made until such irregularities have been cured or waived. Any unregistered senior securities received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned without cost by the exchange agent to the tendering holder of such unregistered senior securities unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date of the exchange offer.

In addition, we reserve the right in our sole discretion to (a) purchase or make offers for any unregistered senior securities that remain outstanding subsequent to the expiration date, and (b) to the extent permitted by applicable law, purchase unregistered senior securities in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers may differ from the terms of the exchange offer.

#### Book-Entry Transfer

We understand that the exchange agent will make a request promptly after the date of this document to establish accounts with respect to the unregistered senior securities at DTC, Euroclear or Clearstream Luxembourg for the purpose of facilitating the exchange offer. Any financial institution that is a participant in DTC's system may make book-entry delivery of unregistered senior securities by causing DTC to transfer such unregistered senior securities into the exchange agent's DTC account in accordance with DTC's Automated Tender Offer Program procedures for such transfer. Any participant in Euroclear or Clearstream Luxembourg may make book-entry delivery of Regulation S unregistered senior securities by causing Euroclear or Clearstream Luxembourg to transfer such senior securities into the exchange agent's account in accordance with established Euroclear or Clearstream Luxembourg procedures for transfer. The exchange for tendered unregistered senior securities will only be made after a timely confirmation of a book-entry transfer of the unregistered senior securities into the exchange agent's account, and timely receipt by the exchange agent of an agent's message.

The term "agent's message" means a message, transmitted by DTC, Euroclear or Clearstream Luxembourg, as the case may be, and received by the exchange agent and forming part of the confirmation of a book-entry transfer, which states that DTC, Euroclear or Clearstream Luxembourg, as the case may be, has received an express acknowledgment from a participant tendering unregistered senior securities and that such participant has received an appropriate letter of transmittal and agrees to be bound by the terms of the letter of transmittal, and we may enforce such agreement against the participant. Delivery of an agent's message will also constitute an acknowledgment from the tendering DTC, Euroclear or Clearstream Luxembourg participant, as the case may be, that the representations contained in the appropriate letter of transmittal and described above are true and correct.



## Guaranteed Delivery Procedures

Holders who wish to tender their unregistered senior securities and (i) whose unregistered senior securities are not immediately available, or (ii) who cannot deliver their unregistered senior securities, the letter of transmittal, or any other required documents to the exchange agent prior to the expiration date, or if such holder cannot complete DTC's, Euroclear's or Clearstream Luxembourg's respective standard operating procedures for electronic tenders before expiration of the exchange offer, may tender their unregistered senior securities if:

- o the tender is made through an eligible institution;
- o before expiration of the exchange offer, the exchange agent receives from the eligible institution either a properly completed and duly executed notice of guaranteed delivery in the form accompanying this prospectus, by facsimile transmission, mail or hand delivery, or a properly transmitted agent's message in lieu of notice of guaranteed delivery:
  - o setting forth the name and address of the holder and the registered number(s), the certificate number or numbers of the unregistered senior securities tendered and the principal amount of unregistered senior securities tendered;
  - o stating that the tender offer is being made by guaranteed delivery; and
  - o guaranteeing that, within three (3) business days after expiration of the exchange offer, the letter of transmittal, or facsimile of the letter of transmittal, together with the unregistered senior securities tendered or a book-entry confirmation, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and
- o the exchange agent receives the properly completed and executed letter of transmittal, or facsimile of the letter of transmittal, as well as all tendered unregistered senior securities in proper form for transfer or a book-entry confirmation, and all other documents required by the letter of transmittal, within three (3) business days after expiration of the exchange offer.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their unregistered senior securities according to the guaranteed delivery procedures set forth above.

## Withdrawal of Tenders

Except as otherwise provided herein, tenders of unregistered senior securities may be withdrawn at any time prior to 5:00 p.m., New York City time, on \_\_\_\_\_, 2001, the expiration date of the exchange offer.

For a withdrawal to be effective:

- o the exchange agent must receive a written notice, which may be by telegram, telex, facsimile transmission or letter, of withdrawal at the address set forth below under "Exchange Agent"; or

- o for DTC, Euroclear or Clearstream Luxembourg participants, holders must comply with their respective standard operating procedures for electronic tenders and the exchange agent must receive an electronic notice of withdrawal from DTC, Euroclear or Clearstream Luxembourg.

Any notice of withdrawal must:

- o specify the name of the person who tendered the unregistered senior securities to be withdrawn;
- o identify the unregistered senior securities to be withdrawn, including the certificate number or numbers and principal amount of the unregistered senior securities to be withdrawn;
- o be signed by the person who tendered the unregistered senior securities in the same manner as the original signature on the letter of transmittal, including any required signature guarantees; and
- o specify the name in which the unregistered senior securities are to be re-registered, if different from that of the withdrawing holder.

If unregistered senior securities have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at DTC, Euroclear or Clearstream Luxembourg to be credited with the withdrawn unregistered senior securities and otherwise comply with the procedures of the facility. We will determine all questions as to the validity, form and eligibility (including time of receipt) for such withdrawal notices, and our determination shall be final and binding on all parties. Any unregistered senior securities so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer, and no exchange senior securities will be issued with respect thereto unless the unregistered senior securities so withdrawn are validly re-tendered. Any unregistered senior securities which have been tendered but which are not accepted for exchange will be returned to the holder without cost to such holder as soon as practicable after withdrawal. Properly withdrawn unregistered senior securities may be re-tendered by following the procedures described above under "-Procedures for Tendering" at any time prior to the expiration date.

#### Consequences of Failure to Exchange

If you do not tender your unregistered senior securities to be exchanged in this exchange offer, they will remain "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act. Accordingly, they:

- o may be resold only if (i) registered pursuant to the Securities Act, (ii) an exemption from registration is available or (iii) neither registration nor an exemption is required by law; and
- o shall continue to bear a legend restricting transfer in the absence of registration or an exemption therefrom.

As a result of the restrictions on transfer and the availability of the exchange senior securities, the unregistered senior securities are likely to be much less liquid than before the exchange offer.

#### Exchange Agent

Citibank, N.A. has been appointed as the principal exchange agent and Kredietbank S.A. Luxembourggeoise has been appointed as the Luxembourg exchange agent for the exchange of the

unregistered senior securities. In its capacity as Luxembourg exchange agent, Kredietbank will act solely as an intermediary between Citibank, as the principal exchange agent and the holders of unregistered senior securities wishing to accept the exchange offer. Kredietbank will forward the tenders it receives to the principal exchange agent. Questions and requests for assistance relating to the exchange of the unregistered senior securities should be directed to the exchange agents addressed as follows:

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Citibank, N.A.	Kredietbank S.A. Luxembourgeoise
111 Wall Street, 15th Floor	43, Boulevard Royal
New York, New York 10005	L-2955 Luxembourg
Telephone number: (800) 422-2066	Telephone number: (352) 47 97 3933
Facsimile number: (212) 825-3483	Facsimile number: (352) 47 97 73 951
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#### Fees and Expenses

We will bear the expenses of soliciting tenders pursuant to the exchange offer. The principal solicitation for tenders pursuant to the exchange offer is being made by mail. Additional solicitations may be made by our officers and regular employees and our affiliates in person, by telegraph or telephone.

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offer. We, however, will pay the exchange agent reasonable and customary fees for its services and will reimburse the exchange agent for its related reasonable out-of-pocket expenses and accounting and legal fees. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the unregistered senior securities and in handling or forwarding tenders for exchange.

We will pay all transfer taxes, if any, applicable to the exchange of unregistered senior securities pursuant to the exchange offer. The tendering holder, however, will be required to pay any transfer taxes whether imposed on the registered holder or any other person, if:

- o certificates representing exchange senior securities or unregistered senior securities for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of unregistered senior securities tendered;
- o tendered unregistered senior securities are registered in the name of any person other than the person signing the letter of transmittal; or
- o a transfer tax is imposed for any reason other than the exchange of unregistered senior securities under the exchange offer.

If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

## DESCRIPTION OF SENIOR SECURITIES

### General

We issued the unregistered senior securities and will issue the exchange senior securities under the Indenture, dated as of May 15, 1995, among us, our wholly owned subsidiary, Viacom International, as guarantor, and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, Trustee. The Indenture was supplemented by the First Supplemental Indenture, dated as of May 24, 1995, was supplemented and amended by the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, was supplemented by the Third Supplemental Indenture, dated as of July 22, 1996, was supplemented by the Fourth Supplemental Indenture, dated as of August 1, 2000, was supplemented, in connection with the issuance of the unregistered senior securities, by the Fifth Supplemental Indenture, dated as of January 17, 2001, was supplemented by the Sixth Supplemental Indenture, dated as of May 17, 2001 and was supplemented by the Seventh Supplemental Indenture, dated as of May 31, 2001. We refer to the Indenture, as so supplemented and amended, as the "Indenture".

The terms of the exchange senior securities to be issued are substantially similar to the unregistered senior securities, except that the exchange senior securities have been registered under the Securities Act of 1933 and the certificates for the exchange senior securities will not bear legends restricting their transfer.

The senior securities initially are limited to \$1,650,000,000 principal amount, consisting of \$400,000,000 principal amount of 2006 senior notes, \$500,000,000 principal amount of 2010 senior notes and \$750,000,000 principal amount of senior debentures. The unregistered 2006 senior notes will be, upon their exchange for exchange 2006 senior notes registered under the Securities Act, a further issuance of our 6.40% senior notes due 2006, \$396,925,000 of which were issued on March 19, 2001. The unregistered 2010 senior notes will be, upon their exchange for exchange 2010 senior notes registered under the Securities Act, a further issuance of our 7.70% senior notes due 2010, \$1,150,000,000 of which were issued on August 1, 2000 and \$499,000,000 of which were issued on March 19, 2001. The unregistered senior debentures will be, upon their exchange for exchange senior debentures registered under the Securities Act, a further issuance of our 7.875% senior debentures due 2030, \$500,000,000 of which were issued on August 1, 2000 and \$749,800,000 of which were issued on March 19, 2001.

Each exchange senior security will bear interest at the applicable annual rate noted on the cover page of this prospectus. Interest will be payable on the exchange senior securities on January 30 and July 30 of each year beginning January 30, 2001, except that there was no January 30, 2001 interest payment date for the 2006 senior notes. Holders of unregistered senior securities that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered senior securities until the date of the issuance of the exchange senior securities. Interest will be computed on the basis of a 360-day year of 30-day months. Consequently, holders of exchange senior securities will receive the same interest payments that they would have received had they not accepted the exchange offer. Interest on the exchange senior securities will accrue from and including the settlement date and will be paid to holders of record on the July 15 or January 15 immediately before the interest payment date.

The 2006 senior notes will mature on January 30, 2006. The 2010 senior notes will mature on July 30, 2010. The senior debentures will mature on July 30, 2030. On the maturity dates of the senior securities, the holders will be entitled to receive 100% of the principal amount of the applicable exchange senior securities. We may redeem the 2010 senior notes and the senior debentures at any time at their

principal amount, plus the applicable premium and accrued interest. The senior securities do not provide for any sinking fund.

The senior securities are issued in denominations of not less than \$1,000 and integral multiples thereof.

Viacom's rights and the rights of its creditors, including holders of senior securities, to participate in any distribution of assets of any Viacom subsidiary upon its liquidation or reorganization or otherwise is subject to the prior claims of creditors of the subsidiary, except to the extent that Viacom's claims as a creditor of the subsidiary may be recognized.

#### Guarantees

Viacom International will unconditionally guarantee the due and punctual payment of the principal of, premium, if any, and any interest on the senior securities when and as the same shall become due and payable, whether at maturity, upon redemption, upon acceleration or otherwise. The guarantees of the senior securities are endorsed on the senior securities.

Various federal and state fraudulent conveyance laws have been enacted for the protection of creditors and may be utilized by a court of competent jurisdiction to subordinate or avoid all or part of any guarantee issued by Viacom International. The Indenture provides that in the event that the guarantees would constitute or result in a fraudulent transfer or conveyance for purposes of, or result in a violation of, any United States federal, or applicable United States state, fraudulent transfer or conveyance or similar law, then the liability of Viacom International under the guarantees shall be reduced to the extent necessary to eliminate such fraudulent transfer or conveyance or violation under the applicable fraudulent transfer or conveyance or similar law. Application of this clause could limit the amount which holders of senior securities may be entitled to collect under the guarantees. Holders, by their acceptance of the senior securities, will have agreed to such limitations.

To the extent that a court were to find that (x) a guarantee was incurred by Viacom International with the intent to hinder, delay or defraud any present or future creditor or (y) Viacom International did not receive fair consideration or reasonably equivalent value for issuing its guarantee and Viacom International (i) was insolvent or rendered insolvent by reason of the issuance of the guarantee, (ii) was engaged or about to engage in a business or transaction for which the remaining assets of Viacom International constituted unreasonably small capital to carry on its business or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured, the court could subordinate or avoid all or part of such guarantee in favor of Viacom International's other creditors. To the extent any guarantee issued by Viacom International were voided as a fraudulent conveyance or held unenforceable for any other reason, the holders of the senior securities guaranteed by Viacom International could cease to have any claim against Viacom International and would be creditors solely of Viacom.

We and Viacom International believe that the issuances of the guarantees by Viacom International are not fraudulent conveyances. There can be no assurance, however, that a court passing on such questions would reach the same conclusions. In rendering their opinions on the validity of the senior securities and, if applicable, the related guarantees, neither our counsel, counsel for Viacom International nor counsel for the initial purchasers of the unregistered senior securities will express any opinion as to federal or state laws relating to fraudulent transfers.

#### Ranking

The senior securities are senior unsecured obligations of Viacom and rank equally in right of payment with all of Viacom's other unsecured and unsubordinated indebtedness. The guarantees on the senior securities are senior unsecured obligations of Viacom International and rank equally in right of payment with all of Viacom International's other unsecured and unsubordinated indebtedness.

The senior securities and the guarantees are effectively subordinated to any secured indebtedness of Viacom or Viacom International, as the case may be, to the extent of the value of the assets securing such indebtedness. The Indenture does not limit the amount of debt that Viacom, Viacom International or their respective subsidiaries can incur.

In addition, both Viacom International and Viacom conduct their operations through subsidiaries, which generate a substantial portion of their respective operating income and cash flow. As a result, distributions or advances from subsidiaries of Viacom and Viacom International are a major source of funds necessary to meet their respective debt service and other obligations. Contractual provisions, laws or regulations, as well as our subsidiaries' financial condition and operating requirements, may limit the ability of Viacom or Viacom International to obtain cash required to pay Viacom's debt service obligations, including payments on the senior securities, or Viacom International's payment obligations under the guarantees. The senior securities will be structurally subordinated to all obligations of Viacom's subsidiaries (other than Viacom International) including claims with respect to trade payables. The guarantees will be structurally subordinated to all obligations of Viacom International's subsidiaries, including claims with respect to trade payables. This means that holders of the senior securities of Viacom will have a junior position to the claims of creditors of Viacom's subsidiaries (other than Viacom International) on the assets and earnings of such subsidiaries. Holders of guarantees of Viacom International will have a junior position to the claims of creditors of Viacom International's subsidiaries on the assets and earnings of such subsidiaries and will have no claim by virtue of such guarantees against Viacom or any subsidiary of Viacom that is not a subsidiary of Viacom International.

As of March 31, 2001, our subsidiaries, other than Viacom International, had approximately \$2.3 billion of indebtedness outstanding. This indebtedness was primarily incurred by Infinity and its subsidiaries and Blockbuster. We own several operating subsidiaries, including Viacom International, the guarantor of the senior securities, Infinity and Blockbuster. Viacom International is a wholly owned subsidiary of Viacom, with approximately \$766 million of indebtedness outstanding as of March 31, 2001. Viacom International's subsidiaries had approximately \$1.4 billion of indebtedness outstanding as of March 31, 2001.

#### Optional Redemption

Prior to maturity, we may redeem the 2010 senior notes and the senior debentures at any time, at our option, in whole or in part, on not less than 30 nor more than 60 days' prior notice, prior to their maturity at a redemption price equal to the sum of their principal amount, the Make-Whole Amount described below and any accrued and unpaid interest to the date of redemption. Holders of record on a record date that is on or prior to a redemption date will be entitled to receive interest due on the interest payment date.

The term "Make-Whole Amount" means, the excess, if any, of (i) the aggregate present value as of the date of the redemption of principal being redeemed and the amount of interest (exclusive of interest accrued to the date of redemption) that would have been payable if redemption had not been made, determined by discounting, on a semiannual basis, the remaining principal and interest at the Reinvestment Rate described below (determined on the third business day preceding the date notice of redemption is given) from the dates on which the principal and interest would have been payable if the

redemption had not been made, to the date of redemption, over (ii) the aggregate principal amount of the exchange 2010 senior notes or the exchange senior debentures being redeemed.

The term "Reinvestment Rate" means 0.25% for the exchange 2010 senior notes and 0.35% for the exchange senior debentures, in each case plus the arithmetic mean of the yields under the heading "Week Ending" published in the most recent Federal Reserve Statistical Release H.15 under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding to the remaining life to maturity, as of the payment date of the principal being redeemed or paid. If no maturity exactly corresponds to the maturity, yields for the two published maturities most closely corresponding to the maturity would be so calculated and the Reinvestment Rate would be interpolated or extrapolated on a straight-line basis, rounding to the nearest month. The most recent Federal Reserve Statistical Release H.15 published prior to the date of determination of the Make-Whole Amount will be used for purposes of calculating the Reinvestment Rate.

The Make-Whole Amount will be calculated by an independent investment banking institution of national standing appointed by us. If we fail to make the appointment at least 45 business days prior to the date of redemption, or if the institution is unwilling or unable to make the calculation, the calculation will be made by an independent investment banking institution of national standing appointed by the Trustee. If the Reinvestment Rate is not available as described above, the Reinvestment Rate will be calculated by interpolation or extrapolation of comparable rates selected by the independent investment banking institution.

In the case of any partial redemption, selection of the 2010 senior notes or the senior debentures for redemption will be made by the Trustee in compliance with the requirements of the principal U.S. national securities exchange, if any, on which the 2010 senior notes or the exchange senior debentures are listed or, if they are not listed on a U.S. national securities exchange, by lot or by such other method as the Trustee in its sole discretion deems to be fair and appropriate. The Luxembourg Stock Exchange has no such requirements.

#### Further Issues

We may from time to time without notice to, or the consent of, the holders of a series of senior securities, create and issue further senior securities of the same series, equal in rank to the senior securities in all respects (or in all respects except for the payment of interest accruing prior to the issue date of the new securities or except for the first payment of interest following the issue date of the new securities) so that the new securities may be consolidated and form a single series with the relevant series of senior securities and have the same terms as to status, redemption or otherwise as the relevant series of senior securities. In the event that we issue additional senior securities of the same series, we will prepare a new offering memorandum or prospectus and make a new application to list such securities on the Luxembourg Stock Exchange.

#### Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the senior securities such additional amounts as are necessary in order that the net payment by us or a paying agent of the principal of and interest on the senior securities to a holder who is a non-United States person (as defined under this heading below), after deduction for any present or future tax, assessment or other governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount provided in the series of senior securities to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the holder, or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been present or engaged in a trade or business in the United States or having had a permanent establishment in the United States;

(b) having a current or former relationship with the United States, including a relationship as a citizen or resident thereof;

(c) being or having been a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of ours as defined in Section 871(h)(3) of the Code (as defined in "United States Tax Considerations") or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of a senior security, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that is imposed or withheld by reason of the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States, or otherwise with respect to the status, of the holder or beneficial owner of such senior security (or any beneficiary, settlor, beneficial owner or member thereof), if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party, or by any official interpretation or ruling promulgated pursuant to any of the foregoing, as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or similar tax, assessment or other governmental charge;

(7) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any senior security, if such payment can be made without such withholding by any other paying agent; or



(8) in the case of any combination of items (1), (2), (3), (4), (5), (6) and (7).

The senior securities are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Except as specifically provided under this heading "-- Payment of Additional Amounts" and under the heading "-- Redemption for Tax Reasons," we shall not be required to make any payment with respect to any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

We will also not pay additional amounts on the senior securities

- o where withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of November 26 and 27, 2000 or any law implementing or complying with, or introduced in order to conform to, that Directive; or
- o presented for payment by or on behalf of a beneficial owner who would have been able to avoid the withholding or deduction by presenting the relevant global note to another paying agent in a member state of the European Union.

The European Union is currently considering a proposal for a new directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that member states of the European Union will be required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other member state, subject to the right of certain member states to opt instead for a withholding system for a transitional period in relation to these payments and subject to the proposals not being required to be applied to the global notes.

As used under this heading, "--Payment of Additional Amounts," and under the headings, "--Redemption for Tax Reasons" and "United States Tax Considerations," the terms "United States" and "U.S." mean the United States of America (including the States thereof and the District of Columbia) and its territories, its possessions and other areas subject to its jurisdiction, and the term "United States person" means any individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States, any State thereof or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable United States Treasury regulations), any estate the income of which is subject to United States federal income taxation regardless of its source, or any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust. Notwithstanding the preceding sentence, to the extent provided in the Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to such date that elect to continue to be treated as United States persons, will also be United States persons. A "non-United States person" means a person who is not a United States person.

#### Redemption for Tax Reasons

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the date of this prospectus, we become or, based upon a written opinion of independent counsel selected by us, will become obligated to pay additional amounts as described herein

under the heading "Payment of Additional Amounts" with respect to a series of senior securities, we may, at our option, redeem, as a whole, but not in part, the relevant series of senior securities on not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of their principal amount together with interest accrued but unpaid thereon to the date fixed for redemption.

#### Merger, Consolidation or Sale of Assets

Under the terms of the Indenture, we and Viacom International generally would be permitted to consolidate or merge with another corporation. We and Viacom International would also be permitted to sell all or substantially all of our assets to another person. However, neither we nor Viacom International may take any of these actions unless all the following conditions are met:

(1) the merger, consolidation or sale of assets must not cause an Event of Default. See "-- Defaults and Remedies" below. An Event of Default for this purpose would also include any event that would be an Event of Default if the notice or time requirements were disregarded;

(2) the person we would merge or consolidate with or sell all or substantially all of our assets to must be organized under the laws of the United States or any state thereof;

(3) the person we would merge or consolidate with or sell all or substantially all of our assets to must agree to be legally responsible for the outstanding securities issued under the Indenture; and

(4) we or Viacom International must deliver specified certificates and documents to the trustee.

We and Viacom International may merge or consolidate with, or sell all or substantially all of our assets to each other or any of our Subsidiaries. When we make reference in this section to the sale of "all or substantially all of our assets," we mean property and assets generating revenues representing, in the aggregate, at least 80% of our total consolidated revenues.

#### Limitations on Liens

We covenant in the Indenture that we will not create, assume or permit any Lien on any of our properties or assets, unless we secure the senior securities at least equally and ratably to the secured Indebtedness. The foregoing only applies to Liens that in the aggregate exceed 15% of our total consolidated assets, reduced by the Attributable Debt related to any permitted sale leaseback arrangement. See "-- Limitations on Sale and Leaseback Transactions" below. The restrictions do not apply to Capitalized Leases or Indebtedness that is secured by:

(1) Liens existing, in the case of the 2006 senior notes, on January 17, 2001, and in the case of the 2010 senior notes and the senior debentures, on August 1, 2000;

(2) Liens on any property or any Indebtedness of a person existing at the time the person becomes a Subsidiary (whether by acquisition, merger or consolidation);

(3) Liens in favor of us or our Subsidiaries; and

(4) Liens existing at the time of acquisition of the assets secured thereby and purchase money Liens.

The restrictions do not apply to extensions, renewals or replacements of any of the foregoing types of Liens.

#### Limitations on Sale and Leaseback Transactions

We covenant in the Indenture that neither we nor any Restricted Subsidiary will enter into any arrangement with any person to lease a Principal Property (except for any arrangements that exist, in the case of the 2006 senior notes, on January 17, 2001, and in the case of the 2010 senior notes and the senior debentures, on August 1, 2000; or that exist at the time any person that owns a Principal Property becomes a Restricted Subsidiary) which has been or is to be sold by us or the Restricted Subsidiary to the Person unless:

(1) the sale and leaseback arrangement involves a lease for a term of not more than three years;

(2) the sale and leaseback arrangement is entered into between us and any Subsidiary or between our Subsidiaries;

(3) we or the Restricted Subsidiary would be entitled to incur indebtedness secured by a Lien on the Principal Property at least equal in amount to the Attributable Debt permitted pursuant to the first paragraph under "Limitations on Liens" without having to secure equally and ratably the senior securities;

(4) the proceeds of the sale and leaseback arrangement are at least equal to the fair market value (as determined by our Board of Directors in good faith) of the property and we apply within 180 days after the sale an amount equal to the greater of the net proceeds of the sale or the Attributable Debt associated with the property to (i) the retirement of long-term debt for borrowed money that is not subordinated to the senior securities and that is not debt to us or a Subsidiary, or (ii) the purchase or development of other comparable property; or

(5) the sale and leaseback arrangement is entered into within 180 days after the initial acquisition of the Principal Property subject to the sale and leaseback arrangement.

The term "Attributable Debt," with regard to a sale and leaseback arrangement of a Principal Property, is defined in the Indenture as an amount equal to the lesser of: (a) the fair market value of the property (as determined in good faith by our Board of Directors); and (b) the present value of the total net amount of rent payments to be made under the lease during its remaining term, discounted at the rate of interest set forth or implicit in the terms of the lease, compounded semi-annually. The calculation of the present value of the total net amount of rent payments is subject to adjustments specified in the Indenture.

The term "Principal Property" is defined in the Indenture to include any parcel of our or our Restricted Subsidiaries' real property and related fixtures or improvements located in the United States, the aggregate book value of which on the date of determination exceeds \$1.0 billion. The term "Principal Property" does not include any telecommunications equipment or parcels of real property and related fixtures or improvements which are determined in good faith by our Board of Directors, not to be of material importance to our and our Subsidiaries' total business. As of the date of this prospectus, neither we nor any of our Subsidiaries own any Principal Property.

#### Defaults and Remedies

You have specified rights if an Event of Default occurs in respect of the senior securities of your series, as described below.

The term "Event of Default" in respect of the senior securities of your series means any of the following:

(1) we do not pay interest on a senior security of such series within 30 days of its due date;

(2) we do not pay the principal of or any premium on a senior security of such series on its due date;

(3) we remain in breach of a covenant or warranty in respect of the Indenture for 60 days after we receive a written notice of default. The notice must be sent by either the trustee or holders of at least 25% in principal amount of a series of outstanding senior securities;

(4) we are in default under agreements under which we have Indebtedness outstanding in excess of \$250 million in the aggregate and which Indebtedness is due either at maturity or has been declared due prior to maturity and remains unpaid;

(5) we fail to pay a money judgment in excess of \$250 million for a period of 60 days after it becomes final and not subject to further appeal; or

(6) we or Viacom International file for bankruptcy, or other specified events of bankruptcy, insolvency or reorganization occur.

If an Event of Default has occurred, the trustee or the holders of at least 25% in principal amount of the senior securities of the affected series may declare the entire principal amount and premium, if any, and all the accrued interest on, the senior securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. There is no action on the part of the trustee or any holder of senior securities required for such declaration if the Event of Default is a bankruptcy, insolvency or reorganization.

Holders of a majority in principal amount of the senior securities of a series may also waive certain past defaults under the Indenture on behalf of all of the holders of such series of senior securities. A declaration of acceleration of maturity may be canceled, under specified circumstances, by the holders of at least a majority in principal amount of a series of senior securities.

Except in cases of default, where the trustee has special duties, the trustee is not required to take any action under the Indenture at the request of holders unless the holders offer the trustee reasonable protection from expenses and liability satisfactory to the trustee. If a reasonable indemnity is provided, the holders of a majority in principal amount of a series of senior securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. The trustee may refuse to follow those directions in specified circumstances. No delay or omission in exercising any right or remedy will be treated as a waiver of the right, remedy or Event of Default.

Before holders are allowed to bypass the trustee and bring a lawsuit or other formal legal action or take other steps to enforce their rights or protect their interests relating to the senior securities, the following must occur:

- o holders must give the trustee written notice that an Event of Default has occurred and remains uncured;
- o holders of at least 25% in principal amount of the outstanding senior securities of a series must make a written request that the trustee take action because of the default and must offer the trustee indemnity satisfactory to the trustee against the cost and other liabilities of taking that action;
- o the trustee must have failed to take action for 60 days after receipt of the notice and offer of indemnity; and
- o holders of a majority in principal amount of the senior securities of a series must not have given the trustee a direction inconsistent with the above notice.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your senior securities on or after the due date.

We are required to furnish to the trustee an annual statement as to our performance of our obligations under the Indenture and as to any default in such performance. We are also required to notify the trustee of any event that is, or after notice or lapse of time or both would become, an Event of Default.

#### Book Entry, Delivery and Form

Each series of senior securities will be issued in one or more fully registered global securities which will be deposited with, or on behalf of, The Depository Trust Company, New York, New York (the "Depository") and registered in the name of Cede & Co., the Depository's nominee. We will not issue senior securities in certificated form. Beneficial interests in the global securities will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depository (the "Depository Participants"). Investors may elect to hold interests in the global securities through either the Depository (in the United States), or Clearstream Luxembourg or Euroclear (in Europe) if they are participants in those systems, or, indirectly, through organizations that are participants in those systems. Clearstream Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream Luxembourg's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the Depository. At the present time, Citibank, N.A. acts as U.S. depository for Clearstream Luxembourg and The Chase Manhattan Bank acts as U.S. depository for Euroclear (the "U.S. Depositories"). Beneficial interests in the global securities will be held in denominations of \$1,000 and integral multiples thereof. Except as set forth below, the global securities may be transferred, in whole but not in part, only to another nominee of the Depository or to a successor of the Depository or its nominee. Clearstream Luxembourg has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream Luxembourg holds securities for its participating organizations ("Clearstream Luxembourg Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Luxembourg Participants through electronic book-entry changes in accounts of Clearstream Luxembourg Participants, thereby eliminating the need for physical movement of certificates.

Clearstream Luxembourg provides to Clearstream Luxembourg Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Luxembourg Participants are recognized financial

institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the initial purchasers or their affiliates. Indirect access to Clearstream Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a Clearstream Luxembourg Participant either directly or indirectly.

Distributions with respect to each series of senior securities held beneficially through Clearstream Luxembourg will be credited to cash accounts of Clearstream Luxembourg Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream Luxembourg.

Euroclear has advised us that it was created in 1968 to hold securities for its participants ("Euroclear Participants") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. The Euroclear System is owned by Euroclear Clearance System Public Limited Company (ECS plc) and operated through a license agreement by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium as the "Euroclear operator".

The Euroclear operator holds securities and book-entry interests in securities for participating organizations and facilitates the clearance and settlement of securities transactions between Euroclear Participants, and between Euroclear Participants and participants of certain other securities intermediaries through electronic book-entry changes in accounts of such participants or other securities intermediaries.

The Euroclear operator provides Euroclear Participants, among other things, with safekeeping, administration, clearance and settlement, securities lending and borrowing, and related services.

Non-participants of Euroclear may hold and transfer book-entry interests in the securities through accounts with a direct participant of Euroclear or any other securities intermediary that holds a book-entry interest in the securities through one or more securities intermediaries standing between such other securities intermediary and the Euroclear operator.

The Euroclear operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of, or relationship with, persons holding through Euroclear Participants.

Distributions with respect to each series of senior securities held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

Global Clearance and Settlement Procedures

Secondary market trading between Depository Participants will occur in the ordinary way in accordance with the Depository's rules and will be settled in immediately available funds using the Depository's Same-Day Funds Settlement System. Secondary market trading between Clearstream Luxembourg Participants and Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through the Depository on the one hand, and directly or indirectly through Clearstream Luxembourg or Euroclear Participants, on the other, will be effected within the Depository in accordance with the Depository's rules on behalf of the relevant European international clearing system by its U.S. Depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time).

The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by delivering or receiving senior securities in the Depository, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to the Depository. Clearstream Luxembourg Participants and Euroclear Participants may not deliver instructions directly to their respective U.S. Depositories.

Because of time-zone differences, credits of senior securities received in Clearstream Luxembourg or Euroclear as a result of a transaction with a Depository Participant will be made during subsequent securities settlement processing and dated the business day following the Depository settlement date. Such credits, or any transactions in the senior securities settled during such processing, will be reported to the relevant Euroclear Participants or Clearstream Luxembourg Participants on that business day. Cash received in Clearstream Luxembourg or Euroclear as a result of sales of senior securities by or through a Clearstream Luxembourg Participant or a Euroclear Participant to a Depository Participant will be received with value on the business day of settlement in the Depository but will be available in the relevant Clearstream Luxembourg or Euroclear cash account only as of the business day following settlement in the Depository.

Although the Depository, Clearstream Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of securities among participants of the Depository, Clearstream Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and they may discontinue the procedures at any time.

#### Payment and Paying Agents

Principal of, premium, if any, and interest on the senior securities will be payable, subject to any applicable laws and regulations, at the office of our paying agent or paying agents that we may designate from time to time, except that at our option, payment of interest may be made by check mailed to the address of the person entitled thereto at the address in the security register. We will pay interest on the senior securities on any interest payment date to the person in whose name the senior security (or predecessor senior security) is registered at the close of business on the regular record date for such interest.

The corporate trust office of the trustee will be designated as our paying agent for payments with respect to the senior securities of each series. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying

agent acts, except that we will be required to maintain a paying agent in each place of payment for the series.

Any money paid by us or Viacom International, as guarantor, to a paying agent for the payment of the principal of, premium, if any, or interest on any senior security of any series that remains unclaimed at the end of two years after such principal, premium or interest has become due and payable will be repaid to us or Viacom International, as guarantor, as the case may be, and the holder of such senior security may thereafter look only to us and Viacom International for that payment.

#### Meetings, Modification and Waiver

Modifications and amendments of the Indenture may be made by us, Viacom International, as guarantor, and the trustee with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding senior securities of each series affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the holders of each outstanding senior security affected thereby, (a) change the stated maturity of the principal of, or any installment of principal of or interest on, any senior security or the terms of any sinking fund or analogous payment with respect to any senior security, (b) reduce the principal amount of, or premium or interest on, any senior security, (c) change our obligation to pay additional amounts, (d) reduce the amount of principal of an original issue discount senior security payable upon acceleration of the maturity thereof or provable in bankruptcy, (e) change the place of payment where, or the coin or currency in which, any senior security or any premium or interest thereon is payable, (f) impair the right to institute suit for the enforcement of any payment on or with respect to any senior security, (g) reduce the percentage in principal amount of outstanding senior securities of any series, the consent of whose holders is required for modification or amendment of the Indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults, (h) reduce the requirements contained in the Indenture for quorum or voting, (i) change our obligation to maintain an office or agency in the places and for the purposes required by the Indenture, or (j) reduce the obligations of Viacom International, if any, in respect of the due and punctual payment of any principal of, premium or interest on any senior security or any additional amounts in respect thereof.

The holders of at least a majority in aggregate principal amount of the outstanding senior securities of a series may, on behalf of the holders of all the senior securities of that series, waive, insofar as that series is concerned, our compliance with specified provisions of the Indenture. The holders of not less than a majority in aggregate principal amount of the outstanding senior securities of a series may, on behalf of all holders of senior securities of that series, waive any past default under the Indenture with respect to senior securities of that series, except a default (a) in the payment of principal of or any premium or interest on any senior security of such series or (b) in respect of any other provision of the Indenture that cannot be modified or amended without the consent of the holder of each outstanding senior security of such series affected thereby.

The Indenture provides that, in determining whether the holders of the requisite principal amount of the outstanding senior securities have given any request, demand, authorization, direction, notice, consent or waiver thereunder or are present at a meeting of holders of senior securities for quorum purposes, the principal amount of an original issue discount senior security that shall be deemed to be outstanding shall be the amount that would be due and payable as of the date of such determination upon acceleration of the maturity thereof.

The Indenture contains provisions for convening meetings of the holders of senior securities of any or all series. A meeting may be called at any time by the trustee, and also, upon request, by us or the holders of at least 33 1/3% in aggregate principal amount of the outstanding senior securities of such



series, in any such case upon notice given in accordance with "Notices" below. Except for any consent that must be given by the holder of each outstanding senior security affected thereby, as described above, any resolution presented at a meeting or adjourned meeting at which a quorum is present may be adopted by the affirmative vote of the holders of a majority in principal amount of the outstanding senior securities of that series; provided, however, that, except for any consent that must be given by the holder of each outstanding senior security affected thereby, as described above, any resolution with respect to any consent, waiver, request, demand, notice, authorization, direction or other action that may be made, given or taken by the holders of not less than a specified percentage in principal amount of the outstanding senior securities of a series may be adopted at a meeting or an adjourned meeting at which a quorum is present only by the affirmative vote of the holders of not less than such specified percentage in principal amount of the outstanding senior securities of that series.

Any resolution passed or decision taken at any meeting of holders of senior securities of any series duly held in accordance with the Indenture will be binding on all holders of senior securities of that series. The quorum at any meeting called to adopt a resolution, and at any adjourned meeting, will be persons holding or representing a majority in principal amount of the outstanding senior securities of a series; provided, however, that, if any action is to be taken at such meeting with respect to a consent, waiver, request, demand, notice, authorization, direction or other action that may be given by the holders of not less than a specified percentage in principal amount of the outstanding senior securities of a series, the persons holding or representing such specified percentage in principal amount of the outstanding senior securities of such series will constitute a quorum.

#### Defeasance and Covenant Defeasance

We may elect either (i) to defease and be discharged (and, if applicable, to have Viacom International defeased and discharged) from any and all obligations with respect to the senior securities (except as otherwise provided in the Indenture) ("defeasance") or (ii) to be released from our obligations with respect to certain covenants that are described in the Indenture ("covenant defeasance"), upon the deposit with the trustee, in trust for such purpose, of money and/or specified government obligations that through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of, premium, if any and interest on the senior securities of such series to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous senior payments thereon. As a condition to defeasance or covenant defeasance, we must deliver to the trustee an opinion of counsel to the effect that the holders of the senior securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under clause (i) above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the Indenture.

We may exercise our defeasance option with respect to the senior securities of any series notwithstanding our prior exercise of our covenant defeasance option. If we exercise our defeasance option, payment of the senior securities of such series may not be accelerated because of an event of default and the guarantees relating to such senior securities will cease to exist. If we exercise our covenant defeasance option, payment of the senior securities of such series may not be accelerated by reference to any covenant from which we are released as described under clause (ii) above. However, if acceleration were to occur for other reasons, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on the senior securities of such series, in that the required deposit in the defeasance trust is based upon

scheduled cash flows rather than market value, which will vary depending upon interest rates and other factors.

#### Notices

Notices to holders of senior securities will be given by mail to the addresses of such holders as they appear in the security register.

#### Title

We, Viacom International, as guarantor, the trustee and any agent of us, Viacom International, as guarantor, or the trustee may treat the registered owner of any registered senior security as the absolute owner thereof (whether or not the senior security shall be overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes.

#### Replacement of Senior Securities

We will replace any mutilated senior security at the expense of the holders upon surrender to the trustee. We will replace senior securities that become destroyed, lost or stolen at the expense of the holder upon delivery to the trustee of satisfactory evidence of the destruction, loss or theft thereof. In the event of a destroyed, lost or stolen senior security, an indemnity or security satisfactory to us and the trustee may be required at the expense of the holder of the senior security before a replacement senior security will be issued.

#### Governing Law

The Indenture, the senior securities and the guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

#### Regarding the Trustee

We and Viacom International maintain deposit accounts and banking and borrowing relations with Citibank, N.A., the trustee under the Indenture, and such trustee is currently a lender to us and Viacom International and certain of our other subsidiaries. We may remove the trustee at any time with respect to the senior securities of any series, provided that we immediately appoint a successor trustee meeting the requirements for trustees specified in the Indenture and provided further that no default with respect to such senior securities has occurred and is continuing.

#### Certain Definitions

The following definitions are applicable to the Indenture:

"Capitalized Lease" means any obligation of a person to pay rent or other amounts incurred with respect to real property or equipment acquired or leased by such person and used in its business that is required to be recorded as a capital lease in accordance with generally accepted accounting principles consistently applied as in effect from time to time.

"Indebtedness" of any person means, without duplication (i) any obligation of such person for money borrowed, (ii) any obligation of such person evidenced by bonds, debentures, notes or other similar instruments, (iii) any reimbursement obligation of such person in respect of letters of credit or other similar instruments which support financial obligations which would otherwise become

Indebtedness, (iv) any obligation of such person under Capitalized Leases (other than in respect of (x) telecommunications equipment including, without limitation, satellite transponders, and (y) theme park equipment and attractions), and (v) any obligation of any third party to the extent secured by a Lien on the assets of such person; provided, however, that "Indebtedness" of such person shall not include any obligation of such person (a) to any Subsidiary of such person or to any person with respect to which such person is a Subsidiary or (b) specifically with respect to the production, distribution or acquisition of motion pictures or other programming rights, talent or publishing rights. When used with respect to Viacom, the term "Indebtedness" also includes any obligation of Viacom International specified in clauses (i) through (v) above to the extent that said Indebtedness is guaranteed by Viacom.

"Lien" means any pledge, mortgage, lien, encumbrance or other security interest.

"Restricted Subsidiary" means a corporation all of the outstanding voting stock of which is owned, directly or indirectly, by Viacom or by one or more of its Subsidiaries, or by Viacom and one or more of its Subsidiaries, which is incorporated under the laws of a State of the United States, and which owns a Principal Property.

"Subsidiary" of any person means (i) a corporation a majority of the outstanding voting stock of which is at the time, directly or indirectly, owned by such person, by one or more Subsidiaries of such person, or by such person and one or more Subsidiaries thereof or (ii) any other person (other than a corporation), including, without limitation, a partnership or joint venture, in which such person, one or more Subsidiaries thereof, or such person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other persons performing similar functions).

## UNITED STATES TAX CONSIDERATIONS

This description is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), administrative pronouncements, judicial decisions and existing and proposed Treasury Regulations, and interpretations of the foregoing, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. These statements address only the tax consequences to holders holding senior securities as capital assets within the meaning of Section 1221 of the Code. They do not discuss all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as certain financial institutions, insurance companies, dealers in securities or foreign currencies, United States Holders (as defined below) whose functional currency (as defined in Code Section 985) is not the U.S. dollar, persons holding senior securities in connection with a hedging transaction, "straddle", conversion transaction or other integrated transaction, traders in securities that elect to mark to market, holders liable for alternative minimum tax or persons who have ceased to be United States citizens or to be taxed as resident aliens. Persons considering the purchase of the senior securities should consult their tax advisors concerning the application of United States federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

As used in this section, a "United States Holder" means a beneficial owner of senior securities that is for United States federal income tax purposes a holder that is a United States person (as defined in "Description of Senior Securities--Payment of Additional Amounts").

As used in this section, the term "United States Alien Holder" means a beneficial owner of senior securities that is, for United States federal income tax purposes:

- o a nonresident alien individual;
- o a foreign corporation;
- o a nonresident alien fiduciary of a foreign estate or trust; or
- o a foreign partnership one or more of the members of which is a nonresident alien individual, a foreign corporation or a nonresident alien fiduciary of a foreign estate or trust.

### Exchange Offer

The exchange of unregistered senior securities for exchange senior securities pursuant to the exchange offer will not be a taxable event for United States federal income tax purposes. Accordingly, a holder will not recognize taxable gain or loss as a result of such exchange and will have the same adjusted tax basis and holding period in the exchange senior securities as such holder had in the unregistered senior securities immediately before the exchange.

### Tax Consequences to United States Holders

#### Payments of Interest

Interest on senior securities will generally be taxable to a United States Holder as ordinary interest income at the time it accrues or is received in accordance with the United States Holder's method of accounting for federal income tax purposes.

## Sale, Exchange or Retirement

Upon the sale, exchange or retirement of senior securities, a United States Holder will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement of the senior securities and such holder's adjusted tax basis in the senior securities. A United States Holder's adjusted tax basis in senior securities will equal the cost of the senior securities to such holder, subject to possible reduction by amortized bond premium. The amount realized excludes any amounts attributable to unpaid interest accrued between interest payment dates and not previously included in income, which will be taxable as ordinary income. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange or retirement the senior securities have been held for more than one year. Under current laws, the excess of the taxpayer's net long-term capital gains over net short-term capital losses is taxed at a lower rate than ordinary income for certain non-corporate taxpayers. The distinction between capital gain or loss and ordinary income or loss is also relevant for purposes of, among other things, the limitations on the deductibility of capital losses.

## Amortizable Bond Premium

In general, if a United States Holder purchases a senior security at a premium (that is, for an amount in excess of the amount payable upon the maturity thereof), such holder will be considered to have purchased such senior security with "amortizable bond premium" equal to the amount of such excess. Such holder may elect to amortize such bond premium as an offset to interest income, and not as a separate deduction item, as it accrues under a constant-yield method over the remaining term of the senior security. Such holder's tax basis in the senior security will be reduced by the amount of the amortized bond premium. Any such election shall apply to all debt instruments (other than instruments the interest on which is excludible from gross income) held by the United States Holder at the beginning of the first taxable year for which the election applies or thereafter acquired and is irrevocable without the consent of the Internal Revenue Service. Bond premium on senior securities held by a United States Holder who does not elect to amortize the premium will decrease the gain or increase the loss otherwise recognized on the disposition of the senior securities.

## Market Discount

If a United States Holder purchases a senior security for less than its principal amount, the difference will be treated as a "market discount" for U.S. federal income tax purposes subject to a de minimus exception.

Under the market discount rules, a United States Holder will be required to treat any principal payment on a senior security, or any gain on its sale, exchange, retirement or other disposition, as ordinary income to the extent of the accrued market discount which was not previously included in gross income. If the senior security is disposed of in a non-taxable transaction (other than a nonrecognition transaction described in section 1276 of the Code), accrued market discount will be taxable to the United States Holder as ordinary income as if the United States Holder had sold the senior security at its fair market value. In addition, a United States Holder may be required to defer, until the maturity of a senior security or its earlier disposition (including a non-taxable transaction other than a transaction described in section 1276 of the Code), the deduction of all or a portion of the interest expense in respect of any indebtedness incurred or continued to purchase or carry the senior security. Market discount will be considered to accrue on a straight-line basis during the period from the date of acquisition to the maturity date of the senior security, unless the United States Holder elects to accrue on a constant-yield basis.

A United States Holder may elect to include market discount in income as it accrues --on either a ratable or constant-yield basis. If a United States Holder makes this election, the rules regarding the treatment of gain upon the disposition of the senior security and upon the receipt of principal payments as ordinary income and regarding the deferral of interest deductions will not apply. If a United States Holder elects to include market discount in income as it accrues, the election will apply to all market discount obligations acquired during or after the first taxable year to which the election applies. This election may not be revoked without the consent of the Internal Revenue Service.

#### Tax Consequences to United States Alien Holders

Under present United States federal tax law, and subject to the discussion below concerning backup withholding:

(a) payments of principal, interest and premium on the senior securities by Viacom or its paying agent to any United States Alien Holder will be exempt from the 30% United States federal withholding tax, provided that (i) such holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of stock of Viacom entitled to vote, (ii) such holder is not a controlled foreign corporation related, directly or indirectly, to Viacom through stock ownership, and (iii) the requirement to certify such holder's non-U.S. status, as set forth in section 871(h) or section 881(c) of the Code, has been fulfilled with respect to the beneficial owner, as discussed below;

(b) a United States Alien Holder of senior securities will not be subject to United States federal income tax on gain realized on the sale, exchange or retirement of such senior securities, unless (i) such holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition, and either the gain is attributable to an office or other fixed place of business maintained by such individual in the United States or, generally, such individual has a "tax home" in the United States or (ii) such gain is effectively connected with such holder's conduct of a trade or business in the United States (and, if an income tax treaty applies, generally is attributable to a U.S. "permanent establishment" maintained by such holder); and

(c) senior securities held by an individual who is not, for United States estate tax purposes, a resident or citizen of the United States at the time of his death will not be subject to United States federal estate tax, provided that the individual does not own, actually or constructively, 10% or more of the total combined voting power of all classes of stock of Viacom entitled to vote and, at the time of such individual's death, payments with respect to such senior securities would not have been effectively connected with the conduct by such individual of a trade or business in the United States.

The certification requirement referred to in subparagraph (a) will be fulfilled if the beneficial owner of senior securities certifies on Internal Revenue Service Form W-8BEN or successor form under penalties of perjury, that it is not a United States person and provides its name and address, and (i) such beneficial owner files such Form W-8BEN or successor form with the withholding agent or (ii) in the case of senior securities held on behalf of the beneficial owners by a securities clearing organization, bank or other financial institution holding customers' securities in the ordinary course of its trade or business, such financial institution files with the withholding agent a statement that it has received the Form W-8BEN or successor form from the United States Alien Holder, furnishes the withholding agent with a copy thereof and otherwise complies with the applicable Internal Revenue Service requirements.

Alternatively, these certification requirements will not apply if the beneficial owner of the senior securities holds those securities directly through a "qualified intermediary"(which is a non-U.S. office of a bank, securities dealer or similar intermediary that has signed an agreement with the Internal Revenue Service concerning withholding tax procedures), the qualified intermediary has sufficient information in

its files to indicate that the holder is a United States Alien Holder and the intermediary complies with Internal Revenue Service requirements. Special rules may apply with respect to senior securities held by a foreign partnership. Prospective investors, including foreign partnerships and their partners and holders who hold their senior securities through a qualified intermediary, should consult their tax advisers regarding possible reporting requirements.

If a United States Alien Holder of senior securities is engaged in a trade or business in the United States, and if interest on the senior securities (or gain realized on their sale, exchange or other disposition) is effectively connected with the conduct of such trade or business (and, if an income tax treaty applies, generally is attributable to a U.S. "permanent establishment" maintained by such holder), the United States Alien Holder, although exempt from the withholding tax discussed in the preceding paragraphs, will be subject to regular United States income tax on such effectively connected income, generally in the same manner as if it were a United States Holder. See "Tax Consequences to United States Holders" above. In lieu of the certificate described in the preceding paragraph, such a holder will be required to provide to the withholding agent a properly executed Internal Revenue Service Form W-8ECI or successor form, as appropriate, to claim an exemption from withholding tax. In addition, if such United States Alien Holder is a foreign corporation, it may be subject to a 30% branch profits tax (unless reduced or eliminated by an applicable treaty) on its earnings and profits for the taxable year attributable to such effectively connected income, subject to certain adjustments.

Interest payments made to a United States Alien Holder will generally be reported to such holder and to the Internal Revenue Service on Form 1042-S. However, this reporting does not apply if such holder holds the senior securities directly through a qualified intermediary.

#### Backup Withholding and Information Reporting

Under current United States federal income tax law, information reporting requirements apply to certain payments of principal, premium, market discount and interest made to, and to the proceeds of sales before maturity by, non-corporate United States Holders. In addition, a 31% backup withholding tax will apply if the noncorporate United States Holder (i) fails to furnish its Taxpayer Identification Number ("TIN") which, for an individual, is his Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the Internal Revenue Service that it is subject to backup withholding for failure to report interest and dividend payments, or (iv) under certain circumstances fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the Internal Revenue Service that it is subject to backup withholding for failure to report interest and dividend payments. Holders should consult their tax advisers regarding their qualification for exemption from backup withholding and the procedure for obtaining such an exemption if applicable.

Backup withholding will not apply to payments made on senior securities if the certifications required by Sections 871(h) and 881(c) as described above are received or if the exemption for qualified intermediaries discussed above applies, provided that Viacom or its paying agent or the qualified intermediary, as the case may be, does not have actual knowledge or reason to know that the payee is a United States person.

Under current Treasury Regulations, payments on the sale, exchange or other disposition of senior securities made to or through a foreign office of a broker generally will not be subject to backup withholding. However, if such broker is:

- o a United States person;
- o a controlled foreign corporation for United States federal income tax purposes;

- o a foreign person 50% or more of whose gross income for certain periods is effectively connected with a United States trade or business; or
- o a foreign partnership with certain connections to the United States;

then information reporting will be required unless the broker has in its records documentary evidence that the beneficial owner is not a United States person and certain other conditions are met or the beneficial owner otherwise establishes an exemption. Backup withholding may apply to any payment that such broker is required to report if the broker has actual knowledge or reason to know that the payee is a United States person. Payments to or through the United States office of a broker will be subject to backup withholding and information reporting unless such holder certifies, under penalties of perjury, that it is not a United States person and the payor does not have actual knowledge or reason to know that such holder is a United States person, or such holder otherwise establishes an exemption.

United States Alien Holders of senior securities should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if available. Any amounts withheld from a payment to a United States Alien Holder under the backup withholding rules will be allowed as a credit against such holder's United States federal income tax liability and may entitle such holder to a refund, provided that such holder files a United States income tax return and the required information is furnished to the Internal Revenue Service.



## PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange senior securities for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange senior securities. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange senior securities received in exchange for unregistered senior securities where such unregistered senior securities were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration of the exchange offer, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until 90 days after the date of this prospectus, all dealers effecting transactions in the exchange senior securities may be required to deliver a prospectus.

We will not receive any proceeds from any sale of exchange senior securities by broker-dealers. Exchange senior securities received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange senior securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such exchange senior securities. Any broker-dealer that resells exchange senior securities that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such exchange senior securities may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of exchange senior securities and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

#### LEGAL MATTERS

The validity of the exchange senior securities and the guarantees will be passed upon for Viacom and Viacom International by Shearman & Sterling, New York, New York.

#### EXPERTS

Our financial statements incorporated by reference in this prospectus from our Annual Report on Form 10-K for the year ended December 31, 2000 have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements and schedule of CBS as of December 31, 1999 and 1998, and for each of the years in the three-year period ended December 31, 1999, incorporated in this prospectus by reference from Item 8 of the CBS's Annual Report on Form 10-K for the year ended December 31, 1999, have been audited by KPMG LLP, independent accountants, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements and schedule of Infinity as of December 31, 1999 and 1998 and for each of the years in the three-year period ended December 31, 1999, incorporated in this prospectus by reference from Item 8 of Infinity's Annual Report on Form 10-K for the year ended December 31, 1999, have been audited by KPMG LLP, independent accountants, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law permits a corporation to indemnify any of its directors or officers who was or is a party, or is threatened to be made a party, to any third party proceeding by reason of the fact that such person is or was a director or officer of the corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reason to believe that such person's conduct was unlawful. In a derivative action, i.e., one by or in the right of a corporation, the corporation is permitted to indemnify directors and officers against expenses (including attorneys' fees) actually and reasonably incurred by them in connection with the defense or settlement of an action or suit if they acted in good faith and in a manner that they reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made if such person shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine upon application that the defendant directors or officers are fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

Expenses, including attorneys' fees, incurred by any such person in defending any such action, suit or proceeding may be paid or reimbursed by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt by it of an undertaking of such person to repay such expenses if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation.

Delaware law does not permit a corporation to indemnify persons against judgments in actions brought by or in the right of the corporation unless the Delaware Court of Chancery approves the indemnification.

Viacom's restated certificate of incorporation provides that each person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, because that person is or was a Viacom director or officer or is or was serving at Viacom's request as a director or officer of another entity, shall be indemnified and held harmless by Viacom to the fullest extent permitted by Delaware law. This right to indemnification also includes the right to be paid by Viacom the expenses incurred in connection with that proceeding in advance of its final disposition to the fullest extent authorized by Delaware law. This right to indemnification is a contract right. Viacom's restated certificate of incorporation authorizes its Board of Directors to indemnify any of Viacom's employees or agents to the extent approved by the Board of Directors and authorized under Delaware law.

Viacom intends to purchase and maintain insurance on behalf of any person who is or was one of its directors, officers, employees or agents, or is or was serving at the request of Viacom as a director, officer, employee or agent of another entity against any liability asserted against him or her and incurred by him or her in that capacity, or arising out of his or her status as such, whether or not Viacom would have the power or the obligation to indemnify him or her against that liability under the provisions of the restated certificate of incorporation of Viacom.

Item 21. Exhibits and Financial Statement Schedules

(a) Exhibits

See the index to exhibits that appears immediately following the signature pages of this Registration Statement.

(b) Financial Statement Schedules

Not applicable.

Item 22. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant, pursuant to the provisions described in Item 20, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that the claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(6) To respond to requests for information that is incorporated by reference into the Prospectus pursuant to Items 4, 10(b), 11 or 13 of this Form within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed after the effective date of this Registration Statement through the date of responding to the request.

(7) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this Registration Statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the undersigned Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on July 13, 2001.

VIACOM INC.

By: /s/ Sumner M. Redstone

-----  
 Name: Sumner M. Redstone  
 Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated.

Signatures -----	Title -----	Date -----
/s/ Sumner M. Redstone ----- Sumner M. Redstone	Chairman of the Board of Directors, Chief Executive Officer and Director (Principal Executive Officer)	July 13, 2001
/s/ Richard J. Bressler ----- Richard J. Bressler	Senior Executive Vice President and Chief Financial Officer (Principal Financial Officer)	July 13, 2001
/s/ Susan C. Gordon ----- Susan C. Gordon	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	July 13, 2001
* ----- George S. Abrams	Director	
* ----- David R. Andelman	Director	
* ----- George H. Conrades	Director	
* ----- Philippe P. Dauman	Director	
* ----- William H. Gray III	Director	
* ----- Mel Karmazin	Director	

Signatures

Title

Date

\*

-----  
Jan Leschly

Director

\*

-----  
David T. McLaughlin

Director

\*

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Ken Miller

Director

\*

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Leslie Moonves

Director

\*

-----  
Brent D. Redstone

Director

\*

-----  
Shari Redstone

Director

\*

-----  
Frederic V. Salerno

Director

\*

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William Schwartz

Director

\*

-----  
Ivan Seidenberg

Director

\*

-----  
Patty Stonesifer

Director

\*

-----  
Robert D. Walter

Director

\*By: /s/ Michael D. Fricklas

July 13, 2001

-----  
Michael D. Fricklas,  
Attorney-in-Fact  
For the Directors





SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the undersigned Registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-4 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on July 13, 2001.

VIACOM INTERNATIONAL INC.

By: /s/ Mel Karmazin

-----  
Name: Mel Karmazin  
Title: President, Chief Executive  
Officer and Chief  
Operating Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated.

Signatures

Title

Date

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-----

-----

/s/ Mel Karmazin

President,  
Chief Executive Officer and  
Chief Operating Officer

July 13, 2001

-----  
Mel Karmazin

/s/ Richard J. Bressler

Senior Executive Vice President,  
Chief Financial Officer,  
General Counsel, Secretary  
and Director

July 13, 2001

-----  
Richard J. Bressler

/s/ Michael D. Fricklas

Executive Vice President and Director

July 13, 2001

-----  
Michael D. Fricklas

/s/ Susan C. Gordon

Vice President, Controller and Chief  
Accounting Officer

July 13, 2001

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Susan C. Gordon

INDEX TO EXHIBITS

Exhibit Number	Description
1.1*	Purchase Agreement, dated May 10, 2001, by and among Viacom Inc., Viacom International Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Smith Barney Inc., as representatives of the several initial purchasers.
1.2	Purchase Agreement, dated January 9, 2001, by and among Viacom Inc., Viacom International Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Smith Barney Inc., as representatives of the several initial purchasers (incorporated herein by reference to Exhibit 1.1 of Viacom's Form S-4 dated January 30, 2001).
4.1*	Indenture, dated as of May 15, 1995, among Viacom, Viacom International, as guarantor, and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, Trustee.
4.2*	First Supplemental Indenture, dated as of May 24, 1995.
4.3*	Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995.
4.4*	Third Supplemental Indenture, dated as of July 22, 1996.
4.5	Fourth Supplemental Indenture, dated as of August 1, 2000 (incorporated herein by reference to Exhibit 4.3 of Viacom's Current Report on Form 8-K dated July 25, 2000).
4.6	Fifth Supplemental Indenture, dated as of January 17, 2001 (incorporated herein by reference to Exhibit 4.6 of Viacom's registration statement on Form S-4 dated January 30, 2001).
4.7	Sixth Supplemental Indenture, dated as of May 17, 2001 (incorporated herein by reference to Exhibit 4.9 of Viacom's registration statement on Form S-3 dated May 31, 2001).
4.8	Seventh Supplemental Indenture, dated as of May 31, 2001 (incorporated herein by reference to Exhibit 4.10 of Viacom's registration statement on Form S-3 dated May 31, 2001).
4.9	Form of 2006 Exchange Note (incorporated herein by reference to Exhibit 4.7 of Viacom's registration statement on Form S-4 dated January 30, 2001).
4.10*	Form of 2011 Exchange Note.
4.11	Form of 2010 Exchange Note (incorporated herein by reference to Exhibit 4.8 of Viacom's registration statement on Form S-4 dated January 30, 2001).
4.12	Form of Exchange Debenture (incorporated herein by reference to Exhibit 4.9 of Viacom's registration statement on Form S-4 dated January 30, 2001).
4.13*	Registration Rights Agreement dated as of May 17, 2001 among Viacom Inc., Viacom International Inc. and the Initial Purchasers.
5.1*	Opinion and Consent of Shearman & Sterling regarding validity of the exchange senior securities and the guarantees.
12.1	Statements regarding computation of ratios (incorporated herein by reference to Exhibit 12.1 of Viacom's registration statement on Form S-3 dated May 31, 2001).
23.1*	Consent of PricewaterhouseCoopers LLP.
23.2*	Consent of KPMG LLP.
23.3	Consent of Shearman & Sterling (included in Exhibit 5.1).
24.1*	Powers of Attorney.
25.1*	Statement of Eligibility of the Trustee on Form T-1.
99.1*	Form of Letter of Transmittal for the 2006 Exchange Notes and the 2011 Exchange Notes.
99.2*	Form of Letter of Transmittal for the 2006 Exchange Notes, 2010 Exchange Notes and Exchange Debentures.
99.3*	Form of Notice of Guaranteed Delivery for the 2006 Exchange Notes and the 2011 Exchange Notes.
99.4*	Form of Notice of Guaranteed Delivery for the 2006 Exchange Notes, 2010 Exchange Notes and Exchange Debentures.

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\*

Filed herewith.

VIACOM INC.  
VIACOM INTERNATIONAL INC.

6.40% SENIOR NOTES DUE 2006  
6.625% SENIOR NOTES DUE 2011

## PURCHASE AGREEMENT

New York, New York  
May 10, 2001

Merrill Lynch, Pierce, Fenner & Smith  
Incorporated  
Salomon Smith Barney Inc.  
As Representatives of the  
several Initial Purchasers  
c/o Merrill Lynch, Pierce, Fenner & Smith  
Incorporated  
World Financial Center  
North Tower  
250 Vesey Street  
New York, New York 10281

Ladies and Gentlemen:

Viacom Inc. a Delaware corporation (the "Company"), confirms its agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), Salomon Smith Barney Inc. ("Salomon Smith Barney"), and each of the other Initial Purchasers named in Schedule A hereto (collectively, the "Initial Purchasers", which term shall also include any initial purchaser substituted as hereinafter provided in Section 12 hereof), for whom Merrill Lynch and Salomon Smith Barney are acting as representatives (in such capacity, the "Representatives"), with respect to the issue and sale by the Company and the purchase by the Initial Purchasers, acting severally and not jointly, of the respective principal amounts set forth in said Schedule A of \$400,000,000 aggregate principal amount of the Company's 6.40% Senior Notes due 2006 and \$1,000,000,000 aggregate principal amount of the Company's 6.625% Senior Notes due 2011 each of which is guaranteed on an unsecured basis (the "Guarantee") by Viacom International Inc., a Delaware corporation (the "Guarantor"). The Senior Notes due 2006 and the Senior Notes due 2011

together with the Guarantees are referred to collectively as the "Securities". The Securities are to be issued under an indenture dated as of May 15, 1995 among the Company, the Guarantor and Citibank, N.A., as successor to State Street Bank and Trust Company, as successor to The First National Bank of Boston, as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture thereto, dated as of May 24, 1995, the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, the Third Supplemental Indenture, dated as of July 22, 1996, the Fourth Supplemental Indenture, dated as of August 1, 2000, the Fifth Supplemental Indenture dated as of January 17, 2001 and the Sixth Supplemental Indenture to be dated as of May 17, 2001 (as so supplemented and amended, the "Indenture").

The Company understands that the Initial Purchasers propose to make an offering of the Securities on the terms and in the manner set forth herein and agrees that the Initial Purchasers may resell, subject to the conditions set forth herein, all or a portion of the Securities to purchasers ("Subsequent Purchasers") at any time after this Agreement has been executed and delivered. The Securities are to be offered and sold through the Initial Purchasers without being registered under the Securities Act of 1933, as amended (the "1933 Act"), in reliance upon exemptions therefrom. Pursuant to the terms of the Securities and the Indenture, Subsequent Purchasers may only resell or otherwise transfer such Securities if such Securities are hereafter registered under the 1933 Act or if an exemption from the registration requirements of the 1933 Act is available (including the exemption afforded by Rule 144A ("Rule 144A") or Regulation S ("Regulation S") of the rules and regulations promulgated under the 1933 Act by the Securities and Exchange Commission (the "Commission")).

The Company will prepare and will deliver to each Initial Purchaser, on or about May 10, 2001 copies of a final offering memorandum dated May 10, 2001 (the "Offering Memorandum"), for use by such Initial Purchaser in connection with its solicitation of purchases of, or offering of, the Securities. "Offering Memorandum" means, with respect to any date or time referred to in this Agreement, the most recent offering memorandum (the Offering Memorandum, and any amendment or supplement thereto), including exhibits thereto and any documents incorporated therein by reference, which has been prepared and delivered by the Company to the Initial Purchasers in connection with their solicitation of purchases of, or offering of, the Securities, and including any supplement relating to the Securities distributed to the Luxembourg Stock Exchange.

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Offering Memorandum (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which are incorporated by reference in the Offering Memorandum; and all references in this Agreement to amendments or supplements to the Offering Memorandum shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934 (the "1934 Act") which is incorporated by reference in the Offering Memorandum.

Holders of the Securities (including subsequent transferees) will have the registration rights set forth in the registration rights agreement (the "Registration Rights Agreement") substantially in the same form as the Registration Rights Agreement dated January 17, 2001, to be executed on and dated as of the Closing Time (as defined below). Pursuant to the

Registration Rights Agreement, the Company and the guarantor will agree, among other things, to file with the Commission (i) a registration statement under the 1933 Act relating to, among other things, exchange notes identical in all material respects to the Senior Notes due 2006 and the Senior Notes due 2011 (except that the exchange notes shall have been registered pursuant to such registration statement, will not provide for any increase in the interest rate in connection with the failure to file such registration statement, and will be issuable in denominations of \$1,000 and integral multiples thereof) to be offered in exchange for the Senior Notes due 2006 and the Senior Notes due 2011, respectively (collectively, the "Exchange Securities") and, (ii) under certain circumstances, a shelf registration statement pursuant to Rule 415 under the 1933 Act relating to the resale by certain holders of the Senior Notes due 2006 and the Senior Notes due 2011.

SECTION 1. Representations and Warranties by the Company and the Guarantor.

(a) Representations and Warranties. The Company and the Guarantor, jointly and severally, represent and warrant to each Initial Purchaser as of the date hereof and as of the Closing Time referred to in Section 2(b) hereof, and agrees with each Initial Purchaser, as follows:

(i) Offering Memorandum. The Offering Memorandum does not, and at the Closing Time will not, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to the information contained in or omitted from the Offering Memorandum in reliance upon and in conformity with information furnished to the Company in writing by or on behalf of any Initial Purchaser through the Representatives specifically for use in the Offering Memorandum.

(ii) Incorporated Documents. The documents incorporated or deemed to be incorporated by reference in the Offering Memorandum at the time they were or hereafter are filed with the Commission complied and will comply, as the case may be, in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission thereunder (the "1934 Act Regulations").

(iii) Independent Accountants. The accountants who certified the financial statements and any supporting schedules included in the Offering Memorandum are independent public accountants as required by the 1933 Act and the applicable rules and regulations of the Commission thereunder (the "1933 Act Regulations").

(iv) Financial Statements. The financial statements of the Company, CBS Corporation and Infinity Broadcasting Corporation included in the Offering Memorandum, together with the related schedules and notes, as well as those financial statements, schedules and notes of any other entity included therein present fairly the financial position of the Company at the dates indicated, and the statement of operations, stockholders' equity and cash flows of the Company, CBS Corporation and Infinity Broadcasting Corporation for the periods specified. Such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied

on a consistent basis throughout the periods involved. The supporting schedules, if any, included in the Offering Memorandum present fairly in accordance with GAAP the information required to be stated therein. The capitalization table, the summary financial data for the Company, the summary historical financial data for CBS Corporation, the summary unaudited pro forma combined financial data and the ratio of earnings to fixed charges included in the Offering Memorandum present fairly the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included in the Offering Memorandum. In addition, any pro forma financial statements of the Company, CBS Corporation, Infinity Broadcasting Corporation and their subsidiaries and the related notes thereto included in the Offering Memorandum present fairly the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein.

(v) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Offering Memorandum, except as otherwise stated therein, (A) there has been no material adverse change in the financial condition, results of operations or business affairs of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), and (B) there have been no material transactions entered into by the Company other than transactions contemplated by the Offering Memorandum or transactions arising in the ordinary course of business.

(vi) Good Standing. The Company and the Guarantor have been duly organized and are validly existing as corporations in good standing under the laws of the State of Delaware and have corporate power and authority to own, lease and operate their respective properties and to conduct their respective businesses as described in the Offering Memorandum and to enter into and perform their respective obligations under, or as contemplated under, this Agreement. The Company and the Guarantor are duly qualified as foreign corporations to transact business and are in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failures to so qualify or be in good standing would not in the aggregate result in a Material Adverse Effect.

(vii) Good Standing of Designated Subsidiaries. Each "significant subsidiary" of the Company (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the 1933 Act), if any, has been duly organized and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Offering Memorandum and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failures to so qualify or be in good standing would not in the aggregate result in a Material Adverse Effect.

(viii) Capitalization. All of the outstanding shares of capital stock of the Guarantor have been duly authorized and validly issued, are fully paid and non-assessable, and are wholly owned by the Company, and are free and clear of any lien, adverse claim, security interest, equity or other encumbrance except as described in the Offering Memorandum and except for such liens, adverse claims, security interests, equity or other encumbrances that are immaterial to the Company and its subsidiaries taken as a whole.

(ix) Authorization of Agreements. This Agreement has been duly authorized, executed and delivered by the Company and the Guarantor, and the Registration Rights Agreement has been duly authorized by the Company and the Guarantor and will have been duly executed and delivered at the Closing Time.

(x) Authorization of the Securities and the Exchange Securities. The Securities and the Exchange Securities have been duly authorized by the Company and the Guarantor, as the case may be, for issuance and sale pursuant to this Agreement. The Securities and the Exchange Securities, when issued and authenticated in the manner provided for in the Indenture and delivered against payment of the consideration therefor specified in this Agreement, will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company and the Guarantor, as the case may be, entitled to the benefits of the Indenture, enforceable against the Company and the Guarantor, as the case may be, in accordance with their terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) rights of acceleration, if any, and the availability of equitable remedies may be limited by equitable principles of general applicability (regardless of whether considered in a proceeding in equity or at law).

(xi) Authorization of the Indenture. The Indenture has been duly authorized, executed and delivered by the Company and the Guarantor and, upon such authorization, execution and delivery, will constitute a valid and binding agreement of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) rights of acceleration, if any, and the availability of equitable remedies may be limited by equitable principles of general applicability (regardless of whether considered in a proceeding in equity or at law).

(xii) Description of the Securities, the Exchange Securities and the Indenture. The Securities, the Exchange Securities and the Indenture conform in all material respects to the statements relating thereto contained in the Offering Memorandum.

(xiii) Absence of Defaults and Conflicts. The issue and sale of the Securities and the Exchange Securities and compliance by the Company and the Guarantor with all of the provisions of the Securities, the Exchange Securities, the Indenture, this



Agreement and the Registration Rights Agreement and the consummation of the transactions contemplated herein and therein do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company, the Guarantor or any of their respective subsidiaries is a party or by which it or any of them may be bound, or to which any of the assets, properties or operations of the Company, the Guarantor or any of their respective subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company, the Guarantor or any of their respective subsidiaries or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company, the Guarantor or any of their respective subsidiaries or any of their assets, properties or operations, except, in any such case, for such conflicts, breaches or violations as would not individually or in the aggregate result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company, the Guarantor or any of their respective subsidiaries.

(xiv) Absence of Proceedings. There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or to the knowledge of the Company or the Guarantor threatened, against or affecting the Company, the Guarantor or any of their respective subsidiaries which is required to be disclosed in the Offering Memorandum (other than as stated therein), or which individually or in the aggregate would result in a Material Adverse Effect, or which would materially and adversely affect the consummation of the transactions contemplated under the Offering Memorandum, this Agreement, the Registration Rights Agreement or the Indenture or the performance by the Company or the Guarantor of their respective obligations hereunder and thereunder.

(xv) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the due authorization, execution and delivery by the Company or the Guarantor of this Agreement, the Registration Rights Agreement or for the performance by the Company or the Guarantor of the transactions contemplated under the Offering Memorandum, this Agreement, the Registration Rights Agreement or the Indenture, except such as have been already made, obtained or rendered, as applicable, and as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Initial Purchasers or as may be required in connection with any registration statement required pursuant to the terms of the Registration Rights Agreement and except where the failure to obtain any such filing, authorization, approval, consent, license, order, registration, qualification or decree will not individually or in the aggregate result in a Material Adverse Effect.

(xvi) Investment Company Act. The Company is not, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Offering Memorandum will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act").

(xvii) Similar Offerings. Neither the Company nor the Guarantor nor any of their affiliates, as such term is defined in Rule 501(b) under the 1933 Act (each, an "Affiliate"), has, directly or indirectly, solicited any offer to buy, sold or offered to sell or otherwise negotiated in respect of, or will solicit any offer to buy, sell or offer to sell or otherwise negotiate in respect of, in the United States or to any United States citizen or resident, any security which is or would be integrated with the sale of the Securities in a manner that would require the Securities to be registered under the 1933 Act.

(xviii) Rule 144A Eligibility. The Securities are eligible for resale pursuant to Rule 144A and will not be, at the Closing Time, of the same class as securities listed on a national securities exchange registered under Section 6 of the 1934 Act, or quoted in a U.S. automated interdealer quotation system.

(xix) No General Solicitation. None of the Company, the Guarantor, their Affiliates or any person acting on any of their behalf (other than the Initial Purchasers, as to whom the Company and the Guarantor make no representation) has engaged or will engage, in connection with the offering of the Securities, in any form of general solicitation or general advertising within the meaning of Rule 502(c) under the 1933 Act.

(xx) No Registration Required. Subject to compliance by the Initial Purchasers with the procedures and the representations and warranties set forth in Section 6 hereof, it is not necessary in connection with the offer, sale and delivery of the Securities to the Initial Purchasers and to each Subsequent Purchaser in the manner contemplated by this Agreement and the Offering Memorandum to register the Securities under the 1933 Act or to qualify the Indenture under the Trust Indenture Act of 1939, as amended (the "1939 Act").

(xxi) Reporting Company. The Company is subject to the reporting requirements of Section 13 or Section 15(d) of the 1934 Act.

(xxii) No Directed Selling Efforts. With respect to those Securities sold in reliance on Regulation S, (A) none of the Company, the Guarantor, their Affiliates or any person acting on any of their behalf (other than the Initial Purchasers, as to whom the Company makes no representation) has engaged or will engage in any directed selling efforts within the meaning of Regulation S and (B) each of the Company, the Guarantor and their Affiliates and any person acting on any of their behalf (other than the Initial Purchasers, as to whom the Company and the Guarantor make no representation) has complied and will comply with the offering restrictions requirement of Regulation S.

(b) Officer's Certificates. Any certificate signed by any officer of the Company, the Guarantor or any of their subsidiaries delivered to the Representatives or to counsel for the Initial

Purchasers shall be deemed a representation and warranty by the Company or the Guarantor, as the case may be, to each Initial Purchaser as to the matters covered thereby.

SECTION 2. Sale and Delivery to Initial Purchasers; Closing.

(a) Securities. Subject to the terms and conditions herein set forth, the Company agrees to issue and sell to each of the Initial Purchasers and each of the Initial Purchasers agrees, severally and not jointly, to purchase from the Company, at the price set forth in Schedule B, the aggregate principal amount of Securities set forth in Schedule A opposite the name of such Initial Purchaser, plus any additional principal amount of Securities which such Initial Purchaser may become obligated to purchase pursuant to the provisions of Section 12 hereof.

(b) Payment. Payment of the purchase price for, and delivery of the Securities shall be made at the offices of Salomon Smith Barney, 388 Greenwich Street, New York, New York 10013, or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (Eastern time) on May 17, 2001 (unless postponed in accordance with the provisions of Section 12), or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called the "Closing Time").

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company, against delivery to the Representatives for the respective accounts of the Initial Purchasers of the Securities to be purchased by them. It is understood that each Initial Purchaser has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Securities which it has severally agreed to purchase. The Representatives, individually and not as representatives of the Initial Purchasers, may (but shall not be obligated to) make payment of the purchase price for the Securities to be purchased by any Initial Purchaser whose funds have not been received by the Closing Time, but such payment shall not relieve such Initial Purchaser from its obligations hereunder. Delivery of the Securities shall be made through the facilities of the Depository Trust Company ("DTC"), Clearstream Luxembourg or Euroclear unless the Representatives shall otherwise instruct.

SECTION 3. Covenants of the Company and the Guarantor. The Company and the Guarantor jointly and severally covenant with each Initial Purchaser as follows:

(a) Offering Memorandum. The Company and the Guarantor, as promptly as possible, will furnish to each Initial Purchaser, without charge, such number of copies of the Offering Memorandum as such Initial Purchaser may reasonably request.

(b) Notice and Effect of Material Events. The Company and the Guarantor will immediately notify each Initial Purchaser, and confirm such notice in writing, of (x) any filing made by the Company or the Guarantor of information relating to the offering of the Securities with any securities exchange or any other regulatory body in the United States or any other jurisdiction, and (y) prior to the completion of the placement of the Securities by the Initial Purchasers as evidenced by a notice in writing from the Initial Purchasers to the Company, any material changes in or affecting the condition, financial or otherwise, or the earnings or business

affairs of the Company and its subsidiaries considered as one enterprise which (i) make any statement in the Offering Memorandum false or misleading or (ii) are not disclosed in the Offering Memorandum as a result of which the Offering Memorandum omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. In such event or if during such time any event shall occur as a result of which it is necessary, in the reasonable opinion of any of the Company, its counsel, the Initial Purchasers or counsel for the Initial Purchasers, to amend or supplement the Offering Memorandum in order that the Offering Memorandum not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances then existing, the Company will forthwith amend or supplement the Offering Memorandum by preparing and furnishing to each Initial Purchaser an amendment or amendments of, or a supplement or supplements to, the Offering Memorandum (in form and substance satisfactory in the reasonable opinion of counsel for the Initial Purchasers) so that, as so amended or supplemented, the Offering Memorandum will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time it is delivered to a Subsequent Purchaser, not misleading.

(c) Amendment to Offering Memorandum and Supplements. Until the Closing Time, the Company and the Guarantor will advise the Representatives promptly of their intention to amend or supplement the Offering Memorandum, will furnish the Representatives with copies of any such documents a reasonable amount of time prior to their use, and will not use any such document to which the Representatives or counsel to the Representatives shall reasonably object.

(d) Blue Sky Qualifications. The Company and the Guarantor will use their best efforts, in cooperation with the Initial Purchasers, to qualify the Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representatives may designate and to maintain such qualifications in effect for a period of not less than one year from the date hereof; provided, however, that the Company and the Guarantor shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. In each jurisdiction in which the Securities have been so qualified, the Company and the Guarantor will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification in effect for a period of not less than one year from the date hereof.

(e) DTC. The Company will cooperate with the Representatives and use its reasonable best efforts to permit the Securities to be eligible for clearance and settlement through the facilities of DTC.

(f) Use of Proceeds. The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Offering Memorandum under "Use of Proceeds".

(g) Listing on Securities Exchange. The Company has caused the Securities, and will use its best efforts to cause the Exchange Securities, to be listed or admitted to trading on the Luxembourg Stock Exchange.

(h) Restriction on Sale of Securities. Between the date of this Agreement and the Closing Time, neither the Company nor the Guarantor will, without the prior written consent of the Representatives, directly or indirectly, issue, sell, offer or contract to sell, grant any option for the sale of, any securities of the Company or the Guarantor substantially similar to the Securities.

(i) Reporting Requirements. Until the Closing Time, the Company and the Guarantor will file all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

SECTION 4. Payment of Expenses. The Company and the Guarantor will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing, delivery to the Initial Purchasers of the Offering Memorandum (including financial statements and any schedules or exhibits and any document incorporated therein by reference) and of each amendment or supplement thereto, (ii) the preparation, printing and delivery to the Initial Purchasers of this Agreement, any Agreement among Initial Purchasers, the Indenture and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Securities, (iii) the preparation, issuance and delivery of the certificates for the Securities to the Initial Purchasers, including any transfer taxes, any stamp or other duties payable upon the sale, issuance and delivery of the Securities to the Initial Purchasers and any charges of DTC in connection therewith, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors or agents (including transfer agents and registrars), as well as the fees and disbursements of the Trustee and its respective counsel, (v) the qualification of the Securities under state securities laws in accordance with the provisions of Section 3(d) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Initial Purchasers in connection therewith and in connection with the preparation, printing and delivery of the Blue Sky Survey, and any amendment thereto, (vi) the fees charged by nationally recognized statistical rating organizations for the rating of the Securities, (vii) any fees and expenses payable in connection with the initial and continued designation, if any, of the Securities as PORTAL securities under the PORTAL Market Rules pursuant to NASD Rule 5322, and (viii) any fees and expenses payable in connection with the initial and continued listing of the securities on any non-U.S. securities exchange including the Luxembourg Stock Exchange, and (ix) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Initial Purchasers in connection with, the review, if any, by the National Association of Securities Dealers, Inc. (the "NASD") of the terms of the sale of the Securities.

SECTION 5. Conditions of Initial Purchasers' Obligations. The obligations of the several Initial Purchasers hereunder are subject to the accuracy of the representations and warranties of the Company and the Guarantor contained in Section 1 hereof or in certificates of any officer of the Company, the Guarantor or any of their respective subsidiaries delivered pursuant to the provisions hereof, to the performance by the Company and the Guarantor of their respective covenants and other obligations hereunder, and to the following further conditions:

(a) Opinion of Counsel for Company. At the Closing Time, the Representatives shall have received the favorable opinion, dated as of the Closing Time, of Shearman & Sterling, counsel for the Company and the Guarantor, in form and substance satisfactory to counsel for the Initial Purchasers, together with signed or reproduced copies of such letter for each of the other Initial Purchasers with respect to such matters as the Initial Purchasers may reasonably request.

(b) Opinion of Counsel for Initial Purchasers. At the Closing Time, the Representatives shall have received the favorable opinion, dated as of the Closing Time, of Hughes Hubbard & Reed LLP, counsel for the Initial Purchasers, together with signed or reproduced copies of such letter for each of the other Initial Purchasers with respect to such matters as the Initial Purchasers may reasonably request.

(c) Officers' Certificate. At Closing Time, there shall not have been, since the respective dates as of which information is given in the Offering Memorandum, any material adverse change in the financial condition, results of operations or business affairs of the Company, the Guarantor and their respective subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the President or a Vice President of the Company and the Guarantor and of the chief financial officer or chief accounting officer of the Company and the Guarantor, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1 are true and correct with the same force and effect as though expressly made at and as of the Closing Time, and (iii) the Company and the Guarantor have complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Time.

(d) Accountants' Comfort Letter. At the time of the execution of this Agreement, the Representatives shall have received from PricewaterhouseCoopers LLP a letter dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Initial Purchasers, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained or incorporated by reference in the Offering Memorandum.

(e) Bring-down Comfort Letter. At Closing Time, the Representatives shall have received from PricewaterhouseCoopers LLP a letter, dated as of Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (d) of this Section 5, except that the specified date referred to shall be a date not more than three business days prior to the Closing Time.

(f) Ratings. On the date hereof or prior to the Closing Time, there shall not have occurred any downgrading in the rating of any debt securities of the Company or the Guarantor by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the 1933 Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities of the Company or the Guarantor (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating).

(g) Approval of Listing. At the Closing Time, the Securities and the Exchange Securities shall have been approved for listing, subject only to official notice of issuance, on the Luxembourg Stock Exchange.

(h) No Objection. If the Offering Memorandum has been filed with the NASD for review, the NASD shall not have raised any objection with respect to the fairness and

reasonableness of the terms and arrangements relating to the distribution of the securities by the Initial Purchasers.

(i) Registration Rights Agreement. At or prior to the Closing Time, the Company and the Guarantor shall have entered into the Registration Rights Agreement.

(j) Additional Documents. At the Closing Time, counsel for the Initial Purchasers shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company and the Guarantor in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Initial Purchasers.

#### SECTION 6. Subsequent Offers and Resales of the Securities.

(a) Offer and Sale Procedures. Each of the Initial Purchasers, the Company and the Guarantor hereby establish and agree to observe the following procedures in connection with the offer and sale of the Securities:

(i) Offers and Sales only to Qualified Institutional Buyers. Offers and sales of the Securities shall only be made (A) to persons whom the offeror or seller reasonably believes to be qualified institutional buyers, as defined in Rule 144A under the 1933 Act ("Qualified Institutional Buyers"), or (B) non-U.S. persons outside the United States, as defined in Regulation S under the 1933 Act, to whom the offeror or seller reasonably believes offers and sales of the Securities may be made in reliance upon Regulation S under the 1933 Act. Each Initial Purchaser severally agrees that it will not offer, sell or deliver any of the Securities in any jurisdiction outside the United States except under circumstances that will result in compliance with the applicable laws thereof, and that it will take at its own expense whatever action is required to permit its purchase and resale of the Securities in such jurisdictions.

(ii) No General Solicitation. No general solicitation or general advertising (within the meaning of Rule 502(c) under the 1933 Act) will be used in the United States in connection with the offering or sale of the Securities.

(iii) Purchases by Non-Bank Fiduciaries. In the case of a non-bank Subsequent Purchaser of a Security acting as a fiduciary for one or more third parties, each third party shall, in the judgment of the applicable Initial Purchaser, be a Qualified Institutional Buyer or a non-U.S. person outside the United States.

(iv) Subsequent Purchaser Notification. Each Initial Purchaser will take reasonable steps to inform, and cause each of its U.S. affiliates to take reasonable steps to inform, persons acquiring Securities from such Initial Purchaser or affiliate, as the case may be, in the United States that the Securities (A) have not been and will not be registered under the 1933 Act, (B) are being sold to them without registration under the 1933 Act in reliance on Rule 144A or in accordance with another exemption from

registration under the 1933 Act, as the case may be, and (C) may not be offered, sold or otherwise transferred except (1) to the Company, (2) outside the United States in accordance with Regulation S, or (3) inside the United States in accordance with (x) Rule 144A to a person whom the seller reasonably believes is a Qualified Institutional Buyer that is purchasing such Securities for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A or (y) pursuant to another available exemption from registration under the 1933 Act.

(v) Minimum Principal Amount. No sale of the Securities to any one Subsequent Purchaser will be for less than U.S. \$1,000 principal amount and no Security will be issued in a smaller principal amount. If the Subsequent Purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S. \$1,000 principal amount of the Securities.

(vi) Restrictions on Transfer. The transfer restrictions and the other provisions set forth in the Offering Memorandum under the heading "Notice to Investors", including the legend required thereby, shall apply to the Securities except as otherwise agreed by the Company and the Initial Purchasers.

(vii) Delivery of Offering Memorandum. Each Initial Purchaser will deliver to each U.S. purchaser (or otherwise as may be required by applicable law) of the Securities from such Initial Purchaser, in connection with its original distribution of the Securities, a copy of the Offering Memorandum, as amended and supplemented at the date of such delivery.

(b) Covenants of the Company and the Guarantor. The Company and the Guarantor jointly and severally covenant with each Initial Purchaser as follows:

(i) Integration. The Company and the Guarantor agree that they will not and will cause their Affiliates not to, directly or indirectly, solicit any offer to buy, sell or make any offer or sale of, or otherwise negotiate in respect of, securities of the Company or the Guarantor of any class if, as a result of the doctrine of "integration" referred to in Rule 502 under the 1933 Act, such offer or sale would render invalid (for the purpose of (i) the sale of the Securities by the Company to the Initial Purchasers, (ii) the resale of the Securities by the Initial Purchasers to Subsequent Purchasers or (iii) the resale of the Securities by such Subsequent Purchasers to others) the exemption from the registration requirements of the 1933 Act provided by Section 4(2) thereof or by Rule 144A or by Regulation S thereunder or otherwise.

(ii) Rule 144A Information. The Company and the Guarantor agree that, in order to render the Securities eligible for resale pursuant to Rule 144A under the 1933 Act, while any of the Securities remain outstanding, they will make available, upon request, to any holder of Securities or prospective purchasers of Securities the information specified in Rule 144A(d)(4), unless the Company furnishes information to the Commission pursuant to Section 13 or 15(d) of the 1934 Act.



(iii) Restriction on Resales. Until the expiration of two years after the original issuance of the Securities, the Company and the Guarantor will not, and will cause their Affiliates not to, resell any Securities which are "restricted securities" (as such term is defined under Rule 144(a)(3) under the 1933 Act), whether as beneficial owner or otherwise (except as agent acting as a securities broker on behalf of and for the account of customers in the ordinary course of business in unsolicited broker's transactions).

(c) Qualified Institutional Buyer. Each Initial Purchaser severally and not jointly represents and warrants to, and agrees with, the Company that it is a "qualified institutional buyer" within the meaning of Rule 144A under the 1933 Act (a "Qualified Institutional Buyer") and an "accredited investor" within the meaning of Rule 501(a) under the 1933 Act.

(d) Resale Pursuant to Rule 903 of Regulation S or Rule 144A. Each Initial Purchaser understands that the Securities have not been and will not be registered under the 1933 Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the 1933 Act or pursuant to an exemption from the registration requirements of the 1933 Act. Each Initial Purchaser severally represents and agrees, that, except as permitted by Section 6(a) above, it has offered and sold Securities and will offer and sell Securities (i) as part of their distribution at any time and (ii) otherwise until forty days after the later of the date upon which the offering of the Securities commences and the Closing Time, only in accordance with Rule 903 of Regulation S, Rule 144A under the 1933 Act or another applicable exemption from the registration requirements of the 1933 Act. Accordingly, neither the Initial Purchasers, their affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts with respect to Securities sold hereunder pursuant to Regulation S, and the Initial Purchasers, their affiliates and any person acting on their behalf have complied and will comply with the offering restriction requirements of Regulation S. Each Initial Purchaser severally agrees that, at or prior to confirmation of a sale of Securities pursuant to Regulation S it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Securities from it or through it during the restricted period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the United States Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (i) as part of their distribution at any time and (ii) otherwise until forty days after the later of the date upon which the offering of the Securities commenced and the date of closing, except in either case in accordance with Regulation S or Rule 144A under the Securities Act. Terms used above have the meaning given to them by Regulation S."

Terms used in the above paragraph have the meanings given to them by Regulation S.

(e) Additional Representations and Warranties of Initial Purchasers. Each Initial Purchaser severally represents and agrees that it has not entered and will not enter into any

contractual arrangements with respect to the distribution of the Securities, except with its affiliates or with the prior written consent of the Company.

#### SECTION 7. Indemnification.

(a) Indemnification of Initial Purchasers. The Company and the Guarantor jointly and severally agree to indemnify and hold harmless each Initial Purchaser and each person, if any, who controls any Initial Purchaser within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Offering Memorandum, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 7(d) below) any such settlement is effected with the written consent of the Company and the Guarantor; and

(iii) against any and all expense as reasonably incurred (including the fees and disbursements of counsel chosen by the Representatives), in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Initial Purchaser through the Representatives expressly for use in the Offering Memorandum (or any amendment thereto).

(b) Indemnification of Company. Each Initial Purchaser severally agrees to indemnify and hold harmless the Company and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Offering Memorandum in reliance upon and in conformity with written information furnished to the Company by such Initial Purchaser through the Representatives expressly for use in the Offering Memorandum.

(c) Actions Against Parties; Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 7(a) above, counsel to the indemnified parties shall be selected by the Representatives, and, in the case of parties indemnified pursuant to Section 7(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section or Section 8 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement Without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 7(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 8. Contribution. If the indemnification provided for in Section 7 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Initial Purchasers on the other hand from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Initial Purchasers on the other hand in connection with

the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Initial Purchasers on the other hand, in connection with the offering of the Securities under this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of such Securities (before deducting expenses) received by the Company bear to the total underwriting discounts received by the Initial Purchasers.

The relative fault of the Company on the one hand and the Initial Purchasers on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Initial Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company, the Guarantor and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation (even if the Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section, no Initial Purchaser shall be required to contribute any amount in excess of the amount by which the total price at which the Securities purchased and sold by it hereunder exceeds the amount of any damages which such Initial Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section, each person, if any, who controls an Initial Purchaser within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Initial Purchaser, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Initial Purchasers' respective obligations to contribute pursuant to this Section are several in proportion to the principal amount of Securities set forth opposite their respective names in Schedule A hereto and not joint.

**SECTION 9. Representations, Warranties and Covenants of the Initial Purchasers.**

(a) United Kingdom Selling Restrictions. Each Initial Purchaser agrees that:

(i) it has not offered or sold and, prior to the expiry of the period of six months from the issue date of the Securities, will not offer to sell any Securities to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;

(ii) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issuance of the Securities to a person who is of a kind described in Article 11(3) of the Financial Services Act of 1986 (Investment Advertisements) (Exemptions) Order of 1996 as amended, or is a person to whom such document may otherwise lawfully be issued or pass on; and

(iii) it has complied and will comply with all applicable provisions of the Financial Services Act with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom

(b) The Netherlands Selling Restrictions. Each Initial Purchaser represents and agrees that it has not, directly or indirectly, offered or sold and will not directly or indirectly offer or sell in the Netherlands any Securities other than to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises.)

SECTION 10. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company or any of its subsidiaries submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Initial Purchaser or controlling person, or by or on behalf of the Company, and shall survive delivery of the Securities to the Initial Purchasers.

#### SECTION 11. Termination of Agreement.

(a) Termination; General. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time, if (i) there has been, since the time of execution of this Agreement or since the respective dates as of which information is given in the Offering Memorandum, any material adverse change in the financial condition, results of operations or business affairs of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) there has occurred any material adverse change in the financial markets in the United States or, if the Securities include securities denominated or payable in, or indexed to, one or more foreign or composite currencies, in the international financial markets, or any outbreak of hostilities or escalation thereof or other calamity or crisis or any material change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) trading in any securities of the Company has been suspended or materially

limited by the Commission or the New York Stock Exchange or the American Stock Exchange, or if trading generally on the New York Stock Exchange or the American Stock Exchange has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by either of said exchanges or by such system or by order of the Commission, the NASD or any other governmental authority, or (iv) a banking moratorium has been declared by either Federal or New York authorities or, if the Securities include securities denominated or payable in, or indexed to, one or more foreign or composite currencies, by the relevant authorities in the related foreign country or countries.

(b) Liabilities. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 7, 8 and 10 shall survive such termination and remain in full force and effect.

SECTION 12. Default by One or More of the Initial Purchasers. If one or more of the Initial Purchasers shall fail at the Closing Time to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Initial Purchasers, or any other Initial Purchasers, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(i) if the number or aggregate principal amount, as the case may be, of Defaulted Securities does not exceed 10% of the aggregate principal amount of the Securities set forth on Schedule A hereto, the non-defaulting Initial Purchasers shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Initial Purchasers, or

(ii) if the number or aggregate principal amount, as the case may be, of Defaulted Securities exceeds 10% of the aggregate principal amount of the Securities set forth on Schedule A hereto, the non-defaulting Initial Purchasers shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such non-defaulting Initial Purchasers do not purchase all the Securities, this Agreement will terminate without liability on the part of any non-defaulting Initial Purchaser or the Company.

No action taken pursuant to this Section shall relieve any defaulting Initial Purchaser from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement, either the Representatives or the Company shall have the right to postpone the Closing Time for a period not exceeding seven days in order to effect any required changes in the Offering Memorandum or in any other documents or arrangements.

SECTION 13. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Initial Purchasers shall be directed to the Representatives c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated, World Financial Center, North Tower, 250 Vesey Street, New York, New York 10281, attention of Peter Ross; and notices to the Company and the Guarantor shall be directed to it at Viacom Inc., 1515 Broadway, New York, New York 10036, attention of General Counsel.

SECTION 14. Parties. This Agreement shall inure to the benefit of and be binding upon the Company, the Guarantor, the Initial Purchasers and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Initial Purchasers and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 7 and 8 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Initial Purchaser shall be deemed to be a successor by reason merely of such purchase.

SECTION 15. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS.

SECTION 16. Effect of Headings. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this Agreement, along with all counterparts, will become a binding agreement between each of the Initial Purchasers, the Company and the Guarantor in accordance with its terms.

Very truly yours,

VIACOM INC.

By: /s/ Robert G. Freedline

-----  
Name: Robert G. Freedline  
Title: Vice President and Treasurer

VIACOM INTERNATIONAL INC.

By: /s/ Robert G. Freedline

-----  
Name: Robert G. Freedline  
Title: Vice President and Treasurer

CONFIRMED AND ACCEPTED,  
as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

SALOMON SMITH BARNEY INC.

By: MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: /s/ Peter Ross

-----  
Name: Peter Ross  
Title: Vice President

For themselves and the other several Initial  
Purchasers named in Schedule A to  
the foregoing Agreement.



SCHEDULE A

Initial Purchaser -----	Principal Amount of Senior Notes due 2006 to be Purchased -----	Principal Amount of Senior Notes due 2011 to be Purchased -----
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$160,000,000	\$400,000,000
Salomon Smith Barney Inc.	160,000,000	400,000,000
Credit Suisse First Boston Corporation	16,000,000	40,000,000
Barclays Capital Inc.	16,000,000	40,000,000
Bear, Stearns & Co. Inc.	16,000,000	40,000,000
UBS Warburg LLC	16,000,000	40,000,000
Scotia Capital (USA) Inc.	8,000,000	20,000,000
Utendahl Capital Partners, L.P.	8,000,000	20,000,000
Total	----- \$400,000,000 =====	----- \$1,000,000,000 =====

SCHEDULE B

1. The initial offering price for each of the Securities shall be as follows:

Senior Notes due 2006: 101.450% of the principal amount thereof, plus accrued interest, if any, from the date of issuance

Senior Notes due 2011: 99.288% of the principal amount thereof, plus accrued interest, if any, from the date of issuance

2. The purchase price to be paid by the Initial Purchasers for the Securities shall be a percentage of the principal amount thereof as follows:

101.100% for the Senior Notes due 2006

98.838% for the Senior Notes due 2011

3. The interest rate on the Securities shall be as follows:

6.400% per annum for the Senior Notes due 2006

6.625% per annum for the Senior Notes due 2011

=====

VIACOM INC.,  
 Issuer  
 and  
 VIACOM INTERNATIONAL INC.,  
 Guarantor  
 and  
 THE FIRST NATIONAL BANK OF BOSTON,  
 Trustee

-----  
 Indenture

Dated as of May 15, 1995  
 -----

Senior Debt Securities

VIACOM INTERNATIONAL INC.

Reconciliation and tie between Trust Indenture Act  
 of 1939 and Indenture, dated as of May 15, 1995  
 -----

Trust Indenture Act Section	-----	Indenture Section	-----
ss. 310	(a)(1) .....	607	
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	(b) .....	608	
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ss. 314	(a) .....	703	
	(a)(4) .....	1008(a)	
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ss. 315	(b) .....	601	
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	(a)(1)(A) .....	502, 512	
	(a)(1)(B) .....	513	
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	(a)(2) .....	504	
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ss. 318	(a) .....	108	
	(c) .....	108	

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EXECUTION COPY

Note: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of May 15, 1995, among Viacom Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), having its principal office at 1515 Broadway, New York, New York 10036, Viacom International Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor"), having its principal office at 1515 Broadway, New York, New York 10036, and The First National Bank of Boston, a national banking association duly organized and existing under the laws of the United States of America, trustee (herein called the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as provided in this Indenture.

This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended, that are required to be part of this Indenture and shall, to the extent applicable, be governed by such provisions.

RECITAL OF THE GUARANTOR

The Guarantor desires with respect to the Securities of certain series issued hereunder to make the Guarantees provided for herein.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of a series thereof, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS  
OF GENERAL APPLICATION

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular and, pursuant to Section 301, any such item may, with respect to any particular series of Securities, be amended, or modified or specified as being inapplicable;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein, and the terms "cash transaction" and "self-liquidating paper", as used in TIA Section 311, shall have the meanings assigned to them in the rules of the Commission adopted under the Trust Indenture Act;

(3) except as otherwise herein expressly provided, all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States of America, and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted in the United States of America from time to time; and

(4) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Certain terms used principally in Article Three are defined in that Article.

"Act", when used with respect to any Holder of a Security, has the meaning specified in Section 104.

"Additional Amounts" has the meaning specified in Section 1007.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Authenticating Agent" means any Person authorized by the Trustee pursuant to Section 611 to act on behalf of the Trustee to authenticate Securities of one or more series.

"Authorized Newspaper" means a newspaper, in the English language or in an official language of the country of publication, customarily published on each Business Day, whether or not published on Saturdays, Sundays or holidays, and of general circulation in the place in connection with which the term is used or in the financial community of such place. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day.

"Bearer Security" means any Security except a Registered Security.

"Board of Directors", when used with reference to the Company or the Guarantor, means either the board of directors, or any duly authorized committee of that board, of the Company or the Guarantor, as the case may be.

"Board Resolution", when used with reference to the Company or the Guarantor, means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company or the Guarantor, as the case may be, to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day", when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, means, unless otherwise specified with respect to any Securities pursuant to Section 301, each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment or other location are authorized or obligated by law or executive order to close.

"Capitalized Lease" means any obligation of a Person to pay rent or other amounts incurred with respect to real property or equipment acquired or leased by such Person and used in its business that is required to be recorded as a capital lease in accordance with generally accepted accounting principles consistently applied as in effect from time to time.

"Cedel S.A." means Centrale de Livraison de Valeurs Mobilieres, S.A., or its successor.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Common Depositary" has the meaning specified in Section 304.

"Company" means the Person named as the "Company" in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of any supplemental indenture or Officer's Certificate, and thereafter "Company" shall mean such successor Person.

"Company Request" or "Company Order" means a written request or order signed in the name of the Company by one Officer of the Company, and delivered to the Trustee.

"Corporate Trust Office" means the principal office of the Trustee, at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at 150 Royall Street, Mail Stop 45-02-15, Canton, Massachusetts 02021, except that with respect to presentation of Securities for payment or for registration of transfer or exchange, such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate agency business shall be conducted.

"corporation" means a corporation, association, company, joint-stock company, limited liability company, or business trust.

"coupon" means any interest coupon appertaining to a Bearer Security.

"Default" means any event or condition which is, or after notice or passage of time or both would be, an Event of Default.

"Default Amount" has the meaning specified in Section 502.

"Defaulted Interest" has the meaning specified in Section 307.

"Dollar" or "\$" means a dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts.



"Euro-clear" means Morgan Guaranty Trust Company of New York, Brussels Office, as the operator of the Euro-clear System.

"Euro Security" means any Bearer Security, any Security initially represented by a Security in temporary global form exchangeable for Bearer Securities and any Security in permanent global form exchangeable for Bearer Securities.

"Event of Default" has the meaning specified in Section 501.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Date" has the meaning specified in Section 304.

"Exchange Rate Agent" means, with respect to Securities of or within any series, unless otherwise specified with respect to any Securities pursuant to Section 301, a New York Clearing House bank, designated pursuant to Section 301.

"Guarantee" means any guarantee of the Guarantor endorsed on a Security authenticated and delivered pursuant to this Indenture and shall include the Guarantees set forth in Section 1301.

"Guarantor" means the Person named as the "Guarantor" in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of any supplemental indenture or Officer's Certificate, and thereafter "Guarantor" shall mean such successor Person.

"Guarantor Obligations" shall have the meaning provided in Section 1301.

"Guarantor Request" or "Guarantor Order" means a written request or order signed in the name of the Guarantor by one Officer of the Guarantor, and delivered to the Trustee.

"Holder", when used with respect to any Security, means, in the case of a Registered Security, the Person in whose name the Security is registered in the Security Register, and in the case of a Bearer Security, the bearer thereof and, when used with respect to any coupon, means the bearer thereof.

"Indebtedness" of any Person means, without duplication, (i) any obligation of such Person for money borrowed, (ii) any obligation of such Person evidenced by bonds, debentures, notes, or other similar instruments, (iii) any reimbursement obligation of such Person in respect of letters of credit or other similar instruments which support financial

obligations which would otherwise become Indebtedness, (iv) any obligation of such Person under Capitalized Leases (other than in respect of (x) telecommunications equipment including, without limitation, satellite transponders, and (y) theme park equipment and attractions) and (v) any obligation of any third party to the extent secured by a Lien on the assets of such Person; provided, however, that "Indebtedness" of such Person shall not include any obligation of such Person (i) to any Subsidiary of such Person or to any Person with respect to which such Person is a Subsidiary or (ii) specifically with respect to the production, distribution or acquisition of motion pictures or other programming rights, talent or publishing rights. When used with respect to the Company, the term "Indebtedness" also includes any obligation of the Guarantor specified in clauses (i) through (v) above to the extent that said Indebtedness is guaranteed by the Company.

"Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, and shall include the terms of particular series of Securities established as contemplated by Section 301; provided, however, that, if at any time more than one Person is acting as Trustee under this instrument, "Indenture" shall mean, with respect to any one or more series of Securities for which such Person is Trustee, this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of particular series of Securities for which such Person is Trustee established as contemplated by Section 301, exclusive, however, of any provisions or terms which relate solely to other series of Securities for which such Person is not Trustee, regardless of when such terms or provisions were adopted, and exclusive of any provisions or terms adopted by means of one or more indentures supplemental hereto executed and delivered after such Person had become such Trustee but to which such Person, as such Trustee, was not a party.

"Indexed Security" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"interest", when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity at the rate prescribed in such Original Issue Discount Security.

"Interest Payment Date", when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Lien" means any pledge, mortgage, lien, encumbrance or other security interest.

"Maturity", when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption, repayment at the option of the Holder or otherwise.

"Notice of Default" shall have the meaning provided in Section 501.

"Officer" means the Chairman of the Board, the President, any Vice President, the Treasurer, the Secretary, any Assistant Secretary or the Controller of the Company or the Guarantor, as the case may be.

"Officer's Certificate" means a certificate signed by any Officer of the Company or the Guarantor, as the case may be, in his or her capacity as such Officer and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may be General Counsel for the Company or the Guarantor, as the case may be, and who shall be reasonably acceptable to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

"Outstanding", when used with respect to Securities or any series of any Securities, means, as of the date of determination, all Securities or all Securities of such series, as the case may be, theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities, or portions thereof, for whose payment or redemption or repayment at the option of the Holder money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company or the Guarantor) in trust or set aside and segregated in trust by the Company or the Guarantor (if the Company or the Guarantor, as the case may be, shall act as a Paying Agent) for the Holders of such Securities and any coupons appertaining thereto; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) to the extent provided in Article Fifteen, (x) Securities with respect to which the Company has effected defeasance pursuant to Section 1502 and (y) solely for the limited purpose set forth in Section 1503, Securities with respect to which the Company has effected covenant defeasance pursuant to such Section 1503; and

(iv) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder or whether a quorum is present at a meeting of Holders of Securities, and for the purpose of making the calculations required by TIA Section 313, (i) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be (or shall have been declared to be) due and payable, at the time of such determination, upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, (ii) the principal amount of any Security denominated in a foreign currency or currency unit shall be the U.S. dollar equivalent, determined as of the date of original issuance of such Security in accordance with Section 301 hereof, of the principal amount of such Security (or, in the case of an Original Issue Discount Security denominated in a foreign currency or currency unit, the U.S. dollar equivalent, determined as of the date of original issuance of such Security, of the amount determined as provided in (i) above), (iii) the principal amount of any Indexed Security that may be counted in making such determination or calculation and that shall be deemed Outstanding for such purpose shall be equal to the principal face amount of such Indexed Security at original issuance, unless otherwise provided with respect to such Security pursuant to Section 301, and (iv) Securities beneficially owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, or upon any such determination as to the presence of a quorum, only Securities which the Trustee knows to be so beneficially owned shall be so disregarded. Securities so beneficially owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor.

"Paying Agent" means any Person (including the Company or the Guarantor acting as Paying Agent) authorized by the Company to pay the principal of (premium, if any, on) and interest on any Securities on behalf of the Company.

"Periodic Offering" means an offering of Securities of a series from time to time the specific terms of which Securities, including, without limitation, the rate or rates of interest or formula for determining the rate or rates of interest thereon, if any, the Stated Maturity or Maturities thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Company upon the issuance of such Securities.

"Person" means any individual, corporation, partnership, joint venture, association, trust, unincorporated organization or government or any agency or political subdivision thereof, or any other entity.

"Place of Payment", when used with respect to the Securities of or within any series, means the place or places (which, in the case of Euro Securities, shall be outside the United States) where the principal of (and premium, if any, on) and interest on such Securities are payable as specified as contemplated by Sections 301 and 1002.

"possessions" of the United States include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security or a Security to which a mutilated, destroyed, lost or stolen coupon appertains shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security or the Security to which the mutilated, destroyed, lost or stolen coupon appertains, as the case may be.

"Principal Property" means any parcel of real property and related fixtures or improvements (other than telecommunications equipment, including, without limitation, satellite transponders) owned by the Company, the Guarantor or any wholly owned Subsidiary of the Company and located in the United States, the aggregate book value of which on the date of determination exceeds \$500 million, other than any such real property and related fixtures or improvements, which, as determined in good faith by the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Subsidiaries, taken as a whole.

"Redemption Date", when used with respect to any Security to be redeemed, in whole or in part, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price", when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"Registered Security" means any Security registered in the Security Register.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Registered Securities of or within any series means the date specified for that purpose as contemplated by Section 301.

"Repayment Date" has the meaning specified in Section 1402.

"Repayment Price" has the meaning specified in Section 1402.

"Responsible Officer", when used with respect to the Trustee, means the chairman or any vice-chairman of the board of directors, the chairman or any vice-chairman of the executive committee of the board of directors, the chairman of the trust committee, the president, any Vice President, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller or any assistant controller or any other officer of the Trustee customarily performing functions similar to those performed by any of the above-designated officers, and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Subsidiary" means a corporation all of the outstanding voting stock of which is owned, directly or indirectly, by the Company or by one or more of its Subsidiaries, or by the Company and one or more of its Subsidiaries, which is incorporated under the laws of a State of the United States, and which owns a Principal Property.

"Securities" has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture; provided, however, that, if at any time there is more than one Person acting as Trustee under this Indenture, "Securities" with respect to the Indenture as to which such Person is Trustee shall have the meaning stated in the first recital of this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Special Record Date" for the payment of any Defaulted Interest on the Registered Securities of or within any series means a date fixed by the Trustee pursuant to Section 307.

"Specified Currency" has the meaning specified in Section 312.

"Stated Maturity", when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security or a coupon representing such installment of interest as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable, as such date may be extended pursuant to the provisions of Section 308.

"Subsidiary" of any Person means (i) a corporation a majority of the outstanding Voting Stock of which is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person, or by such Person and one or more Subsidiaries thereof or (ii) any other Person (other than a corporation), including, without limitation, a partnership or joint venture, in which such Person, one or more Subsidiaries thereof, or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other Persons performing similar functions).

"Trust Indenture Act" or "TIA" means the Trust Indenture Act of 1939, as amended, as in force at the date as of which this Indenture was executed, except as provided in Section 905.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this Indenture until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder, provided, however, that, if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any series shall mean only the Trustee with respect to Securities of that series.

"United States" means, unless otherwise specified with respect to any Securities pursuant to Section 301, the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"United States Person" means, unless otherwise specified with respect to any Securities pursuant to Section 301, an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States and any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

"U.S. Depositary" means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more permanent global Securities, the Person designated as U.S. Depositary by the Company pursuant to Section 301, which must be a

clearing agency registered under the Exchange Act, and if at any time there is more than one such Person, "U.S. Depository" as used with respect to the Securities of any series shall mean the U.S. Depository with respect to the Securities of such series.

"U.S. Government Obligations" means securities that are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by, and acting as an agency or instrumentality of, the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act of 1933, as amended) as custodian with respect to any such U.S. Government Obligation or a specific payment of principal or interest on any such U.S. Government Obligation held by such custodian for the account of the holder of such depository receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by such custodian in respect of the U.S. Government Obligation or the specific payment of principal of or interest on the U.S. Government obligation evidenced by such depository receipt.

"Vice President", when used with respect to the Company, the Guarantor or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title "Vice President".

"Voting Stock" means stock of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of a corporation (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

"Yield to Maturity" means the yield to maturity, computed at the time of issuance of a Security (or, if applicable, at the most recent redetermination of interest on such Security) and as set forth in such Security in accordance with generally accepted United States bond yield computation principles.

#### SECTION 102. Compliance Certificates and Opinions.

Except as otherwise expressly provided by this Indenture, upon any application or request by the Company or the Guarantor to the Trustee to take any action under any provision of this Indenture (other than in connection with the delivery of any Security offered in a Periodic Offering to the Trustee for authentication pursuant to Section 303), the Company or the Guarantor, as the case may be, shall furnish to the Trustee an Officer's Certificate



stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than pursuant to Section 1008) shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether or not, in the opinion of each such individual, such condition or covenant has been complied with.

#### SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company or the Guarantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company or the Guarantor, as the case may be, stating that the information with respect to such factual matters is in the possession of the

Company or the Guarantor, as the case may be, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of the Outstanding Securities of all series or one or more series, as the case may be, may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agents duly appointed in writing. If Securities of a series are issuable as Bearer Securities, any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of such series may, alternatively, be embodied in and evidenced by the record of Holders of Securities of such series voting in favor thereof, either in person or by proxies duly appointed in writing, at any meeting of Holders of Securities of such series duly called and held in accordance with the provisions of Article Sixteen, or a combination of such instruments and any such record. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company or the Guarantor or to all of them. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments or so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing any such agent or proxy, or of the holding by any Person of a Security, shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section. The record of any meeting of Holders of Securities shall be proved in the manner provided in Section 1606.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The principal amount and serial numbers of Registered Securities held by any Person, and the date of holding the same, shall be proved by the Security Register.

(d) The principal amount and serial numbers of Bearer Securities held by any Person, and the date of holding the same, may be proved by the production of such Bearer Securities or by a certificate executed, as depository, by any trust company, bank, banker or other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such Person had on deposit with such depository, or exhibited to it, the Bearer Securities therein described; or such facts may be proved by the certificate or affidavit of the Person holding such Bearer Securities, if such certificate or affidavit is deemed by the Trustee to be satisfactory. The Trustee, the Company and the Guarantor may assume that such ownership of any Bearer Security continues until (1) another certificate or affidavit bearing a later date issued in respect of the same Bearer Security is produced, or (2) such Bearer Security is produced to the Trustee by some other Person, or (3) such Bearer Security is surrendered in exchange for a Registered Security, or (4) such Bearer Security is no longer Outstanding. The principal amount and serial numbers of Bearer Securities held by any Person, and the date of holding the same, may be proved in any other manner which the Trustee deems sufficient.

(e) If the Company or the Guarantor shall solicit from the Holders of Registered Securities any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company or the Guarantor, as the case may be, may, at its option, by or pursuant to Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company or the Guarantor, as the case may be, shall have no obligation to do so. Notwithstanding TIA Section 316(c), such record date shall be the record date specified in or pursuant to such Board Resolution, which shall be a date not earlier than the date 30 days prior to the first solicitation of Holders generally in connection therewith and not later than the date such solicitation is completed. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than eleven months after the record date.

(f) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security

and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, the Company or the Guarantor in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, Etc., to Trustee, Company or Guarantor.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company or the Guarantor shall be sufficient for every purpose hereunder if made, given, furnished, filed or mailed, first class postage prepaid, in writing to or with the Trustee at its Corporate Trust Office, Attention: Corporate Trust Administration; or

(2) the Company or the Guarantor by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company or the Guarantor, as the case may be, addressed to it at the address of its principal office specified in the first paragraph of this Indenture, to the attention of its Secretary, or at any other address previously furnished in writing to the Trustee by the Company or the Guarantor, as the case may be.

SECTION 106. Notice to Holders of Securities; Waiver.

Except as otherwise expressly provided herein or otherwise specified with respect to any Securities pursuant to Section 301, where this Indenture provides for notice to Holders of Registered Securities of any event by the Company, the Guarantor or the Trustee:

(1) such notice shall be sufficiently given to Holders of Registered Securities (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each such Holder affected by such event, at the address of such Holder as it appears in the Security Register, not earlier than the earliest date, and not later than the latest date, prescribed for the giving of such notice; and

(2) such notice shall be sufficiently given to Holders of Bearer Securities if published in an Authorized Newspaper in The City of New York and in such other city or cities as may be specified in such Securities on a Business Day at least twice, the first such publication to be not earlier than the earliest date, and the second such publication to be not later than the latest date, prescribed for the giving of such notice.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice to Holders of Registered Securities by mail, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be a sufficient giving of such notice for every purpose hereunder; provided that this paragraph shall not apply to any notice required by the Trust Indenture Act to be transmitted by mail. In any case where notice to Holders of Registered Securities is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Registered Security shall affect the sufficiency of such notice with respect to other Holders of Registered Securities or the sufficiency of any notice to Holders of Bearer Securities given as provided herein.

Any notice mailed to a Holder of Registered Securities in the manner herein prescribed shall be conclusively deemed to have been received by such Holder, whether or not such Holder actually receives such notice. Any notice to Holders of Bearer Securities shall be deemed to have been given on the date of the first such publication referred to in (2) above.

In case by reason of the suspension of publication of any Authorized Newspaper or Authorized Newspapers or by reason of any other cause it shall be impracticable to publish any notice to Holders of Bearer Securities as provided above, then such notification to Holders of Bearer Securities as shall be given with the approval of the Trustee shall constitute sufficient notice to such Holders for every purpose hereunder. Neither the failure to give notice by publication to Holders of Bearer Securities as provided above, nor any defect in any notice so published, shall affect the sufficiency of any notice to Holders of Registered Securities given as provided herein.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Securities shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 107. Language of Notices, Etc.

Any request, demand, authorization, direction, notice, consent, proxy or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.

SECTION 108. Trust Indenture Act.

This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended, that are required to be part of this Indenture and shall, to the extent applicable, be governed by such provisions.

If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

SECTION 109. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 110. Successors and Assigns.

All covenants and agreements in this Indenture by the Company or the Guarantor shall bind its respective successors and assigns, whether so expressed or not.

SECTION 111. Separability Clause.

In case any provision in this Indenture or in the Securities, the Guarantees or the coupons shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 112. Benefits of Indenture.

Nothing in this Indenture or in the Securities, the Guarantees or the coupons, express or implied, shall give to any Person, other than the parties hereto, any Authenticating Agent, any Paying Agent, any Security Registrar and their successors hereunder and the Holders of Securities, the Guarantees or coupons, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 113. Governing Law.

This Indenture, the Securities, the coupons and, if issued, the Guarantees shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 114. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date, sinking fund payment date or Stated Maturity or Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of any Security or coupon other than a provision in the Securities of any series which specifically states that such provision shall apply in lieu of this Section) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date or sinking fund payment date, or at the Stated Maturity or Maturity; provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, sinking fund payment date, Stated Maturity or Maturity, as the case may be.

SECTION 115. Submission to Jurisdiction; Appointment of Agent for Service.

The Company and, if any Guarantees are issued, the Guarantor each hereby irrevocably submit to the non-exclusive jurisdiction of any New York state or federal court sitting in The City of New York in any action or proceeding arising out of or relating to the Indenture, the Securities of any series or, with respect to the Guarantor, the Guarantees, and the Company and the Guarantor hereby irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such New York state or federal court. The Company and the Guarantor hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The Company and the Guarantor agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

So long as any Securities remain Outstanding, the Company, and so long as any Guarantees remain Outstanding, the Guarantor, will at all times have its principal executive office in the Borough of Manhattan, The City of New York, or an authorized agent in the Borough of Manhattan, The City of New York, where or upon whom process may be served in any legal action or proceeding arising out of or relating to the Indenture, the Securities of any series or, with respect to the Guarantor, the Guarantees. Service of process upon such agent and written notice of such service mailed or delivered to the Company or the Guarantor shall to the extent permitted by law be deemed in every respect effective service of process upon the Company or the Guarantor, as the case may be, in any such legal action or proceeding.

ARTICLE TWO

SECURITY FORMS

SECTION 201. Forms Generally.

The Registered Securities, if any, of each series, the Bearer Securities, if any, of each series and related coupons, the temporary global Securities of each series, if any, the permanent global Securities of each series, if any, and the Guarantees, if any, to be endorsed thereon shall be in substantially the forms as shall be established by or pursuant to a Board Resolution of the Company or, with respect to the Guarantees, the Guarantor, as the case may be, or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or applicable tax law or as may, consistently herewith, be determined by the officers executing such Securities, including the Guarantees, if any, to be endorsed thereon, or coupons, as evidenced by their execution of the Securities. If the forms of Securities, including the Guarantees, if any, to be endorsed thereon, or coupons of any series are established by action taken pursuant to a Board Resolution of the Company or the Guarantor, as the case may be, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company or the Guarantor, as the case may be, and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 303 for the authentication and delivery of such Securities or coupons. Any portion of the text of any Security may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Security.

Unless otherwise specified as contemplated by Section 301, Securities in bearer form shall have interest coupons attached.

The Trustee's certificate of authentication on all Securities shall be in substantially the form set forth in this Article.

The definitive Securities, including the Guarantees, if any, to be endorsed thereon, and coupons, if any, shall be printed, lithographed or engraved on steel-engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities, Guarantees or coupons, as evidenced by their execution of such Securities, Guarantees or coupons.



SECTION 202. Form of Trustee's Certificate of Authentication.

Subject to Section 611, the Trustee's certificates of authentication shall be in substantially the following form:

This is one of the Securities of a series referred to in the within-mentioned Indenture.

THE FIRST NATIONAL BANK OF  
BOSTON, as Trustee

By

-----  
Authorized Signatory

SECTION 203. Securities in Global Form.

If Securities of or within a series are issuable in global form, as specified as contemplated by Section 301, then, notwithstanding clause (8) of Section 301 and the provisions of Section 302, any such Security shall represent such of the Outstanding Securities of such series as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Securities of such series from time to time endorsed thereon and that the aggregate amount of Outstanding Securities of such series represented thereby may from time to time be increased or decreased to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount, of Outstanding Securities represented thereby shall be made by the Trustee or the Security Registrar in such manner and upon instructions given by such Person or Persons as shall be specified therein or in the Company Order to be delivered to the Trustee pursuant to Section 303 or Section 304. Subject to the provisions of Section 303 and, if applicable, Section 304, the Trustee or the Security Registrar shall deliver and redeliver any Security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Company Order. If a Company Order pursuant to Section 303 or Section 304 has been, or simultaneously is, delivered, any instructions by the Company with respect to endorsement or delivery or redelivery of a Security in global form shall be in writing but need not comply with Section 102 and need not be accompanied by an Opinion of Counsel.

The provisions of the last sentence of Section 303 shall apply to any Security represented by a Security in global form if such Security was never issued and sold by the Company and the Company delivers to the Trustee or the Security Registrar the Security in global form together with written instructions (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the

principal amount of Securities represented thereby, together with the written statement contemplated by the last sentence of Section 303.

Notwithstanding the provisions of Sections 201 and 307, unless otherwise specified as contemplated by Section 301, payment of principal of and any premium and interest on any Security in permanent global form shall be made to the Person or Persons specified therein.

Notwithstanding the provisions of Section 309 and except as provided in the preceding paragraph, the Company, the Guarantor (if Guarantees are issued), the Trustee and any agent of the Company, the Guarantor (if Guarantees are issued) and the Trustee shall treat as the Holder of such principal amount of Outstanding Securities represented by a permanent global Security (i) in the case of a permanent global Security in registered form, the Holder of such permanent global Security in registered form, or (ii) in the case of a permanent global Security in bearer form, Euro-clear or Cedel S.A.

### ARTICLE THREE

#### THE SECURITIES

##### SECTION 301. Amount Unlimited; Issuable in Series.

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series.

There shall be established in or pursuant to one or more Board Resolutions of the Company or pursuant to authority granted by one or more Board Resolutions of the Company and, subject to Section 303, set forth in, or determined in the manner provided in, an Officer's Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series, any or all of the following, as applicable:

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from all other series of Securities);

(2) any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906, 1107 or 1405 and except for any Securities which, pursuant to Section 303, are deemed never to have been authenticated and delivered hereunder);

(3) the date or dates, or the method by which such date or dates will be determined or extended, on which the principal of the Securities of the series is payable;

(4) the rate or rates at which the Securities of the series shall bear interest, if any, or the method by which such rate or rates shall be determined, the date or dates from which any such interest shall accrue, or the method by which such date or dates shall be determined, the Interest Payment Dates on which any such interest shall be payable and the Regular Record Date, if any, for any interest payable on any Registered Security on any Interest Payment Date, or the method by which such date or dates shall be determined, and the basis upon which interest shall be calculated if other than on the basis of a 360-day year of twelve 30-day months;

(5) the place or places, if any, other than or in addition to Canton, Massachusetts, where the principal of (and premium, if any, on) and any interest on Securities of the series shall be payable (which in the case of Euro Securities shall be outside the United States), any Registered Securities of the series may be surrendered for registration of transfer, Securities of the series may be surrendered for exchange and, if different than the location specified in Section 105, the place or places where notices or demands to or upon the Company or, if applicable, the Guarantor in respect of the Securities of the series and this Indenture may be served;

(6) the period or periods within which, the price or prices at which and the other terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company, if the Company is to have that option;

(7) the obligation, if any, of the Company to redeem, repay or purchase Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof, and the period or periods within which, the price or prices at which and the other terms and conditions upon which Securities of the series shall be redeemed, repaid or purchased, in whole or in part, pursuant to such obligation;

(8) if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which any Registered Securities of the series shall be issuable, and if other than the denomination of \$5,000, the denomination or denominations in which any Bearer Securities of the series shall be issuable;

(9) if other than the Trustee, the identity of each Security Registrar and/or Paying Agent;

(10) if other than the principal amount thereof, the portion, or the manner of calculation of such portion, of the principal amount of any Securities of the series that shall be payable upon acceleration of the Maturity thereof pursuant to Section 502, upon redemption of the Securities of the series which are redeemable before their Stated Maturity, upon surrender for repayment at the option of the Holder, or which the Trustee shall be entitled to claim pursuant to Section 504;

(11) the currency or currencies, including currency units, in which payment of the principal of (and premium, if any, on) and interest, if any, on the Securities of the series shall be payable if other than the currency of the United States of America;

(12) whether the amount of payments of principal of (and premium, if any, on) and interest, if any, on the Securities of the series may be determined with reference to an index, and the manner in which such amounts shall be determined;

(13) if the principal of (and premium, if any, on) and interest, if any, on the Securities of the series are to be payable, at the election of the Company or a Holder thereof, in a currency or currencies, including currency units, other than that or those in which the Securities are denominated or stated to be payable, the currency or currencies in which payment of the principal of (and premium, if any, on) and interest on Securities of such series as to which such election is made shall be payable, and the period or periods within which and the terms and conditions upon which such election may be made;

(14) the designation of the initial Exchange Rate Agent, if any;

(15) any provisions in modification of, in addition to or in lieu of the provisions of Article Fifteen that shall be applicable to the Securities of the series, and the obligations, if any, under this Indenture to which the provisions of Section 1503 shall apply;

(16) provisions, if any, granting special rights to the Holders of Securities of the series upon the occurrence of such events as may be specified;

(17) any deletions from, modifications of, or additions to the Events of Default or covenants of the Company or, if applicable, the Guarantor with respect to Securities of the series, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein;

(18) whether Securities of the series are to be issuable as Registered Securities, Bearer Securities (with or without coupons) or both, any restrictions

applicable to the offer, sale or delivery of Bearer Securities, whether any Securities of the series are to be issuable initially in temporary global form with or without coupons and whether any Securities of the series are to be issuable in permanent global form with or without coupons and, if so, whether beneficial owners of interests in any such permanent global Security may exchange such interests for Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner provided in Section 305, whether Registered Securities of the series may be exchanged for Bearer Securities of the series (if permitted by applicable laws and regulations), whether Bearer Securities of the series may be exchanged for Registered Securities of the series, and the circumstances under which and the place or places where such exchanges may be made and if Securities of the series are to be issuable in global form, the identity of any initial depository therefor;

(19) the date as of which any Bearer Securities of the series and any temporary global Security representing Outstanding Securities of the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;

(20) the Person to whom any interest on any Registered Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, the manner in which, or the Person to whom, any interest on any Bearer Security of the series shall be payable, if otherwise than upon presentation and surrender of the coupons appertaining thereto as they severally mature, the extent to which, or the manner in which, any interest payable on a temporary global Security on an Interest Payment Date will be paid if other than in the manner provided in Section 304 and the extent to which, or the manner in which, any interest payable on a permanent global Security on an Interest Payment Date will be paid if other than in the manner provided in Section 307;

(21) if Securities of the series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, the form and/or terms of such certificates, documents or conditions;

(22) if the Securities of the series are to be issued upon the exercise of warrants, the time, manner and place for such Securities to be authenticated and delivered;

(23) whether and under what circumstances the Company will pay Additional Amounts as contemplated by Section 1007 on the Securities of the series to any Holder who is not a United States person (including any modification to the definition of such term) in respect of any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Securities rather than pay such Additional Amounts (and the terms of any such option);

(24) whether Securities of or within the series are to be guaranteed by the Guarantor and any modification of the terms of the Guarantees as set forth in Article 13 hereof; and

(25) any other terms, conditions, rights and preferences (or limitations on such rights and preferences) relating to the series (which terms shall not be inconsistent with the requirements of the Trust Indenture Act or the provisions of this Indenture) including, without limitation, the terms, if any, of any exchangeability or prepayment provisions, the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which the Securities will be issued and any modifications of the definitions set forth herein.

All Securities of any one series and the coupons appertaining to any Bearer Securities of such series shall be substantially identical except, in the case of Registered Securities, as to denomination and except as may otherwise be provided in or pursuant to the Board Resolution referred to above and (subject to Section 303) set forth, or determined in the manner provided, in the Officer's Certificate referred to above or in any such indenture supplemental hereto. Not all Securities of any one series need be issued at the same time, and, unless otherwise provided, a series may be reopened for issuances of additional Securities of such series.

If any of the terms of the series are established by action taken pursuant to one or more Board Resolutions, such Board Resolutions shall be delivered to the Trustee at or prior to the delivery of the Officer's Certificate setting forth the terms or the manner of determining the terms of the series.

With respect to Securities of a series offered in a Periodic Offering, the Board Resolution (or action taken pursuant thereto), Officer's Certificate or supplemental indenture referred to above may provide general terms or parameters for Securities of such series and provide either that the specific terms of particular Securities of such series shall be specified in a Company Order or that such terms shall be determined by the Company in accordance with other procedures specified in a Company Order as contemplated by the third paragraph of Section 303.

SECTION 302. Denominations.

Unless otherwise provided as contemplated by Section 301, with respect to any series of Securities, any Registered Securities of a series, other than Registered Securities issued in global form (which may be of any denomination), shall be issuable in denominations of \$1,000 and any integral multiple thereof and any Bearer Securities of a series, other than Bearer Securities issued in global form (which may be of any denomination), shall be issuable in the denomination of \$5,000.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities and any coupons appertaining thereto shall be executed on behalf of the Company by its Chairman of the Board or the Vice Chairman of the Board, or its President, or one of its Executive Vice Presidents or Vice Presidents, or by its Treasurer or one of its Assistant Treasurers and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities or coupons may be the manual or facsimile signature of such authorized officer and may be imprinted or otherwise reproduced on the Securities.

Securities and coupons bearing the manual or facsimile signatures of individuals who were the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities or coupons.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, together with any coupons appertaining thereto, executed by the Company and (if Securities of such series were specified as contemplated by Section 301 to be guaranteed by the Guarantor) having endorsed thereon Guarantees duly executed by the Guarantor, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with such Company Order shall authenticate and deliver such Securities; provided, however, that, in the case of Securities offered in a Periodic Offering, the Trustee shall authenticate and deliver such Securities from time to time in accordance with such other procedures (including, without limitation, the receipt by the Trustee of oral or electronic instructions from the Company or its duly authorized agents, promptly confirmed in writing) acceptable to the Trustee as may be specified by or pursuant to a Company Order delivered to the Trustee prior to the time of the first authentication of Securities of such series; provided further, however, that, in connection with its original issuance, no Euro Security shall be mailed or otherwise delivered to any location in the United States; and provided further, however, that a Euro Security (other than a Security in temporary global form) may be

delivered in connection with its original issuance only if the Person entitled to physical delivery of such Euro Security (which, in the case of a Euro Security to be received in exchange for all or a portion of a Security in temporary global form, shall be the account holder with Euro-clear or Cedel S.A. to whose account all or such portion of such Security in temporary global form has been credited) shall have furnished a certificate in the form set forth in Exhibit A-1 to this Indenture (or in such other form as may be established pursuant to Section 301), dated no earlier than 15 days prior to the Exchange Date. If any Security shall be represented by a permanent global Security, then, for purposes of this Section and Section 304, the notation of a beneficial owner's interest therein upon original issuance of such Security or upon exchange of a portion of a temporary global Security shall be deemed to be physical delivery in connection with the original issuance of such beneficial owner's interest in such permanent global Security. Except as permitted by Section 306, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant coupons for interest then matured have been detached and cancelled. If not all the Securities of any series are to be issued at one time and if the Board Resolution or supplemental indenture establishing such series shall so permit, such Company Order may set forth the procedures acceptable to the Trustee for the issuance of such Securities and determining terms of particular Securities of such series such as interest rate, maturity date, date of issuance and date from which interest shall accrue.

If the forms or terms of the Securities of the series and any related coupons, or the form of any Guarantees endorsed thereon, have been established in or pursuant to one or more Board Resolutions of the Company or the Guarantor, as the case may be, as permitted by Sections 201 and 301, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to TIA Sections 315(a) through 315(d)) shall be fully protected in relying upon, an Opinion of Counsel stating:

(a) that the form or forms of such Securities and any such Guarantees to be endorsed thereon and any coupons have been established in conformity with the provisions of this Indenture;

(b) that the terms of such Securities and any coupons have been, or in the case of Securities of a series offered in a Periodic Offering, will be, established in conformity with the provisions of this Indenture, subject, in the case of Securities of a series offered in a Periodic Offering, to any conditions specified in such Opinion of Counsel; and

(c) that such Securities, together with any Guarantees endorsed thereon and any coupons appertaining thereto, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such



Opinion of Counsel, will constitute valid and legally binding obligations of the Company and the Guarantor, respectively, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles and to such other qualifications as such counsel shall conclude do not materially affect the rights of Holders of such Securities, such Guarantees and any coupons.

Notwithstanding the provisions of Section 301 and of the two preceding paragraphs, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officer's Certificate otherwise required pursuant to Section 301 or the Company Order and Opinion of Counsel otherwise required pursuant to such preceding paragraphs at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

The Trustee shall not be required to authenticate and deliver any such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

With respect to Securities of a series offered in a Periodic Offering, the Trustee may rely, as to the authorization by the Company of any of such Securities or as to the authorization by the Guarantor of any Guarantee endorsed thereon, the form and terms thereof and the legality, validity, binding effect and enforceability thereof, upon the Opinion of Counsel and the other documents delivered pursuant to Sections 201 and 301 and this Section, as applicable, in connection with the first authentication of Securities of such series.

Each Registered Security shall be dated the date of its authentication; and each Bearer Security shall be dated as of the date of original issuance of the first Security of such series to be issued except as otherwise provided pursuant to Section 301 in connection with the Securities of any series.

No Security, no Guarantee endorsed thereon and no coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security, or the Security to which such coupon appertains, a certificate of authentication substantially in the form provided for herein, duly executed by the Trustee by manual signature of an authorized officer, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. The delivery of any Security by the Trustee after the authentication thereof hereunder shall

constitute due delivery of any Guarantee endorsed thereon on behalf of the Guarantor. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 310 together with a written statement (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

#### SECTION 304. Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor substantially of the tenor of the definitive Guarantees, in registered form or, if authorized, in bearer form with one or more coupons or without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities, Guarantees or coupons may determine, as conclusively evidenced by their execution of such Securities, Guarantees or coupons, as the case may be. In the case of any series issuable as Bearer Securities, such temporary Securities shall be delivered only in compliance with the conditions set forth in Section 303 and may be in global form.

Except in the case of temporary Securities in global form (which shall be exchanged in accordance with the provisions of the following paragraphs), if temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company maintained pursuant to Section 1002 in a Place of Payment for such series for the purpose of exchanges of Securities of such series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like aggregate principal amount of definitive Securities of the same series and of like tenor of authorized denominations, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided further, however, that a definitive Bearer Security shall be delivered in exchange for a temporary Bearer Security only in compliance

with the conditions set forth in Section 303. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

If temporary Securities of any series are issued in global form, any such temporary global Security shall, unless otherwise provided therein, be delivered to the London office of a depositary or common depositary (the "Common Depositary"), for the benefit of Euro-clear and Cedel S.A., for credit to the respective accounts of the beneficial owners of such Securities (or to such other accounts as they may direct).

Without unnecessary delay but in any event not later than 15 days before the date specified in, or determined pursuant to the terms of, any such temporary global Security of a series (the "Exchange Date"), the Company shall deliver to the Trustee definitive Securities of that series, in aggregate principal amount equal to the principal amount of such temporary global Security and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor, executed by the Company. On or after the Exchange Date, such temporary global Security shall be presented and surrendered by the Common Depositary to the Trustee, as the Company's agent for such purpose, or to the Security Registrar, to be exchanged, in whole or from time to time in part, for definitive Securities of such series without charge and the Trustee shall authenticate and deliver, in exchange for each portion of such temporary global Security, an equal aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such temporary global Security to be exchanged and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor; provided, however, that, unless otherwise specified in such temporary global Security, upon such presentation by the Common Depositary, such temporary global Security must be accompanied by a certificate dated the Exchange Date or a subsequent date and signed by Euro-clear as to the portion of such temporary global Security held for its account then to be exchanged and a certificate dated the Exchange Date or a subsequent date and signed by Cedel S.A. as to the portion of such temporary global Security held for its account then to be exchanged, each in the form set forth in Exhibit A-2 to this Indenture (or in such other form as may be established pursuant to Section 301). The definitive Securities to be delivered in exchange for any such temporary global Security shall be in bearer form, registered form, permanent global bearer form or permanent global registered form, or any combination thereof, as specified as contemplated by Section 301, and, if any combination thereof is so specified, as requested by the beneficial owner thereof; provided, however, that definitive Bearer Securities shall be delivered in exchange for a portion of a temporary global Security only in compliance with the requirements of Section 303.

Unless otherwise specified in such temporary global Security, the interest of a beneficial owner of Securities of a series in a temporary global Security shall be exchanged for definitive Securities of the same series and of like tenor, and, if applicable, having endorsed

thereon Guarantees duly executed by the Guarantor, upon the receipt by Euro-clear or Cedel S.A., as the case may be, after the Exchange Date of a certificate in the form set forth in Exhibit A-1 to this Indenture (or in such other form as may be established pursuant to Section 301), signed by the account holder and dated no earlier than 15 days prior to the date on which Euro-clear or Cedel S.A., as the case may be, furnishes to the Common Depositary in accordance with the preceding paragraph a certificate in the form set forth in Exhibit A-2 to this Indenture (or such other form as may be established pursuant to Section 301) that relates to the interest to be exchanged for definitive Securities. Copies of the certificate in the form set forth in Exhibit A-1 to this Indenture (or such other form as may be established pursuant to Section 301) shall be available from the offices of Euro-clear and Cedel S.A., the Trustee, any Authenticating Agent appointed for such series of Securities and each Paying Agent. Unless otherwise specified in such temporary global Security, any such exchange shall be made free of charge to the beneficial owners of such temporary global Security, except that a Person receiving definitive Securities must bear the cost of insurance, postage, transportation and the like in the event that such Person does not take delivery of such definitive Securities in person at the offices of Euro-clear or Cedel S.A. Definitive Securities in bearer form to be delivered in exchange for any portion of a temporary global Security shall be delivered only outside the United States.

Until exchanged in full as hereinabove provided, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of the same series and of like tenor authenticated and delivered hereunder, except that, unless otherwise specified as contemplated by Section 301, interest payable on a temporary global Security on any Interest Payment Date for Securities of such series occurring prior to the applicable Exchange Date shall be payable to Euro-clear and Cedel S.A. on such Interest Payment Date upon delivery by Euro-clear and Cedel S.A. to the Trustee or the applicable Paying Agent of a certificate or certificates in the form set forth in Exhibit A-2 to this Indenture (or in such other form as may be established pursuant to Section 301), for credit without further interest on or after such Interest Payment Date to the respective accounts of the Persons for whom Euro-clear or Cedel S.A., as the case may be, holds such temporary global Security on such Interest Payment Date and who have each delivered to Euro-clear or Cedel S.A., as the case may be, a certificate in the form set forth in Exhibit A-1 to this Indenture (or in such other form as may be established pursuant to Section 301), dated no earlier than 15 days prior to the relevant Interest Payment Date occurring prior to the Exchange Date. Notwithstanding anything to the contrary herein contained, the certifications made pursuant to this paragraph shall satisfy the certification requirements of the preceding two paragraphs of this Section and of the third paragraph of Section 303 of this Indenture and the interests of the Persons who are the beneficial owners of the temporary global Security with respect to which such certification was made will be exchanged for definitive Securities of the same series and of like tenor and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor on the Exchange Date or the date of certification if such date occurs after the

Exchange Date, without further act or deed by such beneficial owners. Except as otherwise provided in this paragraph, no payments of principal or interest owing with respect to a beneficial interest in a temporary global Security will be made unless and until such interest in such temporary global Security shall have been exchanged for an interest in a definitive Security. Any interest so received by Euro-clear and Cedel S.A. and not paid as herein provided shall be returned to the Trustee or the applicable Paying Agent immediately prior to the expiration of two years after such Interest Payment Date in order to be repaid to the Company in accordance with Section 1003.

SECTION 305. Registration, Registration of Transfer and Exchange.

The Company shall cause to be kept at an office or agency to be maintained by the Company in accordance with Section 1002 a register for each series of Securities (the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Registered Securities and the registration of transfers of Registered Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Registered Securities and transfers of Registered Securities as herein provided, and for facilitating exchanges of temporary global Securities for permanent global Securities or definitive Securities, or both, or of permanent global Securities for definitive Securities, or both, as herein provided.

Upon due surrender for registration of transfer of any Registered Security of any series at the office or agency of the Company maintained pursuant to Section 1002 for such purpose in a Place of Payment for such series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series of any authorized denomination and of a like aggregate principal amount and tenor, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor.

At the option of the Holder, Registered Securities of any series may be exchanged for other Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, upon surrender of the Registered Securities to be exchanged at any such office or agency. Whenever any Registered Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder making the exchange is entitled to receive, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor. Unless otherwise specified with respect to any series of Securities as contemplated by Section 301, Registered Securities, including Registered Securities received in exchange for Bearer Securities, may not be exchanged for Bearer Securities.

If (but only if) expressly permitted in or pursuant to the applicable Board Resolution and (subject to Section 303) set forth, or determined in the manner provided, in the applicable Officer's Certificate, or in any indenture supplemental hereto, delivered as contemplated by Section 301, at the option of the Holder, Bearer Securities of any series may be exchanged for Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, upon surrender of the Bearer Securities to be exchanged at any such office or agency, with all unmatured coupons (except as provided below) and with all matured coupons in default appertaining thereto. If the Holder of a Bearer Security is unable to produce any such unmatured coupon or coupons or matured coupon or coupons in default, any such permitted exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company in an amount equal to the face amount of such missing coupon or coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there is furnished to them such security or indemnity as they may require to save each of them, the Guarantor and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to any Paying Agent any such missing coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 1002, interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside the United States. Notwithstanding the foregoing, in case a Bearer Security of any series is surrendered at any such office or agency in a permitted exchange for a Registered Security of the same series and like tenor after the close of business at such office or agency on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date or proposed date for payment, as the case may be, and interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any permanent global Security shall be exchangeable pursuant to this Section only as provided in this paragraph. If the beneficial owners of interests in a permanent global Security are entitled to exchange such interests for Securities of such series and of like tenor

and principal amount of another authorized form and denomination, as specified as contemplated by Section 301 and provided that any applicable notice provided in the permanent global Security shall have been given, then without unnecessary delay but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee or the Security Registrar definitive Securities of that series in aggregate principal amount equal to the principal amount of such beneficial owner's interest in such permanent global Security, executed by the Company and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor. On or after the earliest date on which such interests may be so exchanged, in accordance with instructions given by the Company to the Trustee or the Security Registrar and the Common Depositary or the U.S. Depositary, as the case may be (which instructions shall be in writing but need not comply with Section 102 or be accompanied by an Opinion of Counsel), such permanent global Security shall be surrendered from time to time by the Common Depositary or the U.S. Depositary, as the case may be, or such other depositary as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, or to the Security Registrar, to be exchanged, in whole or from time to time in part, for definitive Securities of the same series without charge, and the Trustee shall authenticate and deliver in accordance with such instructions, in exchange for each portion of such permanent global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor and, if applicable, having endorsed thereon Guarantees duly executed by the Guarantor as the portion of such permanent global Security to be exchanged which, unless the Securities of the series are not issuable both as Bearer Securities and as Registered Securities, in which case the definitive Securities exchanged for the permanent global Security shall be issuable only in the form in which the Securities are issuable, as specified as contemplated by Section 301, shall be in the form of Bearer Securities or Registered Securities, or any combination thereof, as shall be specified by the beneficial owner thereof; provided, however, that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities of that series and of like tenor for redemption and ending on the relevant Redemption Date; and provided further that no Bearer Security delivered in exchange for a portion of a permanent global Security shall be mailed or otherwise delivered to any location in the United States. Promptly following any such exchange in part, such permanent global Security shall be returned by the Trustee or the Security Registrar to the Common Depositary or the U.S. Depositary, as the case may be, or such other depositary referred to above in accordance with the Company's instructions. If a Registered Security is issued in exchange for any portion of a permanent global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Security, but will be payable on such Interest Payment Date or

proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such permanent global Security is payable in accordance with the provisions of this Indenture.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Registered Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee or any transfer agent) be duly endorsed, or be accompanied by a written instrument of transfer, in form satisfactory to the Company and the Security Registrar or any transfer agent, duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906, 1107 or 1405 not involving any transfer.

In the event of any redemption in part, the Company shall not be required (i) to issue, register the transfer of or exchange any Security of any series during the period beginning at the opening of business 15 days before the selection of Securities of like tenor and of the series of which such Security is a part for redemption, and ending at the close of business on (A) if Securities of the series are issuable only as Registered Securities, the day of the mailing of the relevant notice of redemption and (B) if Securities of the series are issuable as Bearer Securities, the day of the first publication of the relevant notice of redemption or, if Securities of the series are also issuable as Registered Securities and there is no publication, the mailing of the relevant notice of redemption; (ii) to register the transfer of or exchange any Registered Security so selected for redemption, in whole or in part, except the unredeemed portion of any Security being redeemed in part; (iii) to exchange any Bearer Security so selected for redemption except that such a Bearer Security may be exchanged for a Registered Security of that series and of like tenor, provided that such Registered Security shall be simultaneously surrendered for redemption; or (iv) to issue, register the transfer of or exchange any Security which has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.



SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities and Coupons.

If any mutilated Security or a Security with a mutilated coupon appertaining thereto is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and of like tenor and principal amount, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor, bearing a number not contemporaneously outstanding, and with coupons corresponding to the coupons, if any, appertaining to the surrendered Security.

If there shall be delivered to the Company, the Guarantor (if related Guarantees are issued) and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or coupon and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company, the Guarantor or the Trustee that such Security or coupon has been acquired by a bona fide purchaser, the Company shall, subject to the following paragraph, execute and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen coupon appertains (with all appurtenant coupons not destroyed, lost or stolen), a new Security of the same series and of like tenor and principal amount, having, if applicable, endorsed thereon Guarantees duly executed by the Guarantor, bearing a number not contemporaneously outstanding and with coupons corresponding to the coupons, if any, appertaining to such destroyed, lost or stolen Security or to the Security to which such destroyed, lost or stolen coupon appertains.

In case any such mutilated, destroyed, lost or stolen Security or coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security or coupon, as the case may be; provided, however, that principal of and premium, if any, and interest on Bearer Securities shall, except as otherwise provided in Section 1002, be payable only at an office or agency located outside the United States.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series, with any Guarantees endorsed thereon duly executed by the Guarantor, and with any coupons appertaining thereto, issued pursuant to this Section in lieu of any destroyed, lost or stolen Security or in exchange for a Security to which a destroyed, lost or stolen coupon appertains, shall constitute an original additional contractual obligation of the Company and, if applicable, the Guarantor, whether or not the destroyed, lost or stolen Security and any coupons appertaining thereto, or the destroyed, lost or stolen

coupon shall be at any time enforceable by anyone, and any such new Security, and any coupons appertaining thereto, shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series, any Guarantees endorsed thereon and their coupons, if any, duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons.

SECTION 307. Payment of Interest; Interest Rights Preserved; Optional Interest Reset.

(a) Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Registered Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Company maintained for such purpose pursuant to Section 1002; provided, however, that each installment of interest on any Registered Security may at the Company's option be paid by (i) mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 309, to the address of such Person as it appears on the Security Register or (ii) transfer to an account maintained by the payee located in the United States.

Unless otherwise provided as contemplated by Section 301 with respect to the Securities of any series, payment of interest may be made, in the case of a Bearer Security, by transfer to an account maintained by the payee with a bank located outside the United States.

Unless otherwise provided as contemplated by Section 301, every permanent global Security will provide that interest, if any, payable on any Interest Payment Date will be paid to any U.S. Depositary, and/or to each of Euro-clear and Cedel S.A. with respect to that portion of such permanent global Security held for its account by the Common Depositary, for the purpose of permitting such U.S. Depositary and/or each of Euro-clear and Cedel S.A. to credit the interest received by it in respect of such permanent global Security to the accounts of the beneficial owners thereof.

Any interest on any Registered Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such defaulted interest and, if applicable, interest on such defaulted interest (to the extent lawful) at the rate specified in the Securities of such series (such defaulted interest and,

if applicable, interest thereon herein collectively called "Defaulted Interest") may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Registered Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Registered Securities of such series at the address of such Holder as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

(2) The Company may make payment of any Defaulted Interest on the Registered Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

(b) The provisions of this Section 307(b) may be made applicable to any series of Securities pursuant to Section 301 (with such modifications, additions or substitutions as may be specified pursuant to such Section 301). The interest rate (or the spread or spread multiplier used to calculate such interest rate, if applicable) on any Security of such series may be reset by the Company on the date or dates specified on the face of such Security (each an

"Optional Reset Date"). The Company may exercise such option with respect to such Security by notifying the Trustee of such exercise at least 50 but not more than 60 days prior to an Optional Reset Date for such Note. Not later than 40 days prior to each Optional Reset Date, the Trustee shall transmit, in the manner provided for in Section 106, to the Holder of any such Security a notice (the "Reset Notice") indicating whether the Company has elected to reset the interest rate (or the spread or spread multiplier used to calculate such interest rate, if applicable), and if so (i) such new interest rate (or such new spread or spread multiplier, if applicable) and (ii) the provisions, if any, for redemption during the period from such Optional Reset Date to the next Optional Reset Date or if there is no such next Optional Reset Date, to the Stated Maturity Date of such Security (each such period a "Subsequent Interest Period"), including the date or dates on which or the period or periods during which and the price or prices at which such redemption may occur during the Subsequent Interest Period.

Notwithstanding the foregoing, not later than 20 days prior to the Optional Reset Date, the Company may, at its option, revoke the interest rate (or the spread or spread multiplier used to calculate such interest rate, if applicable) provided for in the Reset Notice and establish an interest rate (or a spread or spread multiplier used to calculate such interest rate, if applicable) that is higher than the interest rate (or the spread or spread multiplier, if applicable) provided for in the Reset Notice, for the Subsequent Interest Period by causing the Trustee to transmit, in the manner provided for in Section 106, notice of such higher interest rate (or such higher spread or spread multiplier, if applicable) to the Holder of such Security. Such notice shall be irrevocable. All Securities with respect to which the interest rate (or the spread or spread multiplier used to calculate such interest rate, if applicable) is reset on an Optional Reset Date, and with respect to which the Holders of such Securities have not tendered such Securities for repayment (or have validly revoked any such tender) pursuant to the next succeeding paragraph, will bear such higher interest rate (or such higher spread or spread multiplier, if applicable).

The Holder of any such Security will have the option to elect repayment by the Company of the principal of such Security on each Optional Reset Date at a price equal to the principal amount thereof plus interest accrued to such Optional Reset Date. In order to obtain repayment on an Optional Reset Date, the Holder must follow the procedures set forth in Article Fourteen for repayment at the option of Holders except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to such Optional Reset Date and except that, if the Holder has tendered any Security for repayment pursuant to the Reset Notice, the Holder may, by written notice to the Trustee, revoke such tender or repayment until the close of business on the tenth day before such Optional Reset Date.

Subject to the foregoing provisions of this Section and Section 305, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in

lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Optional Extension of Stated Maturity.

The provisions of this Section 308 may be made applicable to any series of Securities pursuant to Section 301 (with such modifications, additions or substitutions as may be specified pursuant to such Section 301). The Stated Maturity of any Security of such series may be extended at the option of the Company for the period or periods specified on the face of such Security (each an "Extension Period") up to but not beyond the date (the "Final Maturity") set forth on the face of such Security. The Company may exercise such option with respect to any Security by notifying the Trustee of such exercise at least 50 but not more than 60 days prior to the Stated Maturity of such Security in effect prior to the exercise of such option (the "Original Stated Maturity"). If the Company exercises such option, the Trustee shall transmit, in the manner provided for in Section 106, to the Holder of such Security not later than 40 days prior to the Original Stated Maturity a notice (the "Extension Notice") indicating (i) the election of the Company to extend the Stated Maturity, (ii) the new Stated Maturity, (iii) the interest rate applicable to the Extension Period and (iv) the provisions, if any, for redemption during such Extension Period. Upon the Trustee's transmittal of the Extension Notice, the Stated Maturity of such Security shall be extended automatically and, except as modified by the Extension Notice and as described in the next paragraph, such Security will have the same terms as prior to the transmittal of such Extension Notice.

Notwithstanding the foregoing, not later than 20 days before the Original Stated Maturity of such Security, the Company may, at its option, revoke the interest rate provided for in the Extension Notice and establish a higher interest rate for the Extension Period by causing the Trustee to transmit, in the manner provided for in Section 106, notice of such higher interest rate to the Holder of such Security. Such notice shall be irrevocable. All Securities with respect to which the Stated Maturity is extended will bear such higher interest rate.

If the Company extends the Maturity of any Security, the Holder will have the option to elect repayment of such Security by the Company on the Original Stated Maturity at a price equal to the principal amount thereof, plus interest accrued to such date. In order to obtain repayment on the Original Stated Maturity once the Company has extended the Maturity thereof, the Holder must follow the procedures set forth in Article Fourteen for repayment at the option of Holders, except that the period for delivery or notification to the Trustee shall be at least 25 but not more than 35 days prior to the Original Stated Maturity and except that, if the Holder has tendered any Security for repayment pursuant to an Extension Notice, the Holder may by written notice to the Trustee revoke such tender for repayment until the close of business on the tenth day before the Original Stated Maturity.

SECTION 309. Persons Deemed Owners.

Prior to the due presentment of a Registered Security for registration of transfer, the Company, the Guarantor (if a Guarantee is endorsed on such Registered Security), the Trustee and any agent of the Company, the Guarantor (if a Guarantee is endorsed on such Registered Security) or the Trustee may treat the Person in whose name such Registered Security is registered as the absolute owner of such Registered Security for the purpose of receiving payment of principal of (and premium, if any, on) and (subject to Sections 305 and 307) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and none of the Company, the Guarantor (if a Guarantee is endorsed on such Registered Security), the Trustee or any agent of the Company, the Guarantor (if a Guarantee is endorsed on such Registered Security) or the Trustee shall be affected by notice to the contrary.

Title to any Bearer Security and any coupons appertaining thereto shall pass by delivery. The Company, the Guarantor (if a Guarantee is endorsed on such Bearer Security), the Trustee and any agent of the Company, the Guarantor (if a Guarantee is endorsed on such Bearer Security) or the Trustee may treat the bearer of any Bearer Security and the bearer of any coupon as the absolute owner of such Security or coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Security or coupon be overdue, and, to the extent permitted by law, none of the Company, the Guarantor (if a Guarantee is endorsed on such Bearer Security), the Trustee or any agent of the Company, the Guarantor (if a Guarantee is endorsed on such Bearer Security) or the Trustee shall be affected by notice to the contrary.

None of the Company, the Guarantor, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Security in global form or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Notwithstanding the foregoing, with respect to any temporary or permanent global Security, nothing herein shall prevent the Company, the Trustee or, if applicable, the Guarantor, or any agent of the Company, the Trustee or, if applicable, the Guarantor from giving effect to any written certification, proxy or other authorization furnished by a Common Depositary or a U.S. Depositary, as the case may be, or impair, as between a Common Depositary or a U.S. Depositary and holders of beneficial interests in any temporary or permanent global Security, as the case may be, the operation of customary practices governing the exercise of the rights of the Common Depositary or the U.S. Depositary as Holder of such temporary or permanent global Security.

SECTION 310. Cancellation.

All Securities and coupons surrendered for payment, redemption, repayment at the option of the Holder, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee. All Registered Securities and matured coupons so delivered shall be promptly cancelled by the Trustee. All Bearer Securities and unmatured coupons so delivered shall be promptly cancelled by the Trustee. The Company or the Guarantor may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company or the Guarantor, as the case may be, may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. If the Company or the Guarantor shall so acquire any of the Securities, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless and until the same are surrendered to the Trustee for cancellation. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities and coupons held by the Trustee shall be destroyed unless otherwise directed by a Company Order.

SECTION 311. Computation of Interest.

Except as otherwise specified as contemplated by Section 301 with respect to any Securities, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 312. Judgments.

If pursuant to Section 301, the provisions of this Section are established as terms of a series of Securities, the following provisions shall apply: (a) the obligation, if any, of the Company to pay the principal of (and premium, if any, on) and interest on Securities of such series in the currency or currency unit specified pursuant to Section 301 (the "Specified Currency") shall be of the essence and the Company agrees that, to the extent permitted under applicable law, judgments in respect of such Securities shall be given in the Specified Currency; (b) the obligation of the Company to make payments in the Specified Currency of the principal of (and premium, if any, on) and interest on such Securities shall, notwithstanding any payment in any other currency or currency unit (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the Specified Currency that the Holder receiving such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other currency or currency unit (after any

premium and cost of exchange) on the Business Day in the country of issue of the Specified Currency or, in the case of a currency unit, in the international banking community, immediately following the day on which such Holder receives such payment; (c) if the amount in the Specified Currency that may be so purchased for any reason falls short of the amount originally due, the Company shall pay such additional amounts as may be necessary to compensate for such shortfall; and (d) any obligation of the Company not discharged by such payment shall be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

#### ARTICLE FOUR

##### SATISFACTION AND DISCHARGE

###### SECTION 401. Satisfaction and Discharge of Indenture.

Except as set forth below, this Indenture shall upon Company Request cease to be of further effect with respect to any series of Securities (except as to any surviving rights of registration of transfer or exchange of Securities of such series herein expressly provided for, any surviving rights of tender for repayment at the option of the Holders and the obligation of the Company and, if applicable, the Guarantor to pay any Additional Amounts as contemplated by Section 1007) and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture as to such series when

(1) either

(A) all Securities of such series theretofore authenticated and delivered and all coupons, if any, appertaining thereto (other than (i) coupons appertaining to Bearer Securities surrendered for exchange for Registered Securities and maturing after such exchange, whose surrender is not required or has been waived as provided in Section 305, (ii) Securities and coupons of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306, (iii) coupons appertaining to Securities called for redemption and maturing after the relevant Redemption Date, whose surrender has been waived as provided in Section 1106, and (iv) Securities and coupons of such series for whose payment money has theretofore been deposited in trust with the Trustee or any Paying Agent or segregated and held in trust by the Company or the Guarantor, as the case may be, and thereafter repaid to the Company or the Guarantor, as the case may be, or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or



(B) all Securities of such series and, in the case of (i) or (ii) below, any coupons appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose, solely for the benefit of the Holders of Securities and coupons, an amount sufficient to pay and discharge the entire indebtedness on such Securities and coupons not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest to the date of such deposit (in the case of Securities and coupons which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has irrevocably paid or caused to be irrevocably paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture with respect to any series of Securities, the obligations of the Company to the Trustee under Section 606 and to any Authenticating Agent under Section 611 and, if money shall have been deposited with the Trustee pursuant to clause (1)(B) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive any termination of this Indenture.

SECTION 402. Application of Trust Money.

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Company or the Guarantor acting as a Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal of (and premium, if any, on) and interest on the Securities for whose payment such money has been deposited with the Trustee.

ARTICLE FIVE

REMEDIES

SECTION 501. Events of Default.

"Event of Default", wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest on any Security of that series, or any related coupon, when such interest or coupon becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any, on) any Security of that series when due and payable, at its Maturity, upon acceleration, redemption or otherwise; or

(3) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of a series of Securities other than that series) and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33 1/3% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(4) one or more defaults shall have occurred under any agreements, indentures or instruments under which the Company then has outstanding Indebtedness in excess of \$100,000,000 in the aggregate and, if not already matured at its final maturity in accordance with its terms, such Indebtedness shall have been accelerated and remains unpaid; or

(5) the entry by a court having jurisdiction in the premises of a money judgment in an amount in excess of \$250,000,000 against the Company which has become final and not subject to appeal, and the continuance of any such judgment unstayed, in effect and unpaid for a period of 90 days; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company or, if Guarantees are issued, the Guarantor in an involuntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company or, if Guarantees are issued, the Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company or, if Guarantees are issued, the Guarantor under any applicable federal or state law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or, if Guarantees are issued, the Guarantor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(7) the commencement by the Company or, if Guarantees are issued, the Guarantor of a voluntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company or, if Guarantees are issued, the Guarantor in an involuntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal or state law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or, if Guarantees are issued, the Guarantor or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due or the taking of corporate action by the

Company or, if Guarantees are issued, the Guarantor in furtherance of any such action; or

(8) any other Event of Default provided with respect to Securities of that series.

SECTION 502. Acceleration of Maturity; Rescission and

Annulment.

If an Event of Default with respect to Securities of any series at the time Outstanding (other than an Event of Default specified in Section 501(6) or (7)) occurs and is continuing, then in every such case the Trustee or the Holders of not less than 33 1/3% in principal amount of the Outstanding Securities of that series may, and the Trustee at the request of such Holders shall, declare immediately due and payable, by a notice in writing to the Company and, if applicable, the Guarantor (and to the Trustee if given by Holders) the unpaid principal (or, if the Securities of that series are Original Issue Discount Securities or Indexed Securities, such portion of the principal amount as may be specified in the terms of that series) of (and premium, if any) and accrued interest in respect of each Security then Outstanding in that series (the "Default Amount"). Upon any such declaration, the Default Amount shall become immediately due and payable on all Outstanding Securities of that series. Notwithstanding any other provision of Section 502, if an Event of Default specified in Section 501(6) or (7) occurs then, the Default Amount on the Securities then Outstanding shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company, the Trustee and, if applicable, the Guarantor may rescind and annul such declaration and its consequences if:

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay,

(A) all overdue interest on all Securities of that series and any related coupons,

(B) the principal of (and premium, if any, on) any Securities of that series which has become due otherwise than by such declaration of acceleration, and interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is lawful, interest on overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of (or premium, if any, on) or interest on Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Notwithstanding the preceding paragraph, in the event of a declaration of acceleration in respect of the Securities of any series because an Event of Default specified in Section 501(4) shall have occurred and be continuing, such declaration of acceleration shall be automatically annulled if the Indebtedness that is the subject of such Event of Default has been discharged or the holders thereof have rescinded any declaration of acceleration in respect of such Indebtedness or waived any default thereunder permitting such an acceleration, and written notice of such discharge, rescission or waiver, as the case may be, shall have been given to the Trustee by the Company or the Guarantor and by the holders of such Indebtedness or a trustee, fiduciary or agent for such holders, within 30 days after such declaration of acceleration in respect of the Securities of that series and no other Event of Default has occurred during such 30-day period which has not been cured or waived during such period.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(1) default is made in the payment of any installment of interest on any Security of any series or any related coupon when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security of any series at the Maturity thereof,

then the Company will, upon demand of the Trustee, pay to it (such demand and payment in the case of Euro Securities to occur only outside the United States), for the benefit of the Holders of such Securities and any coupons appertaining thereto, the whole amount then due

and payable on such Securities and coupons of that series for principal (and premium, if any) and interest, and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal (and premium, if any) and on any overdue interest, at the rate prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company, the Guarantor (if any related Guarantees are issued) or any other obligor upon such Securities of that series and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company, the Guarantor (if any related Guarantees are issued) or any other obligor upon such Securities of that series, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of that series and any coupons appertaining thereto by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

#### SECTION 504. Trustee May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company, the Guarantor (if Guarantees are issued) or any other obligor upon the Securities of a series or the property of the Company, the Guarantor (if Guarantees are issued) or such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities of such series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company or, if applicable, the Guarantor for the payment of overdue principal, premium, if any, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of principal (and premium, if any), or such portion of the principal amount of any series of Original Issue Discount Securities or Indexed Securities as may be specified in the terms of such series, and interest owing and unpaid in respect of the Securities of such series and to

file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders of the Securities of such series and any coupons appertaining thereto allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same (which distribution, in the case of Euro Securities, shall occur only outside the United States);

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder of a Security or of a coupon to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to such Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 606.

Subject to Section 902 and unless otherwise provided as contemplated by Section 301, nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or of a coupon any plan of reorganization, arrangement, adjustment or composition affecting the Securities or coupons or the rights of any such Holder thereof or to authorize the Trustee to vote in respect of the claim of any such Holder in any such proceeding.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture or the Securities or any coupon may be prosecuted and enforced by the Trustee without the possession of any of the Securities or coupons or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities and coupons in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Securities or coupons, or both, as the case may be (such presentation, in the case of Euro

Securities or coupons, to occur only outside the United States), and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

First: To the payment of all amounts due the Trustee hereunder, including under Section 606;

Second: To the payment (such payment, in the case of Euro Securities, to occur only outside the United States) of the amounts then due and unpaid for principal of (and premium, if any, on) and any interest on the Securities and coupons in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities and coupons for principal (and premium, if any) and interest, respectively; and

Third: The balance, if any, to the Person or Persons entitled thereto.

#### SECTION 507. Limitation on Suits.

No Holder of any Security of any series or of any related coupon shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 33 1/3% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee an indemnity, reasonably satisfactory to the Trustee, against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;



it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Securities of the same series, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security or any coupon shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any, on) and (subject to Section 307) interest on, such Security or payment of such coupon on the Stated Maturity or Maturities expressed in such Security or coupon (or, in the case of redemption, on the Redemption Date or, in the case of repayment at the option of the Holder, on the Repayment Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder of a Security or coupon has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Guarantor, the Trustee and the Holders of Securities and coupons shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities or coupons is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Securities or coupons to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders of Securities or coupons may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities or coupons, as the case may be.

SECTION 512. Control by Holders.

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee may refuse to follow any direction which, in the Opinion of Counsel to the Trustee, is unduly prejudicial to other Holders of Securities of such series or would subject the Trustee to personal liability.

SECTION 513. Waiver of Past Defaults.

Subject to Section 502, the Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series and any coupons appertaining thereto waive any past default hereunder with respect to Securities of such series and its consequences, except a default

(1) in the payment of the principal of (or premium, if any, on) or interest on any Security of such series or any related coupon, or

(2) in respect of a provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default with respect to Securities of such series arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. Waiver of Stay or Extension Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SIX

THE TRUSTEE

SECTION 601. Notice of Defaults.

Within 90 days after the occurrence of any Default hereunder with respect to the Securities of any series, the Trustee shall transmit in the manner and to the extent provided in TIA Section 313(c), notice of such Default hereunder known to the Trustee, unless such Default shall have been cured or waived; provided, however, that, except in the case of a Default in the payment of the principal of (or premium, if any, on) or interest on any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Securities of such series and any related coupons; and provided further that, in the case of any Default or breach of the character specified in Section 501(3) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof.

SECTION 602. Certain Rights of Trustee.

Subject to the provisions of TIA Sections 315(a) through

315(d):

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company or the Guarantor mentioned herein shall be sufficiently evidenced by a Company Request or Company Order or Guarantor Request or Guarantor Order, as the case may be, or as otherwise expressly provided herein, and any resolution of the Board of Directors of the Company or the Guarantor may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series or any related coupons pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall in good faith determine to make such further inquiry or investigation, it shall be entitled upon reasonable notice and at reasonable times during

normal business hours to examine the books, records and premises of the Company or, if any Guarantees are issued, the Guarantor, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

**SECTION 603. Not Responsible for Recitals or Issuance of Securities.**

The recitals contained herein and in the Securities (except for the Trustee's certificates of authentication), including any Guarantees endorsed thereon, and in any coupons, shall be taken as the statements of the Company or the Guarantor, as the case may be, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or coupons, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of Securities or the proceeds thereof.

**SECTION 604. May Hold Securities.**

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company or the Guarantor, in its individual or any other capacity, may become the owner or pledgee of Securities and coupons and, subject to TIA Sections 310(b) and 311, may otherwise deal with the Company and the Guarantor with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

SECTION 605. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company or the Guarantor, as the case may be.

SECTION 606. Compensation, Reimbursement and Indemnification of Trustee.

The Company agrees:

(a) to pay to the Trustee or any predecessor Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(b) except as otherwise expressly provided herein, to reimburse the Trustee or any predecessor Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee or such predecessor Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(c) to indemnify the Trustee or any predecessor Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As security for the performance of such obligations of the Company under this Section, the Trustee shall have a claim prior to the Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (and premium, if any, on) or interest, if any, on particular Securities or any coupons.

SECTION 607. Corporate Trustee Required; Eligibility

There shall at all times be a Trustee hereunder which shall be eligible to act as Trustee under TIA Section 310(a)(1) and shall have a combined capital and surplus of at least \$50,000,000. If such corporation publishes reports of condition at least annually, pursuant to

law or to the requirements of federal, state, territorial or District of Columbia supervising or examining authority, then, for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 608. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 609.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company and, if applicable, the Guarantor. If the instrument of acceptance by a successor Trustee required by Section 609 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by (i) the Company, by a Board Resolution delivered to the Trustee, provided that, contemporaneously therewith (x) the Company immediately appoints a successor Trustee with respect to the Securities of such series meeting the requirements of Section 607 hereof and (y) the terms of Section 609 hereof are complied with in respect of such appointment (the Trustee being removed hereby agreeing to execute the instrument contemplated by Section 609(b) hereof, if applicable, under such circumstances) and provided further that, no Default with respect to such Securities shall have occurred and then be continuing at such time, or (ii) Act of the Holders of not less than a majority in principal amount of the Outstanding Securities of such series delivered to the Trustee, the Company and, if applicable, the Guarantor.

(d) If at any time:

(1) the Trustee shall fail to comply with the provisions of TIA Section 310(b) after written request therefor by the Company or the Guarantor or by any Holder of a Security who for at least six months has been a bona fide Holder of a Security of the series as to which the Trustee has a conflicting interest, or

(2) the Trustee shall cease to be eligible under Section 607 hereof and shall fail to resign after written request therefor by the Company, the Guarantor or by any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company, by a Board Resolution, may remove the Trustee with respect to the Securities, or (ii) subject to TIA Section 315(e), any Holder of a Security who has been a bona fide Holder of a Security for at least six months (and, in the case of Section 608(d)(1) above, who is a Holder of a Security of the series as to which the Trustee has a conflicting interest) may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to the Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 609. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 609, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities of that series and accepted appointment in the manner required by Section 609, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series to the Holders of Securities of such series in



the manner provided for in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 609. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company, the Guarantor and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company, the Guarantor or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In the case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the Guarantor, if applicable, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company, the Guarantor or any successor Trustee, such retiring

Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates. Whenever there is a successor Trustee with respect to one or more (but less than all) series of securities issued pursuant to this Indenture, the terms "Indenture" and "Securities" shall have the meanings specified in the provisos to the respective definitions of those terms in Section 101 which contemplate such situation.

(c) Upon request of any such successor Trustee, the Company and, if applicable, the Guarantor shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

#### SECTION 610. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities; and in case at that time any of the Securities shall not have been authenticated, any successor Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such authentications shall have the full force which it is anywhere in the Securities or in this Indenture provided that the authentication of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Securities in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 611. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents (which may be an Affiliate or Affiliates of the Company) with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue or upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$50,000,000 and subject to supervision or examination by federal or state authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then, for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of such Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or such Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall promptly give written notice of such appointment to all Holders of Securities of the series with respect to which such Authenticating Agent will serve, in the manner provided for in Section 106. Any successor Authenticating Agent upon

acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE FIRST NATIONAL BANK OF  
BOSTON, as Trustee

By \_\_\_\_\_  
as Authenticating Agent

By \_\_\_\_\_  
Authorized Signatory

If all of the Securities of a series may not be originally issued at one time, and the Trustee does not have an office capable of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested by the Company in writing (which writing need not comply with Section 102 and need not be accompanied by an Opinion of Counsel), shall appoint in accordance with this Section an Authenticating Agent (which, if so requested by the Company, shall be an Affiliate of the Company) having an office in a Place of Payment designated by the Company with respect to such series of Securities, provided that the terms and conditions of such appointment are acceptable to the Trustee.

ARTICLE SEVEN

HOLDERS' LISTS AND REPORTS BY TRUSTEE, COMPANY  
AND GUARANTOR

SECTION 701. Disclosure of Names and Addresses of Holders.

Every Holder of Securities or coupons, by receiving and holding the same, agrees with the Company, the Guarantor and the Trustee that none of the Company, the Guarantor or the Trustee or any agent of any of them shall be held accountable by reason of the disclosure of any information as to the names and addresses of the Holders of Securities in accordance with TIA Section 312, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under TIA Section 312(b).

SECTION 702. Reports by Trustee.

Within 60 days after May 15 of each year commencing with the May 15 occurring after the initial issuance of Securities hereunder, the Trustee shall transmit by mail to the Holders of Securities of any series with respect to which it acts as Trustee, in the manner and to the extent provided in TIA Section 313(c), and to the Company and the Guarantor, a brief report dated as of such May 15 which satisfies the requirements of TIA Section 313(a).

SECTION 703. Reports by Company and the Guarantor.

The Company and, so long as any Securities in respect of which Guarantees have been issued are Outstanding, the Guarantor shall:

(a) file with the Trustee, within 15 days after the Company or the Guarantor, as the case may be, is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company or the Guarantor, as the case may be, may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company or the Guarantor, as the case may be, is not required to file information, documents or reports pursuant to either of such Sections, then the Company or the Guarantor, as the case may be, shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of

the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations; and

(b) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company and the Guarantor with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations.

The Trustee shall transmit, within 30 days after the filing thereof with the Trustee, to the Holders of Securities, in the manner and to the extent provided in TIA Section 313(c), such summaries of any information, documents and reports required to be filed by the Company or the Guarantor, as the case may be, pursuant to paragraphs (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

#### ARTICLE EIGHT

[Intentionally Omitted]

#### ARTICLE NINE

##### SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures Without Consent of Holders.

Without the consent of any Holders of Securities or coupons, the Company, when authorized by a Board Resolution, the Guarantor, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form reasonably satisfactory to the Trustee, for any of the following purposes:

(1) to add to the covenants of the Company or the Guarantor for the benefit of the Holders of all or any series of Securities and any related coupons (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company or the Guarantor; or

(2) to add any additional Events of Default (and if such Events of Default are to be for the benefit of less than all series of Securities, stating that such Events of Default are being included solely for the benefit of such series); or

(3) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal of (or premium, if any, on) or interest on Bearer Securities, to permit Bearer Securities to be issued in exchange for Registered Securities, to permit Bearer Securities to be issued in exchange for Bearer Securities of other authorized denominations or to permit or facilitate the issuance of Securities in uncertificated form; provided that any such action shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect; or

(4) to change or eliminate any of the provisions of this Indenture; provided that any such change or elimination shall become effective only when there is no Security Outstanding of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision; or

(5) to secure the Securities; or

(6) to establish the form or terms of Securities of any series and any related coupons as permitted by Sections 201 and 301; or

(7) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 609(b); or

(8) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture; provided that such action shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect.

#### SECTION 902. Supplemental Indentures with Consent of Holders.

With the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company,

when authorized by a Board Resolution, the Guarantor, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture which affect such series of Securities or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security of each such series affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, or the terms of any sinking fund or analogous payment with respect to, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof or repayment thereof at the option of the Holder, or change any obligation of the Company to pay Additional Amounts contemplated by Section 1007 (except as permitted by Section 901(1)), or reduce the amount of the principal of an Original Issue Discount Security or Indexed Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502 or upon the redemption thereof or the amount thereof provable in bankruptcy pursuant to Section 504 or change the coin or currency in which any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date, or, in the case of repayment at the option of the Holder, on or after the Repayment Date), or modify the provisions of this Indenture with respect to the mandatory redemption of Securities or repayment of the Securities at the option of the Holder in a manner adverse to any Holder of any Securities or any coupons appertaining thereto, or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section or Sections 513 and 1009, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; provided, however, that this clause shall not be deemed to require the consent of any Holder of a Security or coupon with respect to changes in the references to "the Trustee" and concomitant changes in this Section, or the deletion of this proviso, in accordance with the requirements of Sections 609(b) and 901(7), or



(4) reduce the terms and conditions of any obligations of the Guarantor in respect of the due and punctual payment of the principal thereof and premium, if any, and interest, if any, thereon, any Additional Amounts payable under Section 1007 in respect thereof or any sinking fund or analogous payments provided in respect thereof.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders of Securities under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder and of any coupons appertaining thereto shall be bound thereby.

SECTION 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

SECTION 906. Reference in Securities to Supplemental

Indentures.

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee, the Company and, if applicable, the Guarantor, to any such supplemental indenture may be prepared and executed by the Company, having, if applicable, Guarantees endorsed thereon and executed by the Guarantor, and authenticated and delivered (which delivery, in the case of Euro Securities, shall occur only outside the United States) by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN

COVENANTS

SECTION 1001. Payment of Principal, Premium, if Any, and

Interest.

The Company covenants and agrees for the benefit of the Holders of each series of Securities and any related coupons that it will duly and punctually pay, in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series), the principal of (and premium, if any, on) and any interest on the Securities of that series in accordance with the terms of such Securities, any coupons appertaining thereto and this Indenture. Unless otherwise specified as contemplated by Section 301 with respect to any series of Securities, any interest due on Bearer Securities on or before Maturity shall be payable only upon presentation and surrender of the respective coupons for such interest installments.

SECTION 1002. Maintenance of Office or Agency.

If Securities of a series are issuable only as Registered Securities, the Company will maintain in each Place of Payment for such series an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served, which agency initially shall be The First National Bank of Boston at 150 Royall Street, Mail Stop 45-02-15, Canton, Massachusetts 02021, Attention: Corporate Trust Administration. If Securities of a series are issuable as Bearer Securities, the Company will maintain (A) in the Borough of Manhattan, The City of New York, an office or agency where any Registered

Securities of that series may be presented or surrendered for payment, where any Registered Securities of that series may be surrendered for registration of transfer, where Securities of that series may be surrendered for exchange, where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served and where Bearer Securities of that series and related coupons may be presented or surrendered for payment in the circumstances described in the following paragraph (and not otherwise); (B) subject to any laws or regulations applicable thereto, in a Place of Payment for that series which is located outside the United States, an office or agency where Securities of that series and related coupons may be presented and surrendered for payment (including payment of any Additional Amounts payable on Securities of that series pursuant to Section 1007); provided, however, that, if the Securities of that series are listed on The International Stock Exchange of the United Kingdom and the Republic of Ireland, Limited, the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, the Company will maintain a Paying Agent for the Securities of that series in London, Luxembourg or any other required city located outside the United States, as the case may be, so long as the Securities of that series are listed on such exchange; and (C) subject to any laws or regulations applicable thereto, in a Place of Payment for that series located outside the United States, an office or agency where any Registered Securities of that series may be surrendered for registration of transfer, where Securities of that series may be surrendered for exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee and give prompt notice to the Holders as provided in Section 106 of the location, and any change in the location, of any such office or agency. If at any time the Company shall fail to maintain any such required office or agency in respect of any series of Securities or shall fail to furnish the Trustee with the address thereof, such presentations and surrenders of Securities of that series may be made and notices and demands may be made or served at the Corporate Trust Office of the Trustee, except that Bearer Securities of that series and the related coupons may be presented and surrendered for payment (including payment of any Additional Amounts payable on Bearer Securities of that series pursuant to Section 1007) at any Paying Agent for such series located outside the United States, and the Company hereby appoints the same as its agent to receive all such respective presentations, surrenders, notices and demands.

Unless otherwise specified with respect to any Securities pursuant to Section 301, no payment of principal, premium, if any, or interest on Bearer Securities shall be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to any account maintained with a financial institution located in the United States; provided, however, that, if the Securities of a series are denominated and payable in Dollars, payment of principal of (and premium, if any, on) and any interest on any Bearer Security (including any Additional Amounts payable on Securities of such series pursuant to Section 1007) shall be made at the office of the Company's Paying

Agent in the Borough of Manhattan, The City of New York, or the office or agency of the Company in Canton, Massachusetts, if (but only if) payment in Dollars of the full amount of such principal, premium, if any, interest or Additional Amounts, as the case may be, at all offices or agencies outside the United States maintained for the purpose by the Company in accordance with this Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in accordance with the requirements set forth above for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee and the Holders of any such designation or rescission and of any change in the location of any such other office or agency. Unless otherwise specified with respect to any Securities as contemplated by Section 301 with respect to a series of Securities, the Company hereby designates as a Place of Payment for each series of Securities the office or agency of the Company in Canton, Massachusetts, and initially appoints the Trustee at its Corporate Trust Office as Paying Agent in Canton, Massachusetts and as its agent to receive all such presentations, surrenders, notices and demands.

SECTION 1003. Money for Security Payments to Be Held in Trust.

If the Company or the Guarantor shall at any time act as a Paying Agent with respect to the Securities of any series and any related coupons, it will, on or before each due date of the principal of (and premium, if any, on) or any interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum (in the currency, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series)) sufficient to pay the principal (and premium, if any) or any interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities and any related coupons, it will, prior to or on each due date of the principal of (and premium, if any, on) or any interest on any Securities of that series, deposit with a Paying Agent a sum (in the currency, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series)) sufficient to pay the principal (and premium, if any) or any interest so becoming due, such sum of money to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is

the Trustee) the Company will promptly notify the Trustee of such action or any failure so to act.

The Company will cause each Paying Agent for any series of Securities (other than the Trustee) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums of money for the payment of the principal of (and premium, if any, on) or interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums of money shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal of (and premium, if any) or interest on the Securities of that series; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums of money held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Except as provided in the Securities of any series, any money deposited with the Trustee or any Paying Agent, or then held by the Company or the Guarantor, in trust for the payment of the principal of (and premium, if any, on) or interest on any Security of any series, or any coupon appertaining thereto, and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be paid to the Company on Company Request, or (if then held by the Company or the Guarantor) shall be discharged from such trust; and the Holder of such Security or any coupon appertaining thereto shall thereafter, as an unsecured general creditor, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, look only to the Company and, if applicable, the Guarantor for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such money held in trust, and all

liability of the Company or the Guarantor as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in an Authorized Newspaper in each Place of Payment, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 1004. Corporate Existence.

Subject to any supplemental indentures hereto or Officer's Certificates creating any series, the Company and, so long as any Securities in respect of which Guarantees have been issued are Outstanding, the Guarantor will do or cause to be done all things necessary to preserve and keep in full force and effect their respective corporate existence, rights (charter and statutory) and franchises; provided, however, that neither the Company nor the Guarantor shall be required to preserve any such right or franchise if its Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of its business, and that the loss thereof is not disadvantageous in any material respect to the Holders of the Securities or any coupons appertaining thereto.

SECTION 1005. Maintenance of Principal Properties.

The Company will cause all Principal Properties used or useful in the conduct of its business or the business of the Guarantor or Restricted Subsidiary of the Company to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent the Company from discontinuing the maintenance of any of such properties or prevent or restrict the sale, abandonment or other disposition of any of such properties if such action is, in the judgment of the Company, desirable in the conduct of the business of the Company and its Subsidiaries as a whole, and not disadvantageous in any material respect to the Holders.

SECTION 1006. Payment of Taxes and Other Claims.

The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (a) all material taxes, assessments and governmental charges levied or imposed upon the Company or any Subsidiary of the Company or upon the income, profits or property of the Company or any Subsidiary of the Company, and (b) all material lawful claims for labor, materials and supplies which, if unpaid, might by law become a Lien upon the property of the Company or any Subsidiary of the Company; provided, however, that

the Company shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

SECTION 1007. Additional Amounts.

If Securities of a series provide for the payment of additional amounts to any Holder who is not a United States person in respect of any tax, assessment or governmental charge ("Additional Amounts"), the Company will pay to the Holder of any Security of such series or any coupon appertaining thereto such Additional Amounts as may be so provided by Section 301. Whenever in this Indenture there is mentioned, in any context, the payment of the principal of (or premium, if any, on) or interest on, or in respect of, any Security of a series or payment of any related coupon or the net proceeds received on the sale or exchange of a Security of a series, such mention shall be deemed to include mention of the payment of Additional Amounts provided for by the terms of such series established pursuant to Section 301 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Except as otherwise specified as contemplated by Section 301, if the Securities of a series provide for the payment of Additional Amounts, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal (and premium, if any) is made), and at least 10 days prior to each date of payment of principal (and premium, if any) or interest if there has been any change with respect to the matters set forth in the below-mentioned Officer's Certificate, the Company will furnish the Trustee and the Company's principal Paying Agent or Paying Agents, if other than the Trustee, with an Officer's Certificate instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of (and premium, if any, on) or interest on the Securities of that series shall be made to Holders of Securities of that series or any related coupons who are not United States Persons without withholding for or on account of any tax, assessment or other governmental charge described in the Securities of that series. If any such withholding shall be required, then such Officer's Certificate shall specify by country the amount, if any, required to be withheld on such payments to such Holders of Securities of that series or related coupons and the Company will pay to the Trustee or such Paying Agent the Additional Amounts required by the terms of such Securities. In the event that the Trustee or any Paying Agent, as the case may be, shall not so receive the above-mentioned certificate, then the Trustee or such Paying Agent shall be entitled to (i) assume that no such withholding or deduction is required with respect to any payment of principal (and premium, if any) or any interest with respect to any Securities of a series or related coupons until it shall have received a certificate advising

otherwise and (ii) make all payments of principal (and premium, if any) and interest with respect to the Securities of a series or related coupons without withholding or deductions until otherwise advised. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officer's Certificate furnished pursuant to this Section or in the event the Trustee shall not withhold or deduct any sums as a result of the non-receipt of an Officer's Certificate pursuant to this Section.

SECTION 1008. Compliance Certificate.

(a) The Company and, so long as any Securities in respect of Guarantees have been issued are Outstanding, the Guarantor each shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company or the Guarantor, as the case may be, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's or the Guarantor's, as the case may be, compliance with all conditions and covenants under this Indenture. For purposes of this Section 1008(a), such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

(b) The Company will, so long as any of the Securities of any series are Outstanding, deliver to the Trustee, as promptly as practicable upon any officer listed in (a) above becoming aware of any Default, Event of Default or default in the performance of any covenant, agreement or condition contained in this Indenture, an Officer's Certificate specifying such Default, Event of Default, default or event of default and what action the Company is taking or proposes to take with respect thereto and the status thereof.

SECTION 1009. Waiver of Certain Covenants.

With respect to the Securities of any series, the Company and the Guarantor may omit in any particular instance to comply with any covenant or condition specified pursuant to Section 301 as being subject to this Section 1009, if, before the time for such compliance, the Holders of at least a majority in aggregate principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the Guarantor and the duties of the Trustee in respect of any such covenant or condition shall remain in full force and effect.



ARTICLE ELEVEN

REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article.

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

SECTION 1102. Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Securities shall be evidenced by an Officer's Certificate. In case of any redemption at the election of the Company, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed, and shall deliver to the Trustee such documentation and records as shall enable the Trustee to select the Securities to be redeemed pursuant to Section 1103. In the case of any redemption of Securities of any series (i) prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture or (ii) pursuant to an election of the Company which is subject to a condition specified in the terms of such Securities, the Company shall furnish the Trustee with an Officer's Certificate evidencing compliance with such restriction or condition.

SECTION 1103. Selection by Trustee of Securities to Be

Redeemed.

If less than all the Securities of any series are to be redeemed (unless all of the Securities of a specified tenor are to be redeemed), the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate, provided such method complies with the rules of any national securities exchange or quotation system on which the Securities are then listed, and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal of Registered Securities of such series; provided, however, that no such partial redemption shall reduce the portion of the principal amount of a Security not redeemed to less than the minimum authorized denomination for Securities of such series established pursuant to Section 301.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

SECTION 1104. Notice of Redemption.

Except as otherwise specified as contemplated by Section 301, notice of redemption shall be given in the manner provided for in Section 106 to the Holders of Securities to be redeemed not less than 30 nor more than 60 days prior to the Redemption Date.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price,

(3) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of a partial redemption of any Securities, the principal amounts) of the particular Securities to be redeemed,

(4) that on the Redemption Date the Redemption Price (together with accrued interest, if any, to the Redemption Date payable as provided in Section 1106) will become due and payable upon each such Security, or the portion thereof, to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,

(5) the place or places (which must include the applicable Place or Places of Payment and which in the case of Bearer Securities shall be outside the United States) where such Securities, together in the case of Bearer Securities with all coupons appertaining thereto, if any, maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price,

(6) that the redemption is for a sinking fund, if such is the case,

(7) that, unless otherwise specified in such notice, Bearer Securities of any series, if any, surrendered for redemption must be accompanied by all coupons maturing subsequent to the Redemption Date or the amount of any such missing coupon or coupons will be deducted from the Redemption Price unless security or indemnity satisfactory to the Company, the Guarantor, if applicable, the Trustee and any Paying Agent is furnished, and

(8) if Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such Bearer Securities may be exchanged for Registered Securities not subject to redemption on such Redemption Date pursuant to Section 305 or otherwise, the last date, as determined by the Company, on which such exchanges may be made.

A notice of redemption published as contemplated by Section 106 need not identify particular Registered Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

#### SECTION 1105. Deposit of Redemption Price.

Prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

#### SECTION 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) (together with accrued interest, if any, to the Redemption Date), and from and after such date (unless the Company and the Guarantor shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so

to be redeemed, except to the extent provided below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, together with all coupons, if any, appertaining thereto maturing after the Redemption Date, such Security shall be paid by the Company at the Redemption Price, together with accrued interest, if any, to the Redemption Date; provided, however, that installments of interest on Bearer Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of coupons for such interest; and provided further that, unless otherwise specified as contemplated by Section 301, installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for redemption shall not be accompanied by all appurtenant coupons maturing after the Redemption Date, such Security may be paid after deducting from the Redemption Price an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Company, the Guarantor and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made from the Redemption Price, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of those coupons.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) set forth in the Security.

#### SECTION 1107. Securities Redeemed in Part.

Any Registered Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company, the Guarantor or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company, the Guarantor and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Registered Security or Securities of the same series and of like tenor, of any

authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered with, if applicable, Guarantees endorsed thereon duly executed by the Guarantor. If a temporary global Security or permanent global Security is so surrendered, such new Security so issued shall be a new temporary global Security or permanent global Security, respectively.

## ARTICLE TWELVE

### SINKING FUNDS

#### SECTION 1201. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment", and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

#### SECTION 1202. Satisfaction of Sinking Fund Payments with Securities.

Subject to Section 1203, in lieu of making all or any part of any mandatory sinking fund payment with respect to any Securities of a series in cash, the Company may at its option (1) deliver to the Trustee Outstanding Securities of such series (other than any previously called for redemption or presented for repayment at the option of the Holder) theretofore purchased or otherwise acquired by the Company, together in the case of any Bearer Securities of such series with all unmatured coupons appertaining thereto, and (2) receive credit for the principal amount of previously Outstanding Securities of such series which have been previously purchased or otherwise acquired by the Company and delivered to the Trustee by the Company or for Outstanding Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, together in the case of any Bearer Securities of such series with all unmatured coupons appertaining thereto, in each case in satisfaction of all or any part of any mandatory sinking fund payment with respect to the Securities of the same series required to be made

pursuant to the terms of such Securities as provided for by the terms of such series; provided, however, that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such mandatory sinking fund payment shall be reduced accordingly.

SECTION 1203. Redemption of Securities for Sinking Fund.

Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officer's Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash, in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 1202 (which Securities will, if not previously delivered, accompany such certificate), the basis for such credit and that such Securities have not been previously so credited, and whether the Company intends to exercise its right to make a permitted optional sinking fund payment with respect to such series. Not more than 60 days before each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1105, 1106 and 1107.

ARTICLE THIRTEEN

GUARANTEES

SECTION 1301. Guarantees.

If Securities of or within a series are specified, as contemplated by Section 301, to be guaranteed by the Guarantor, then the Guarantor hereby fully and unconditionally guarantees to each Holder of any such Security which is authenticated and delivered by the Trustee and to each Holder of any coupon appertaining to any such Security, and to the Trustee on behalf of each such Holder, the due and punctual payment of the principal of (and premium, if any, on) and interest (including, in case of default, interest on principal and, to the extent permitted by applicable law, on overdue interest and including any additional interest required to be paid according to the terms of any such Security or any coupon appertaining

thereto), if any, on each such Security, and the due and punctual payment of any sinking fund payment (or analogous obligation), if any, provided for with respect to any such Security, when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon acceleration, upon tender for repayment at the option of any Holder or otherwise, according to the terms thereof and of this Indenture, including, without limitation, the payment of any Additional Amounts, if any, provided for with respect to any such Security as described under Section 1007 hereof (the "Guarantor Obligations"). In case of the failure of the Company or any successor thereto punctually to pay any such principal, premium, interest or sinking fund payment, the Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration, upon tender for repayment at the option of any Holder or otherwise, as if such payment were made by the Company.

The Guarantor hereby agrees that its Guarantor Obligations hereunder shall be as if it were principal debtor and not merely surety and shall be absolute and unconditional, irrespective of the identity of the Company, the validity, regularity or enforceability of any such Security or coupon appertaining thereto or this Indenture, the absence of any action to enforce the same, any waiver or consent by the Holder of any such Security or coupon appertaining thereto with respect to any provisions thereof, the recovery of any judgment against the Company or any action to enforce the same, or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that its Guarantees will not be discharged except by complete performance of its obligations contained in any such Security or coupon appertaining thereto and in this Guarantee.

If the Trustee or the Holder of any Security or any coupon appertaining thereto is required by any court or otherwise to return to the Company or the Guarantor, or any custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official acting in relation to the Company or the Guarantor, any amount paid to the Trustee or such Holder in respect of a Security or any coupons appertaining thereto, the Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. The Guarantor further agrees, to the fullest extent that it may lawfully do so, that, as between the Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Five hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition extant under any applicable bankruptcy law preventing such acceleration in respect of the obligations guaranteed hereby.

The Guarantor shall be subrogated to all rights of the Holders of the Securities of a series (and of any coupons appertaining thereto) against the Company in respect of any amounts paid by the Guarantor on account of such Securities or any coupons appertaining thereto or this Indenture; provided, however, that the Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any, on) and interest, if any, on all Securities of such series shall have been indefeasibly paid in full.

SECTION 1302. Execution and Delivery of Guarantees.

To evidence its Guarantees with respect to Securities of or within any series that are specified, as contemplated by Section 301, to be guaranteed by the Guarantor, the Guarantor hereby agrees to execute the Guarantees, in a form established pursuant to Section 201, to be endorsed on each Security of such series authenticated and delivered by the Trustee. Each such Guarantee shall be executed on behalf of the Guarantor by its Chairman of the Board, or its Vice Chairman of the Board, or its President, or one of its Executive Vice Presidents or Vice Presidents, or by its Treasurer or one of its Assistant Treasurers and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Guarantees may be manual or facsimile.

Guarantees bearing the manual or facsimile signatures of the individuals who were the proper officers of the Guarantor shall bind the Guarantor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of the Securities upon which such Guarantees are endorsed or did not hold such offices at the date of such Securities.

The delivery of any Securities by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantees endorsed thereon on behalf of the Guarantor. The Guarantor hereby agrees that its Guarantees set forth in this Article shall remain in full force and effect notwithstanding any failure to endorse on each Security a notation of such Guarantee.

SECTION 1303. Limitation of Guarantor's Liability.

The Guarantor, and by its acceptance of a Security each Holder, hereby confirms that it is the intention of all such parties that in no event shall any Guarantor Obligations under the Guarantees constitute or result in a fraudulent transfer or conveyance for purposes of, or result in a violation of, any United States federal, or applicable United States state, fraudulent transfer or conveyance or similar law. To effectuate the foregoing intention, in the event that the Guarantor Obligations, if any, in respect of the Securities of any series would, but for this sentence, constitute or result in such a fraudulent transfer or conveyance or



violation, then the liability of the Guarantor under its Guarantees in respect of the Securities of such series shall be reduced to the extent necessary to eliminate such fraudulent transfer or conveyance or violation under the applicable fraudulent transfer or conveyance or similar law.

#### ARTICLE FOURTEEN

##### REPAYMENT AT THE OPTION OF HOLDERS

###### SECTION 1401. Applicability of Article.

Repayment of Securities of any series before their Stated Maturity at the option of the Holders thereof shall be made in accordance with the terms of such Securities and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

###### SECTION 1402. Repayment of Securities.

Securities of any series subject to repayment in whole or in part at the option of the Holders thereof will, unless otherwise provided in the terms of such Securities, be repaid at a price (the "Repayment Price") equal to the principal amount thereof, together with interest, if any, thereon accrued to the repayment date specified in or pursuant to the terms of such Securities (the "Repayment Date"). The Company covenants that on or before the Repayment Date it will deposit with the Trustee or with a Paying Agent (or, if the Company or the Guarantor is acting as a Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay the principal (or, if so provided by the terms of the Securities of any series, a percentage of the principal) of, and (except if the Repayment Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof, as the case may be, to be repaid on such date.

###### SECTION 1403. Exercise of Option.

Securities of any series subject to repayment at the option of the Holders thereof will contain an "Option to Elect Repayment" form on the reverse of such Securities. To be repaid at the option of the Holder, any Security so providing for such repayment, with the "Option to Elect Repayment" form on the reverse of such Security duly completed by the Holder (or by the Holder's attorney duly authorized in writing), must be received by the Company at the Place of Payment therefor specified in the terms of such Security (or at such other place or places of which the Company shall from time to time notify the Holders of such

Securities) not earlier than 45 days nor later than 30 days prior to the Repayment Date. If less than the entire principal amount of such Security is to be repaid in accordance with the terms of such Security, the principal amount of such Security to be repaid, in increments of the minimum denomination for Securities of such series, and the denomination or denominations of the Security or Securities to be issued to the Holder for the portion of the principal amount of such Security surrendered that is not to be repaid, must be specified. The principal amount of any Security providing for repayment at the option of the Holder thereof may not be repaid in part if, following such repayment, the unpaid principal amount of such Security would be less than the minimum authorized denomination of Securities of the series of which such Security to be repaid is a part. Except as otherwise may be provided by the terms of any Security providing for repayment at the option of the Holder thereof, exercise of the repayment option by the Holder shall be irrevocable unless waived by the Company.

SECTION 1404. When Securities Presented for Repayment Become Due and Payable.

If Securities of any series providing for repayment at the option of the Holders thereof shall have been surrendered as provided in this Article and as provided by or pursuant to the terms of such Securities, such Securities or the portions thereof, as the case may be, to be repaid shall become due and payable and shall be paid by the Company on the Repayment Date therein specified, and on and after such Repayment Date (unless the Company and, if applicable, the Guarantor shall default in the payment of such Securities on such Repayment Date) such Securities shall, if the same were interest-bearing, cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so to be repaid, except to the extent provided below, shall be void. Upon surrender of any such Security for repayment in accordance with such provisions, together with all coupons, if any, appertaining thereto maturing after the Repayment Date, the principal amount of such Security so to be repaid shall be paid by the Company, together with accrued interest, if any, to the Repayment Date; provided, however, that coupons whose Stated Maturity is on or prior to the Repayment Date shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of such coupons, and provided further that, unless otherwise specified as contemplated by Section 301, in the case of Registered Securities, installments of interest, if any, whose Stated Maturity is on or prior to the Repayment Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for repayment shall not be accompanied by all appurtenant coupons maturing after the Repayment Date, such Security may be paid after deducting from the amount payable therefor as provided in Section 1402 an amount equal to

the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Company, the Guarantor, if applicable, and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made as provided in the preceding sentence, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of those coupons.

If the principal amount of any Security surrendered for repayment shall not be so repaid upon surrender thereof, such principal amount (together with interest, if any, thereon accrued to such Repayment Date) shall, until paid, bear interest from the Repayment Date at the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) set forth in such Security.

#### SECTION 1405. Securities Repaid in Part.

Upon surrender of any Registered Security which is to be repaid in part only, the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge and at the expense of the Company, a new Registered Security or Securities of the same series and of like tenor, of any authorized denomination specified by the Holder, in an aggregate principal amount equal to and in exchange for the portion of the principal of such Security so surrendered which is not to be repaid, with, if applicable, Guarantees endorsed thereon duly executed by the Guarantor. If a temporary global Security or permanent global Security is so surrendered, such new Security so issued shall be a new temporary global Security or a new permanent global Security, respectively.

### ARTICLE FIFTEEN

#### DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1501. Company's Option to Effect Defeasance or Covenant Defeasance.

If pursuant to Section 301 provision is made for either or both of (a) defeasance of the Securities of a series under Section 1502 or (b) covenant defeasance of the Securities of a series under Section 1503, then the provisions of such Section 1502 or Section 1503, as the case may be, together with Sections 1504, 1505 and 1506, shall be applicable to the Securities

of such series, and the Company may, at its option by Officer's Certificate, at any time, with respect to the Securities of such series, elect to have either Section 1502 (if applicable) or Section 1503 (if applicable) be applied to the Outstanding Securities of such series upon compliance with the conditions set forth below in this Article Fifteen.

SECTION 1502. Defeasance and Discharge.

Upon the Company's exercise of the above option applicable to this Section with respect to any Securities of or within a series and subject to Sections 1505 and 1506, the Company and the Guarantor shall be deemed to have been discharged from their respective obligations with respect to the Outstanding Securities of such series and any related coupons on and after the date the conditions precedent set forth below are satisfied but subject to satisfaction of the conditions subsequent set forth below (hereinafter, "defeasance"). For this purpose, such defeasance means that the Company and the Guarantor shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such series and any related coupons, which shall thereafter be deemed to be "Outstanding" only for the purposes of Section 1505 and the other Sections of this Indenture referred to in (A) and (B) below, and to have satisfied all their other obligations under such Securities and any related coupons and this Indenture insofar as such Securities and any related coupons are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of such Outstanding Securities of such securities and any related coupons to receive, solely from the trust fund described in Section 1504 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any, on) and interest on such Securities and any related coupons when such payments are due, (B) the Company's obligations and, to the extent applicable, the Guarantor's obligations with respect to such Securities under Sections 304, 305, 306, 1002 and 1003 and with respect to the payment of Additional Amounts, if any, on such Securities as contemplated by Section 1007, and such obligations as shall be ancillary thereto, (C) the rights, powers, trusts, duties, immunities and other provisions in respect of the Trustee hereunder and (D) this Article Fifteen. Subject to compliance with this Article Fifteen, the Company may exercise its option under this Section 1502 notwithstanding the prior exercise of its option under Section 1503 with respect to such Securities and any related coupons. Following a defeasance, payment of the Securities of such series may not be accelerated because of an Event of Default.

SECTION 1503. Covenant Defeasance.

Upon the Company's exercise of the above option applicable to this Section with respect to any Securities of or within a series, the Company and the Guarantor shall each be released from their respective obligations under any Section(s) of this Indenture applicable to

such Securities that are determined pursuant to Section 301 to be subject to this provision with respect to the Outstanding Securities of such series and any related coupons on and after the date the conditions precedent set forth below are satisfied but subject to satisfaction of the conditions subsequent set forth below (hereinafter, "covenant defeasance"), and such Securities and any related coupons shall thereafter be deemed not to be "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with such Sections, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Outstanding Securities of such series and any related coupons, the Company and the Guarantor may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or by reason of reference in any such Section to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default hereunder, but, except as specified above, the remainder of this Indenture and such Securities and any related coupons shall be unaffected thereby. Following a covenant defeasance, payment of the Securities of such series may not be accelerated because of an Event of Default solely by reference to such Sections specified above in this Section 1503.

SECTION 1504. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions precedent or, as specifically noted below, subsequent, to application of either Section 1502 or Section 1503 to any Outstanding Securities of or within a series and any related coupons:

(1) The Company shall have irrevocably deposited or caused to be irrevocably deposited with the Trustee (or another trustee satisfying the requirements of Section 607 who shall agree to comply with the provisions of this Article Fifteen applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for the benefit of, and dedicated solely to, the Holders of such Securities and any related coupons, (A) Dollars in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, Dollars in an amount, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (or other qualifying trustee), to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (i) each installment of principal of (and premium, if any, on) and interest on such Outstanding Securities and any related coupons on the Stated Maturity (or Redemption Date, if applicable) of such principal (and premium, if any) or interest on the day on which such

payments are due and payable in accordance with the terms of this Indenture, the Securities of such series and the coupons, if any, appertaining thereto, and (ii) any mandatory sinking fund payments or analogous payments applicable to such Outstanding Securities and any related coupons on the due dates thereof. Before such a deposit, the Company may give to the Trustee, in accordance with Section 1102 hereof, a notice of its election to redeem all or any portion of such Outstanding Securities at a future date in accordance with the terms of the Securities of such series and Article Eleven hereof, which notice shall be irrevocable. Such irrevocable redemption notice, if given, shall be given effect in applying the foregoing.

(2) No Default or Event of Default with respect to such Securities or any related coupons shall have occurred and be continuing (A) on the date of such deposit or (B) insofar as paragraphs (6) and (7) of Section 501 are concerned, at any time during the period ending on the 91st day after the date of such deposit or, if longer, ending on the day following the expiration of the longest preference period applicable to the Company in respect of such deposit (it being understood that the condition in this clause (B) is a condition subsequent and shall not be deemed satisfied until the expiration of such period).

(3) Such defeasance or covenant defeasance shall not (A) cause the Trustee for the Securities of such series to have a conflicting interest as defined in TIA Section 310(b) or otherwise for purposes of the Trust Indenture Act with respect to any securities of the Company or (B) result in the trust arising from such deposit to constitute, unless it is qualified as, a regulated investment company under the Investment Company Act of 1940, as amended.

(4) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound.

(5) Such defeasance or covenant defeasance shall not cause any Securities of such series then listed on any registered national securities exchange under the Securities Exchange Act of 1934, as amended, to be delisted.

(6) In the case of an election under Section 1502, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (x) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (y) since the date of execution of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of such Outstanding Securities of such series and any related coupons will not recognize income, gain or loss for federal

income tax purposes as a result of such defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred.

(7) In the case of an election under Section 1503, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of the Outstanding Securities of such series and any related coupons will not recognize income, gain or loss for federal income tax purposes as a result of such covenant defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(8) Such defeasance or covenant defeasance shall be effected in compliance with any additional terms, conditions or limitations which may be imposed in connection therewith pursuant to Section 301.

(9) The Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent and subsequent provided for in this Indenture relating to either the defeasance under Section 1502 or the covenant defeasance under Section 1503 (as the case may be) have been complied with.

SECTION 1505. Deposited Money and Government Obligations to Be Held in Trust; Other Miscellaneous Provisions.

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (or other property as may be provided pursuant to Section 301) (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee--collectively for purposes of this Section 1505, the "Trustee") pursuant to Section 1504 in respect of the Outstanding Securities of any series and any related coupons shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and any related coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Company or the Guarantor acting as Paying Agent) as the Trustee may determine, to the Holders of such Securities and any related coupons of all sums due and to become due thereon in respect of principal (and premium, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the money or U.S. Government Obligations deposited pursuant to Section 1504 or the principal and interest received in respect thereof.

Anything in this Article Fifteen to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations (or other property and any proceeds therefrom) held by it as provided in Section 1504 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance, as applicable, in accordance with this Article.

SECTION 1506. Reinstatement.

Anything herein to the contrary notwithstanding, if and to the extent the deposited money or U.S. Government Obligations (or the proceeds thereof) either (i) cannot be applied by the Trustee or any Paying Agent in accordance with Section 1505 because of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application or (ii) are for any reason insufficient in amount, then (x) the Company's and the Guarantor's obligations, if any, to pay principal of and any premium and interest on the Securities of such series and any related coupons shall be reinstated to the extent necessary to cover the deficiency on any due date for payment and (y) in the case of a covenant defeasance under Section 1503, the Company's and the Guarantor's obligations, if any, under any Sections applicable to such Securities that are determined pursuant to Section 301 to be subject to this provision shall be reinstated unless and until all deficiencies on any due date for payment are covered. In any case specified in clause (i), the Company's interest in the deposited money and U.S. Government Obligations (and proceeds thereof) shall be reinstated to the extent the Company's payment obligations are reinstated.

ARTICLE SIXTEEN

MEETINGS OF HOLDERS OF SECURITIES

SECTION 1601. Purposes for Which Meetings May Be Called.

A meeting of Holders of Securities of any and all series may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be made, given or taken by Holders of Securities of such series.



SECTION 1602. Call, Notice and Place of Meetings.

(a) The Trustee may at any time call a meeting of Holders of Securities of any series for any purpose specified in Section 1601, to be held at such time and at such place in the Borough of Manhattan, The City of New York or in London as the Trustee shall determine. Notice of every meeting of Holders of Securities of any series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given, in the manner provided in Section 106, not less than 21 nor more than 180 days prior to the date fixed for the meeting.

(b) In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 33 1/3% in aggregate principal amount of the Outstanding Securities of any series shall have requested the Trustee to call a meeting of the Holders of Securities of such series for any purpose specified in Section 1601, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have made the first publication or mailing of the notice of such meeting within 21 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided herein, then the Company or the Holders of Securities of such series in the amount above specified, as the case may be, may determine the time and the place in the Borough of Manhattan, The City of New York or in London for such meeting and may call such meeting for such purposes by giving notice thereof as provided in subsection (a) of this Section.

SECTION 1603. Persons Entitled to Vote at Meetings.

To be entitled to vote at any meeting of Holders of Securities of any series, a Person shall be (1) a Holder of one or more Outstanding Securities of such series, or (2) a Person appointed by an instrument in writing as proxy for a Holder or Holders of one or more Outstanding Securities of such series by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of Securities of any series shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Trustee and its counsel, any representatives of the Company and its counsel and any representatives of the Guarantor and its counsel.

SECTION 1604. Quorum; Action.

The Persons entitled to vote a majority in principal amount of the Outstanding Securities of a series shall constitute a quorum for a meeting of Holders of Securities of such series; provided, however, that if any action is to be taken at such meeting with respect to a consent, waiver, request, demand, notice, authorization, direction or other action which this Indenture expressly provides may be made, given or taken by the Holders of not less than a specified percentage in principal amount of the Outstanding Securities of a series, the Persons

holding or representing such specified percentage in principal amount of the Outstanding Securities of such series shall constitute a quorum. In the absence of a quorum within 30 minutes of the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of Securities of such series, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such adjourned meeting. Notice of the reconvening of any adjourned meeting shall be given as provided in Section 1602(a), except that such notice need be given only once not less than five days prior to the date on which the meeting is scheduled to be reconvened. Notice of the reconvening of an adjourned meeting shall state expressly the percentage, as provided above, of the principal amount of the Outstanding Securities of such series which shall constitute a quorum.

Except as limited by the proviso to the first paragraph of Section 902, any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted by the affirmative vote of the Holders of not less than a majority in principal amount of the Outstanding Securities of that series; provided, however, that, except as limited by the proviso to the first paragraph of Section 902, any resolution with respect to any consent, waiver, request, demand, notice, authorization, direction or other action which this Indenture expressly provides may be made, given or taken by the Holders of not less than a specified percentage in principal amount of the Outstanding Securities of a series may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid only by the affirmative vote of the Holders of not less than such specified percentage in principal amount of the Outstanding Securities of that series.

Any resolution passed or decision taken at any meeting of Holders of Securities of any series duly held in accordance with this Section shall be binding on all the Holders of Securities of such series and the related coupons, whether or not present or represented at the meeting.

Notwithstanding the foregoing provisions of this Section 1604, if any action is to be taken at a meeting of Holders of Securities of any series with respect to any consent, waiver, request, demand, notice, authorization, direction or other action that this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage in principal amount of all Outstanding Securities affected thereby, or of the Holders of such series and one or more additional series:

(i) there shall be no minimum quorum requirement for such meeting; and

(ii) the principal amount of the Outstanding Securities of such series that vote in favor of such consent, waiver, request, demand, notice, authorization, direction or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under this Indenture.

SECTION 1605. Determination of Voting Rights; Conduct and Adjournment of Meetings.

(a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of Securities of a series in regard to proof of the holding of Securities of such series and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Securities shall be proved in the manner specified in Section 104 and the appointment of any proxy shall be proved in the manner specified in Section 104 or by having the signature of the person executing the proxy witnessed or guaranteed by any trust company, bank or banker authorized by Section 104 to certify to the holding of Bearer Securities. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 104 or other proof.

(b) The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Holders of Securities as provided in Section 1602(b), in which case the Company or the Holders of Securities of the series calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting.

(c) At any meeting of the Holders of Securities of any series each Holder of a Security of such series or proxy shall be entitled to one vote for each \$1,000 principal amount of Outstanding Securities of such series held or represented by him (determined as specified in the definition of "Outstanding" in Section 101); provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Security of such series or proxy.

(d) Any meeting of Holders of Securities of any series duly called pursuant to Section 1602 at which a quorum is present may be adjourned from time to time by Persons

entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting; and the meeting may be held as so adjourned without further notice.

SECTION 1606. Counting Votes and Recording Action of Meetings.

The vote upon any resolution submitted to any meeting of Holders of Securities of any series shall be by written ballots on which shall be subscribed the signatures of the Holders of Securities of such series or of their representatives by proxy and the principal amounts and serial numbers of the Outstanding Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Holders of Securities of any series shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 1602 and, if applicable, Section 1604. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to the Company, and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed and attested, all as of the day and year first above written.

VIACOM INC.,  
as Issuer

By: /s/ Vaughn A. Clarke  
-----  
Name: Vaughn A. Clarke  
Title: Senior Vice President, Treasurer

Attest:

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Treasurer

VIACOM INTERNATIONAL INC.,  
as Guarantor

By: /s/ Vaughn A. Clarke  
-----  
Name: Vaughn A. Clarke  
Title: Senior Vice President, Treasurer

Attest:

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Secretary

THE FIRST NATIONAL BANK OF  
BOSTON,  
as Trustee

By: /s/ James E. Schultz  
-----  
Name: James E. Schultz  
Title: Account Manager

Attest:

By: /s/ Emily Grier Lea  
-----  
Name: Emily Grier Lea  
Title: Account Manager

EXHIBIT A  
FORMS OF CERTIFICATION

EXHIBIT A-1

FORM OF CERTIFICATE TO BE GIVEN BY  
PERSON ENTITLED TO RECEIVE BEARER SECURITY  
OR TO OBTAIN INTEREST PAYABLE PRIOR  
TO THE EXCHANGE DATE

CERTIFICATE

[Insert title or sufficient description  
-----  
of Securities to be delivered]  
-----

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Securities held by you for our account (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States federal income taxation regardless of its source ("United States persons(s)"), (ii) are owned by United States person(s) that are (a) foreign branches of United States financial institutions (financial institutions, as defined in United States Treasury Regulations Section 1.165-12(c)(1)(v), are herein referred to as "financial institutions") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise Viacom Inc. or its agent that such financial institution will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and, in addition, if the owner is a United States or foreign financial institution described in clause (iii) above (whether or not also described in clause (i) or (ii)), this is to further certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "United States" means the United States of America (including the states and the District of Columbia); and its "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the above-captioned Securities held by you for our account in accordance with your Operating Procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certificate excepts and does not relate to U.S.\$ \_\_\_\_\_ of such interest in the above-captioned Securities in respect of which we are not able to certify and as to which we understand an exchange for an interest in a Permanent Global Security or an exchange for and delivery of definitive Securities (or, if relevant, collection of any interest) cannot be made until we do so certify.

We understand that this certificate may be required in connection with certain tax legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certificate or a copy thereof to any interested party in such proceedings.

Dated:

[To be dated no earlier than the 15th day prior to (i) the Exchange Date or (ii) the relevant Interest Payment Date occurring prior to the Exchange Date, as applicable]

[Name of Person Making  
Certification]

-----  
(Authorized Signatory)  
Name:  
Title:

EXHIBIT A-2

FORM OF CERTIFICATE TO BE GIVEN BY EUROCLEAR  
AND CEDEL S.A. IN  
CONNECTION WITH THE EXCHANGE OF A PORTION OF A  
TEMPORARY GLOBAL SECURITY OR TO OBTAIN INTEREST  
PAYABLE PRIOR TO THE EXCHANGE DATE

CERTIFICATE

[Insert title or sufficient description

-----  
of Securities to be delivered]  
-----

This is to certify that, based solely on written certifications that we have received in writing, by tested telex or by electronic transmission from each of the persons appearing in our records as persons entitled to a portion of the principal amount set forth below (our "Member Organizations") substantially in the form attached hereto, as of the date hereof, [U.S.\$]\_\_\_\_\_ principal amount of the above-captioned Securities (i) is owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("United States person(s)"), (ii) is owned by United States person(s) that are (a) foreign branches of United States financial institutions (financial institutions, as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v), are herein referred to as "financial institutions") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such financial institution has agreed, on its own behalf or through its agent, that we may advise Viacom Inc. or its agent that such financial institution will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and, to the further effect, that financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "United States" means the United States of America (including the states and the District of Columbia); and its "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.



We further certify that (i) we are not making available herewith for exchange (or, if relevant, collection of any interest) any portion of the temporary global Security representing the above-captioned Securities excepted in the above-referenced certificates of Member Organizations and (ii) as of the date hereof we have not received any notification from any of our Member Organizations to the effect that the statements made by such Member Organizations with respect to any portion of the part submitted herewith for exchange (or, if relevant, collection of any interest) are no longer true and cannot be relied upon as of the date hereof.

We understand that this certification is required in connection with certain tax legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certificate or a copy thereof to any interested party in such proceedings.

Dated:

[To be dated no earlier than the Exchange  
Date or the relevant Interest Payment  
Date occurring prior to the Exchange  
Date, as applicable]

[MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK, BRUSSELS  
OFFICE, as Operator of the  
Euroclear System]  
[Cedel S.A.]

By \_\_\_\_\_



VIACOM INC.,  
VIACOM INTERNATIONAL INC.

AND

THE FIRST NATIONAL BANK OF BOSTON,  
Trustee

-----  
FIRST SUPPLEMENTAL INDENTURE

Dated as of May 24, 1995

To Indenture dated as of May 15, 1995  
among  
VIACOM INC.,  
VIACOM INTERNATIONAL INC.  
and  
THE FIRST NATIONAL BANK OF BOSTON,  
Trustee

-----  
Senior Debt Securities

FIRST SUPPLEMENTAL INDENTURE, dated as of May 24, 1995, among VIACOM INC., a Delaware corporation (the "Company"), VIACOM INTERNATIONAL INC., a Delaware corporation (the "Guarantor"), and THE FIRST NATIONAL BANK OF BOSTON, a national banking association (the "Trustee"), as Trustee under the Indenture (the "Indenture"), dated as of May 15, 1995, among the Company, the Guarantor and the Trustee.

RECITALS OF THE COMPANY

WHEREAS, Section 901(1) of the Indenture permits supplements thereto without the consent of Holders of Securities to add to the covenants of the Company for the benefit of all or any series of Securities;

WHEREAS, Section 901(4) of the Indenture permits supplements thereto without the consent of the Holders of Securities to change any provisions of the Indenture where there are no Securities Outstanding which are entitled to the benefit of such provision; and

WHEREAS, the Company wishes to add to the covenants of the Company for the benefit of the Holders of all Securities and to make certain changes to other provisions of the Indenture, unless otherwise specified as contemplated by Section 301 of the Indenture.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE

WITNESSETH:

SECTION 1. For purposes of this First Supplemental Indenture, all terms used herein, unless otherwise defined, shall have the meaning assigned to them in the Indenture.

SECTION 2. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 101 of the Indenture shall be amended by deleting the definitions of "Company", "Guarantor" and "Principal Property" and replacing such definitions with the following definitions:

"Company" means the Person named as the "Company" in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor Person.

"Guarantor" means the Person named as the "Guarantor" in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Guarantor" shall mean such successor Person.

"Principal Property" means any parcel of real property and related fixtures or improvements (other than telecommunications equipment, including, without limitation, satellite transponders) owned by the Company or any Restricted Subsidiary and located in the United States, the aggregate book value of which on the date of determination exceeds \$500 million, other than any such real property and related fixtures or improvements which, as determined in good faith by the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Subsidiaries, taken as a whole.

SECTION 3. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 101 of the Indenture shall be amended by adding the following definitions, each in alphabetical order:

"Attributable Debt" means, with regard to a Sale and Leaseback Transaction with respect to any Principal Property, the lesser of: (a) the fair market value of such property (as determined in good faith by the Board of Directors of the Company); or (b) the present value of the total net amount of rent required to be paid under such lease during the remaining term thereof (including any period for which such lease has been extended and excluding any unexercised renewal or other extension options exercisable by the lessee, and excluding amounts on account of maintenance and repairs, services, taxes and similar charges and contingent rents), discounted at the rate of interest set forth or implicit in the terms of such lease (or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the Securities of the applicable series then Outstanding) compounded semi-annually. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

"Sale and Leaseback Transaction" means any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any Principal Property which has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person; provided however, that "Sale and Leaseback Transaction" shall not include such arrangements that were existing on the date hereof or at the time any Person

owning a Principal Property becomes a Restricted Subsidiary (whether by acquisition or otherwise, including through merger or consolidation).

SECTION 4. For the benefit of the Holders of the Company's 7.75% Senior Notes due 2005 only, Section 307 shall be amended by deleting the first paragraph thereof and replacing such paragraph in its entirety with the following:

(a) Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Registered Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid, in immediately available funds, to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Company maintained for such purpose pursuant to Section 1002; provided however, that each installment of interest on any Registered Security may at the Company's option be paid in immediately available funds by transfer to an account maintained by the payee located in the United States.

SECTION 5. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 501 shall be amended by deleting subparagraph (5) and replacing such paragraph in its entirety with the following:

(5) the entry by a court having jurisdiction in the premises of a money judgment in an amount in excess of \$100 million against the Company which has become final and not subject to appeal, and the continuance of any such judgment unstayed, in effect and unpaid for a period of 60 days; or

SECTION 6. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Sections 501, 502 and 507 of the Indenture shall be amended by deleting the reference to "331/3%" in each of those sections and replacing such references with "25%".

SECTION 7. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 504 of the Indenture shall be amended by deleting the last paragraph thereof and replacing such paragraph in its entirety with the following:

Subject to Article Eight and Section 902, nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or of a coupon any plan of

reorganization, arrangement, adjustment or composition affecting the Securities or coupons or the rights of any such Holder thereof or to authorize the Trustee to vote in respect of the claim of any such Holder in any such proceeding.

SECTION 8. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Article Eight of the Indenture shall be amended by adding the following covenant:

#### ARTICLE EIGHT

##### CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 801. Company and Guarantor May Consolidate, etc. Only on Certain Terms.

Neither the Company nor the Guarantor may consolidate or merge with or into another corporation, or sell or convey all or substantially all of their respective property and assets to another Person unless: (i) immediately after such consolidation, merger, sale or conveyance no Event of Default or Default shall have occurred and be continuing; (ii) the Person (if other than the Company or the Guarantor, as the case may be) is a corporation organized under the laws of the United States or any state thereof; (iii) the Person (if other than the Company or the Guarantor, as the case may be) through a supplemental indenture assumes payment of the principal of (premium, if any, on) and interest on, the Outstanding Securities of the applicable series and the performance and observance of all the covenants and conditions of the Indenture with respect to the Company or the Guarantor, as the case may be; (iv) the Company or the Guarantor, as the case may be, shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale or conveyance and such supplemental indenture comply with the applicable provisions of the Indenture and that all conditions precedent therein provided for relating to such consolidation, merger, sale or conveyance have been complied with. The Company and/or the Guarantor may consolidate or merge with or into, or sell or convey all or substantially all of their respective property and assets to, each other or any Subsidiary of either of them. For purposes of this Section, "sell or convey all or substantially all of their respective property and assets" shall mean property and assets contributing in the aggregate at least 80% of the Company's total consolidated revenues as reported in the Company's last available periodic financial report (quarterly or annual, as the case may be) filed with the Commission.

Section 802. Successor Person Substituted.

Upon any consolidation by the Company or the Guarantor with or merger by the Company or Guarantor into any other corporation or any sale or conveyance of all or substantially all of the property and assets of the Company or the Guarantor to any Person in accordance with Section 801, the successor Person formed by such consolidation or into which the Company or the Guarantor is merged or to which such sale or conveyance is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the Guarantor, as the case may be, under this Indenture with the same effect as if such successor Person had been named as the Company or the Guarantor, as the case may be, herein, and in the event of any such sale or conveyance, the Company or the Guarantor, as the case may be (which terms shall for this purpose mean the Person named as the "Company" or the "Guarantor" in the first paragraph of this Indenture or any successor Person which shall theretofore become such in the manner described in Section 801) shall be discharged of all obligations and covenants under this Indenture and the Securities and any coupons appertaining thereto or the Guarantees, as the case may be, and may be dissolved or liquidated.

SECTION 9. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 901 of the Indenture shall be amended by adding the following purpose as new subparagraph (8) thereof and renumbering the existing subparagraph (8) as subparagraph (9):

(8) to evidence the succession of another Person to the Company or the Guarantor and the assumption by any such successor of the covenants of the Company or the Guarantor, as the case may be, herein and in the Securities and the Guarantees in accordance with Article Eight hereof; or

SECTION 10. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Section 902(1) of the Indenture shall be amended by deleting the first parenthetical thereof and replacing such parenthetical in its entirety with the following:

(except as contemplated by Section 801(1) and permitted by Section 901(8))

SECTION 11. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Article Ten of the Indenture shall be amended by deleting the clause "Subject to any supplemental indentures hereto or Officer's Certificates

creating any series," in Section 1004 and replacing such clause in its entirety with "Subject to Article Eight," and by adding the following covenants:

Section 1010. Limitations on Liens.

The Company shall not create, assume or suffer to exist any Lien on any of its property or assets, without securing the Securities of any applicable series equally and ratably with (or prior to) such secured Indebtedness; provided however, that the foregoing shall apply only to Liens which in the aggregate exceed 15% of the Company's Total Consolidated Assets as of the end of the Company's most recent accounting period preceding the creation or assumption of any such Lien (reduced by any Attributable Debt with respect to any Sale and Leaseback Transaction permitted under clause (c) of, but not otherwise permitted under, Section 1011 below). This restriction will not apply to Capitalized Leases or to Indebtedness secured by (a) Liens existing on the date hereof and Liens on property of, or Indebtedness of, any Person at the time such Person becomes a Subsidiary (whether by acquisition or otherwise, including through merger or consolidation), (b) Liens in favor of the Company or a Subsidiary of the Company, (c) Liens existing at the time of acquisition of the assets secured thereby (including acquisition through merger or consolidation) and purchase money Liens, and (d) any extension, renewal or refunding of any Lien referred to in the foregoing clauses (a) through (c), inclusive.

Section 1011. Limitations on Sale and Leaseback Transactions.

The Company shall not, and shall not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any Principal Property unless (a) such Sale and Leaseback Transaction involves a lease for a term of not more than three years; (b) such Sale and Leaseback Transaction is between the Company and a Subsidiary of the Company or between Subsidiaries of the Company; (c) the Company or such Restricted Subsidiary would be entitled to incur indebtedness secured by a Lien on such Principal Property involved in such Sale and Leaseback Transaction at least equal in amount to the Attributable Debt with respect to such Sale and Leaseback Transaction pursuant to the first sentence of the "Limitations on Liens" covenant in Section 1010 above without equally and ratably securing the Securities of any applicable series pursuant to such covenant; (d) the proceeds of such Sale and Leaseback Transaction are at least equal to the fair market value thereof (as determined in good faith by the Board of Directors of the Company) and the Company applies an amount equal to the greater of the net proceeds of such sale or the Attributable Debt with respect to such Sale and Leaseback



Transaction within 180 days of such sale to either (or a combination) of (i) the retirement (other than the mandatory retirement, mandatory prepayment or sinking fund payment or by payment at maturity) of debt for borrowed money of the Company or a Subsidiary of the Company that matures more than 12 months after its creation (other than debt that is subordinated to the Securities or debt to the Company or a Subsidiary of the Company) or (ii) the purchase, construction or development of other comparable property; or (e) such Sale and Leaseback Transaction is entered into within 180 days after the initial acquisition by the Company or such Restricted Subsidiary, as the case may be, of the Principal Property subject to such Sale and Leaseback Transaction.

SECTION 12. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, Sections 1502 and 1503 of the Indenture shall be applicable to all Securities. Section 1503 of the Indenture shall apply to the covenants set forth in Sections 1004, 1005, 1006, 1010 and 1011 of the Indenture as they apply to the Securities of any series.

SECTION 13. THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THIS FIRST SUPPLEMENTAL INDENTURE.

SECTION 14. This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this First Supplemental Indenture to be duly executed and attested, all as of the day and year first written above.

VIACOM INC.

By: /s/ Vaughn A. Clarke  
-----  
Name: Vaughn A. Clarke  
Title: Senior Vice President, Treasurer

ATTEST:

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Secretary

VIACOM INTERNATIONAL INC.

By: /s/ Vaughn A. Clarke  
-----  
Name: Vaughn A. Clarke  
Title: Senior Vice President, Treasurer

ATTEST:

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Secretary

THE FIRST NATIONAL BANK OF BOSTON

By: /s/ James E. Schultz  
-----  
Name: James E. Schultz  
Title: Account Manager

ATTEST:

By: /s/ Emily Grier Lea  
-----  
Name: Emily Grier Lea  
Title: Account Manager



VIACOM INC.,  
VIACOM INTERNATIONAL INC.  
AND  
STATE STREET BANK AND TRUST COMPANY,  
Trustee

-----  
SECOND SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 1

Dated as of December 15, 1995

Supplementing and Amending the Indenture  
Dated as of May 15, 1995  
as Supplemented by the First Supplemental Indenture  
Dated as of May 24, 1995

-----  
Senior Debt Securities

SECOND SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 1, dated as of December 15, 1995, among VIACOM INC., a Delaware corporation (the "Company"), VIACOM INTERNATIONAL INC., a Delaware corporation (the "Guarantor"), and STATE STREET BANK AND TRUST COMPANY, a Massachusetts banking corporation, as successor to The First National Bank of Boston (the "Trustee"), as Trustee under the Indenture, dated as of May 15, 1995, as supplemented by the First Supplemental Indenture, dated as of May 24, 1995, among the Company, the Guarantor and the Trustee (as so supplemented and amended, the "Indenture").

RECITALS OF THE COMPANY

WHEREAS, State Street Bank and Trust Company has succeeded The First National Bank of Boston as Trustee pursuant to Section 610 of the Indenture;

WHEREAS, Section 901(8) of the Indenture permits supplements thereto without the consent of Holders of Securities to cure any ambiguity or to make any other provisions with respect to matters or questions arising under the Indenture;

WHEREAS, the Company wishes to make certain changes to provisions of the Indenture.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 1 WITNESSETH:

SECTION 1. For purposes of this Second Supplemental Indenture and Amendment No. 1, all terms used herein, unless otherwise defined, shall have the meaning assigned to them in the Indenture.

SECTION 2. For the benefit of the Holders of all Securities, Section 101 of the Indenture shall be amended by adding the following definition, such definition to be deemed inserted in Section 101 so as to preserve the alphabetical order of all definitions in such Section 101, as supplemented hereby:

"7.75% Notes" means the 7.75% Senior Notes due June 1, 2005 of the Company, issued pursuant to this Indenture.

SECTION 3. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, the definition of "Sale and Leaseback Transaction" in Section 101 of the Indenture shall be amended by adding the phrase", with respect to a particular series of Securities (provided however, that the phrase ` , with respect to a particular series of Securities' shall not be included in the text of this definition as it applies to the 7.75% Notes)," immediately after the word "not" in such definition, and by adding the phrase "(in the case of the 7.75% Notes) and the date of issuance of such series of Securities (in the case of Securities other than the 7.75% Notes)" immediately after the word "hereof" in such definition.

SECTION 4. For the benefit of the Holders of all Securities, Section 307 shall be amended by deleting the first paragraph thereof and replacing such paragraph in its entirety with the following:

(a) Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Registered Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid, in immediately available funds, to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Company maintained for such purpose pursuant to Section 1002; provided however, that each installment of interest on any Registered Security may at the Company's option be paid in immediately available funds by transfer to an account maintained by the payee located in the United States.

SECTION 5. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, the last sentence of Section 801 of the Indenture shall be amended by adding the phrase "or the Guarantor's, as the case may be," immediately after the first use of the word "Company's" in such sentence and by adding the phrase "which, in the case of the Company, shall be" immediately after the word "revenues" in the same sentence.

SECTION 6. For the benefit of the Holders of all Securities, unless otherwise specified as contemplated by Section 301 of the Indenture, the second sentence of Section 1010 of the Indenture shall be amended by adding the phrase ", with respect to a particular series of Securities (provided however, that the phrase ', with respect to a particular series of Securities' shall not be included in the text of this Section 1010 as it applies to the 7.75% Notes)," immediately after the word "not" in such sentence, and by adding the phrase "(in the case of the 7.75% Notes) and the date of issuance of such series of Securities (in the case of Securities other than the 7.75% Notes)" immediately after the word "hereof" in the same sentence.

SECTION 7. THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THIS SECOND SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 1.

SECTION 8. This Second Supplemental Indenture and Amendment No. 1 may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Second Supplemental Indenture and Amendment No. 1 to be duly executed and attested, all as of the day and year first written above.

ATTEST: VIACOM INC.

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Secretary

By: /s/ Vaughn A. Clark  
-----  
Name: Vaughn A. Clark  
Title: Senior Vice President, Treasurer

ATTEST: VIACOM INTERNATIONAL INC.

By: /s/ Lawrence Rubin  
-----  
Name: Lawrence Rubin  
Title: Assistant Secretary

By: /s/ Vaughn A. Clark  
-----  
Name: Vaughn A. Clark  
Title: Senior Vice President, Treasurer

ATTEST: STATE STREET BANK AND TRUST COMPANY

By: /s/ James E. Schultz  
-----  
Name: James E. Schultz  
Title: Assistant Secretary

By: /s/ Roland S. Gustafsent  
-----  
Name: Roland S. Gustafsent  
Title: Assistant Vice President



VIACOM INC.,  
VIACOM INTERNATIONAL INC.,  
VIACOM INTERNATIONAL SERVICES INC.,  
AND  
STATE STREET BANK AND TRUST COMPANY  
Trustee

-----

THIRD SUPPLEMENTAL INDENTURE

Dated as of July 22, 1996  
to be effective as of July 31, 1996

To Indenture dated as of May 15, 1995  
among  
VIACOM INC.,  
VIACOM INTERNATIONAL INC.  
and  
THE FIRST NATIONAL BANK OF BOSTON,  
Trustee

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Senior Debt Securities

THIRD SUPPLEMENTAL INDENTURE, dated as of July 22, 1996, to be effective as of July 31, 1996, among VIACOM INC., a Delaware corporation (the "Company"), VIACOM INTERNATIONAL INC., a Delaware corporation (the "Guarantor"), VIACOM INTERNATIONAL SERVICES INC. (the "Successor"), and STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company, as successor to The First National Bank of Boston (the "Trustee"), as Trustee to the Indenture, dated as of May 15, 1995, among the Company, the Guarantor and the Trustee, as supplemented by the First Supplemental Indenture, dated as of May 24, 1995, among the Company, the Guarantor and the Trustee and as further supplemented and amended by the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, among the Company, the Guarantor and the Trustee (as amended, the "Indenture").

RECITALS

WHEREAS, the Company, the Guarantor and the Trustee are parties to the Indenture, pursuant to which the Company has issued \$1 billion principal amount of 7.75% Senior Notes due 2005, \$350 million principal amount of 6.75% Senior Notes due 2003 and \$200 million principal amount of 7.625% Senior Debentures due 2016 (the "Securities");

WHEREAS, pursuant to the Indenture the Guarantor has unconditionally guaranteed the Securities (the "Guarantees");

WHEREAS, the Guarantor and the Successor are parties to an Implementation Agreement dated as of July 24, 1995 (the "Implementation Agreement") pursuant to which the Guarantor shall convey substantially all of its assets to the Successor (the "Conveyance of Assets") and the Successor shall assume substantially all of the liabilities of the Guarantor, including liabilities in respect of the Securities (the "Assumption of Liabilities");

WHEREAS, the Guarantor and the Successor desire, pursuant to Section 901 of the Indenture, to supplement and amend the Indenture, in order to comply with Section 801 of the Indenture;

WHEREAS, the Successor is a corporation validly existing under the laws of the State of Delaware;

WHEREAS, the Successor has duly authorized the execution and delivery of this Third Supplemental Indenture to assume all the covenants and conditions of the Guarantor under the Guarantees and the Indenture; and

WHEREAS, immediately after the consummation of the Conveyance of Assets and Assumption of Liabilities in accordance with the Implementation Agreement, no Event of Default or Default (as defined in the Indenture) shall have occurred and be continuing.



NOW, THEREFORE, the Company, the Guarantor, the Successor and the Trustee covenant and agree as follows:

ARTICLE A

SECTION A.1. The Successor hereby assumes all the covenants and conditions of the Guarantor under the Guarantees and the Indenture; and the Successor shall succeed to, and be substituted for, and may exercise every right and power of, the Guarantor under the Indenture with the same effect as if the Successor had been named as the Guarantor therein; and the Guarantor shall be relieved of all covenants and conditions under the Guarantees and the Indenture.

ARTICLE B

MISCELLANEOUS PROVISIONS

SECTION B.1. Any notice or communication by the Trustee to the Successor is duly given if in writing and delivered in person or mailed by first-class mail to the address set forth below:

Viacom International Services Inc.  
1515 Broadway  
New York, NY 10036  
Attention: Chief Financial Officer, with a copy to  
the Office of the General Counsel

SECTION B.2. THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THIS THIRD SUPPLEMENTAL INDENTURE.

SECTION B.3. This Third Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Third Supplemental Indenture to be duly executed as of the day and year first written above.

VIACOM INC.

By: /s/ Michael D. Fricklas  
-----  
Name: Michael D. Fricklas  
Title: Deputy General Counsel

VIACOM INTERNATIONAL INC.

By: /s/ Michael D. Fricklas  
-----  
Name: Michael D. Fricklas  
Title: Deputy General Counsel

VIACOM INTERNATIONAL SERVICES INC.

By: /s/ Michael D. Fricklas  
-----  
Name: Michael D. Fricklas  
Title: Deputy General Counsel

STATE STREET BANK AND TRUST COMPANY

By: /s/ Eric J. Donaghey  
-----  
Name: Eric J. Donaghey  
Title: Assistant Vice President



## Form of 2011 Exchange Note

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Company (as defined below) or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of the Depository or a nominee of the Depository. This Security is exchangeable for Securities registered in the name of a person other than the Depository or its nominee only in the limited circumstances described in the Indenture, and may not be transferred except as a whole by the Depository to a nominee of the Depository by a nominee of the Depository, by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such a successor Depository.

Unless and until it is exchanged in whole or in part for Securities in definitive registered form in accordance with the provisions of the Indenture (as defined below) applicable to such exchange, this certificate may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor Depository or a nominee of such successor Depository.

VIACOM INC.

6.625% Senior Notes due 2011

Unconditionally guaranteed as to payment of  
principal of and interest by  
VIACOM INTERNATIONAL INC.  
(a wholly owned subsidiary of Viacom Inc.)

[\$ ]

CUSIP:

Viacom Inc., a Delaware corporation (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of \$[ ] on May 15, 2011 at the office or agency of the Company referred to below, and to pay interest thereon on November 15, 2001 and semi-annually thereafter, on May 15 and November 15 in each year, from May 17, 2001, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 6.625% per annum, until the principal hereof is paid or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid, in immediately available funds, to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the May 1 or November 1, as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date, and such defaulted interest, may be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Payment of the principal of and interest on this Security will be made at the Corporate Trust Office of the Trustee or such other office or agency of the Company as may be designated for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided however, that each installment of interest and principal on this Security may at the Company's option be paid in immediately available funds by transfer to an account maintained by the payee located in the United States.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), unlimited in aggregate principal amount, issued and to be issued in one or more series under an indenture dated as of May 15, 1995 among the Company, Viacom International Inc., as guarantor (the "Guarantor") and Citibank, N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), as supplemented by the

First Supplemental Indenture dated as of May 24, 1995 among the Company, the Guarantor and the trustee party thereto, as supplemented and amended by the Second Supplemental Indenture and Amendment No. 1 dated as of December 15, 1995 among the Company, the Guarantor and the trustee party thereto, as supplemented by the Third Supplemental Indenture dated as of July 22, 1996, among the Company, the Guarantor and the trustee party thereto, as supplemented by the Fourth Supplemental Indenture dated as of August 1, 2000 among the Company, the Guarantor and the Trustee, as further supplemented by the Fifth Supplemental Indenture dated as of January 17, 2001 among the Company, the Guarantor and the Trustee and as further supplemented by the Sixth Supplemental Indenture dated as of May 17, 2001 among the Company, the Guarantor and the Trustee (as so supplemented and amended, the "Indenture"), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of a series designated as 6.625% Senior Notes due 2011, initially limited in aggregate principal amount to \$1,000,000,000. This Security is a global Security representing \$[ ] of the Securities.

This Security is a "book-entry" Security and is being registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), a clearing agency. Subject to the terms of the Indenture, this Security will be held by a clearing agency or its nominee, and beneficial interest will be held by beneficial owners through the book-entry facilities of such clearing agency or its nominee in minimum denominations of \$1,000 and integral multiples thereof. As long as this Security is registered in the name of DTC or its nominee, the Trustee will make payments of principal of and interest on this Security by wire transfer of immediately available funds to DTC or its nominee. Notwithstanding the above, the final payment on this Security will be made after due notice by the Trustee of the pendency of such payment and only upon presentation and surrender of this Security at its principal corporate trust office or such other offices or agencies appointed by the Trustee for that purpose and such other locations provided in the Indenture.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Securities of this series are not subject to any sinking fund and are subject to redemption prior to maturity as set forth below.

In the event that as a result of any change in, or amendments to, any laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein) or any change in, or amendments to, an official position regarding the application of such laws, regulations or rulings, which change or amendment is announced or becomes effective thereunder after May 10, 2001, the Company has become or, based upon a written opinion of independent counsel selected by the Company, will become obligated to pay, with respect to this series of Securities, any Additional Amounts, the Company may redeem all, but not less than all, the Securities of such series at any time at 100% of the principal amount thereof, together with accrued interest thereon, if any, to the Redemption Date (subject to the rights of holders of record on the relevant Regular Record Date that is prior to the Redemption Date to receive interest on the relevant Interest Payment Date).

The Securities of this series will be redeemable at any time, at the option of the Company, in whole or from time to time in part, upon not less than 30 nor more than 60 days' prior notice, on any date prior to their maturity at a Redemption Price equal to the sum of 100% of the principal amount thereof and the Make-Whole Amount and any accrued and unpaid interest, to the Redemption Date (subject to the rights of holders of record on the relevant Regular Record Date that is on or prior to the Redemption Date to receive interest due on the relevant Interest Payment Date).

In the case of any partial redemption, selection of the Securities of this series for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the Securities of this series are listed or, if the Securities of this series are not listed on a national securities exchange, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate; provided that no Securities of this series of \$1,000 in principal amount or less shall be redeemed in part. If any Security is to be redeemed in part only, the notice of redemption relating to such Security shall state the portion of the principal amount thereof to be redeemed. A new Security in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Security.

In the event of a deposit or withdrawal of an interest in this Security, including an exchange, transfer, repurchase or conversion of this Security in part only, the Trustee, as custodian of the Depositary, shall make an adjustment on its records to reflect such deposit or withdrawal in accordance with the rules and procedures of the Depositary.

The Indenture contains provisions for defeasance at any time of (a) the entire indebtedness of the Company on this Security and (b) certain restrictive covenants and the related Defaults and Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company, the Guarantor and the Trustee with the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected thereby. The Indenture also contains provisions permitting the Holders of not less than specified percentages in aggregate principal amount of the Outstanding Securities of each series, on behalf of the Holders of all the Securities of such series, to waive compliance by the Company and the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

As set forth in, and subject to, the provisions of the Indenture, no Holder of any Security of this series will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee

written notice of a continuing Event of Default with respect to this series, the Holders of not less than 25% in principal amount of the Outstanding Securities of this series shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Securities of this series a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of or interest on this Security on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable on the Security Register of the Company, upon surrender of this Security for registration of transfer at the office or agency of the Company maintained for such purpose in New York, New York or at such other office or agency as the Company may designate, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to the time of due presentment of this Security for registration of transfer, the Company, the Guarantor, the Trustee and any agent of the Company, the Guarantor or the Trustee may treat the Person in whose name this Security is registered as the absolute owner hereof for all purposes, whether or not this Security be overdue, and none of the Company, the Guarantor, the Trustee or any agent of the Company, the Guarantor or the Trustee shall be affected by notice to the contrary.

If at any time, a Depositary is at any time unwilling or unable to continue as Depositary and a successor Depositary is not appointed by the Company within 90 days, then the Company will execute and the Trustee will authenticate and deliver Securities in definitive registered form, in authorized denominations, and in an aggregate principal amount equal to the principal amount of this Security in exchange for this Security. Such Securities in definitive registered form shall be registered in such names and issued in such authorized denominations as

the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Securities to the Persons in whose names such Securities are so registered.

Unless the certificate of authentication hereon has been duly executed by or on behalf of Citibank, N.A., the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its authorized officers, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

This Security shall be governed by, and construed in accordance with, the laws of the State of New York.



IN WITNESS WHEREOF, the Company has caused this instrument to  
be duly executed.

Dated: VIACOM INC., as Issuer

By: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Authorized Signature

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of a series referred to in the within-mentioned Indenture.

CITIBANK, N.A., as Trustee

By: -----  
Authorized Signatory

Dated:

GUARANTEE OF VIACOM INTERNATIONAL INC.

FOR VALUE RECEIVED, VIACOM INTERNATIONAL INC., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Guarantor", which term includes any successor corporation under the Indenture referred to in the Security upon which this Guarantee is endorsed), hereby fully and unconditionally guarantees to the holder of the Security upon which this Guarantee is endorsed the due and punctual payment of the principal of and interest (including, in case of default, interest on principal and, to the extent permitted by applicable law, on overdue interest), if any, on this Security, when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration or otherwise, according to the terms thereof and of the Indenture referred to therein. In case of the failure of Viacom Inc. or any successor thereto (herein called the "Company") punctually to pay any such principal or interest, the Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration or otherwise, as if such payment were made by the Company.

The Guarantor hereby agrees that its obligations hereunder shall be as if it were principal debtor and not merely surety, and shall be absolute and unconditional, irrespective of the identity of the Company, the validity, regularity or enforceability of this Security or said Indenture, the absence of any action to enforce the same, any waiver or consent by the Holder of this Security with respect to any provisions thereof, the recovery of any judgment against the Company or any action to enforce the same, or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in this Security and in this Guarantee.

The Guarantor shall be subrogated to all rights of the Holder of this Security against the Company in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guarantee or the Indenture referred to in this Security; provided, however, that the Guarantor shall not be entitled to enforce or to receive any payment arising out of, or based upon, such right of subrogation until the principal of and interest on all Securities of the series of which the Security upon which this Guarantee is endorsed constitutes a part shall have been indefeasibly paid in full.

The Indenture provides that in the event that this Guarantee would constitute or result in a fraudulent transfer or conveyance for purposes of, or result in a violation of, any United States federal, or applicable United States state, fraudulent transfer or conveyance or similar law, then the liability of the Guarantor hereunder shall be reduced to the extent necessary to eliminate such fraudulent transfer or conveyance or violation under the applicable fraudulent transfer or conveyance or similar law.

If the Trustee or the Holder of the Security upon which this Guarantee is endorsed is required by any court or otherwise to return to the Company or the Guarantor, or any custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official acting in relation to the Company or the Guarantor, any amount paid to the Trustee or such Holder in respect of the Security upon which this Guarantee is endorsed, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. The Guarantor further agrees, to the fullest extent that it may lawfully do so, that, as between the Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Five of the Indenture for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition extant under any applicable bankruptcy law preventing such acceleration in respect of the obligations guaranteed hereby.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York.

Subject to the next following paragraph, the Guarantor hereby certifies and warrants that all acts, conditions and things required to be done and performed and to have happened precedent to the creation and issuance of this Guarantee and to constitute the same valid obligation of the Guarantor have been done and performed and have happened in due compliance with all applicable laws.

This Guarantee shall not be valid or become obligatory for any purpose until the certificate of authentication on the Security upon which this Guarantee is endorsed has been signed by the Trustee under the Indenture referred to in this Security.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be signed by its Chairman of the Board, or its Vice Chairman of the Board, or its President, or one of its Executive Vice Presidents or Vice Presidents, or by its Treasurer or one of its Assistant Treasurers and attested by its Secretary or one of its Assistant Secretaries, manually or in facsimile.

Dated: VIACOM INTERNATIONAL INC.

By: -----

Attest:  
  
-----  
Authorized Signature

REGISTRATION RIGHTS AGREEMENT

Dated as of May 17, 2001

among

VIACOM INC.,

VIACOM INTERNATIONAL INC.,

as Guarantor

and

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

and

SALOMON SMITH BARNEY INC.

as the Initial Purchasers

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (the "Agreement") is made and entered into as of May 17, 2001, by and among VIACOM INC., a Delaware corporation (the "Company"), Viacom International Inc., a Delaware corporation (the "Guarantor") and MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED and SALOMON SMITH BARNEY INC., in their respective capacities as initial purchasers and as representatives of each of the other initial purchasers named in Schedule A hereto (collectively, the "Initial Purchasers").

This Agreement is made pursuant to the Purchase Agreement dated May 10, 2001, by and among the Company, the Guarantor and the Initial Purchasers (the "Purchase Agreement"), which provides for the sale by the Company to the Initial Purchasers and the guarantee by the Guarantor of \$400,000,000 aggregate principal amount of the Company's 6.40% senior notes due 2006 (the "2006 Senior Notes") and \$1,000,000,000 aggregate principal amount of the Company's 6.625% senior notes due 2011 (the "2011 Senior Notes", and together with the 2006 Senior Notes, the "Senior Securities"; references to Senior Securities, Exchange Senior Securities and Registrable Senior Securities will be identically applicable to both the 2006 Senior Notes and the 2011 Senior Notes unless otherwise indicated herein). In order to induce the Initial Purchasers to enter into the Purchase Agreement and in satisfaction of a condition to the Initial Purchasers' obligations thereunder, the Company has agreed to provide to the Initial Purchasers and their respective direct and indirect transferees and assigns the registration rights set forth in this Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"1933 Act" shall mean the Securities Act of 1933, as amended from time to time, and the rules and regulations of the SEC promulgated thereunder.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations of the SEC promulgated thereunder.

"Closing Time" shall mean the Closing Time as defined in the Purchase Agreement.

"Company" shall have the meaning set forth in the preamble and also includes the Company's successors.

"Depository" shall mean The Depository Trust Company, or any

other depositary appointed by the Company, including any agent thereof; provided, however, that any such depositary must at all times have an address in the Borough of Manhattan, in The City of New York.

"Exchange Offer" shall mean the exchange offer by the Company and the Guarantor of Exchange Senior Securities for Registrable Senior Securities pursuant to Section 2(a) hereof.

"Exchange Offer Registration" shall mean a registration under the 1933 Act effected pursuant to Section 2(a) hereof.

"Exchange Offer Registration Statement" shall mean an exchange offer registration statement on Form S-4 covering the Registrable Senior Securities (or, if applicable, on another appropriate form), and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Exchange Senior Securities" shall mean the Senior Securities issued by the Company under the Indenture, and their respective guarantees by the Guarantor, containing terms identical to the Senior Securities (except that (i) interest thereon shall accrue from the last date on which interest was paid on the Senior Securities or, if no such interest has been paid, from the Closing Time, (ii) the transfer restrictions thereon shall be eliminated and (iii) certain provisions relating to an increase in the stated rate of interest thereon shall be eliminated) to be offered to Holders of Registrable Senior Securities in exchange for Registrable Senior Securities pursuant to the Exchange Offer.

"Holders" shall mean the Initial Purchasers, for so long as they own any Registrable Senior Securities, and each of their respective successors, assigns and direct and indirect transferees who become registered owners of Registrable Senior Securities under the Indenture.

"Indenture" shall mean the Indenture dated as of May 15, 1995, as supplemented by the First Supplemental Indenture, dated as of May 24, 1995, as supplemented and amended by the Second Supplemental Indenture and Amendment No. 1, dated as of December 15, 1995, as supplemented by the Third Supplemental Indenture, dated as of July 22, 1996, as supplemented by the Fourth Supplemental Indenture, dated as of August 1, 2000, as supplemented by the Fifth Supplemental Indenture, dated January 17, 2001, and as further supplemented by the Sixth Supplemental Indenture, dated May 17, 2001, among the Company, the Guarantor and Citibank, N.A., a national banking association, as successor in interest to State Street Bank and Trust Company and The First National Bank of Boston, as Trustee, in each case relating to the Senior Securities and the Exchange Senior Securities and as the same may be amended and supplemented from time to time in accordance with the terms thereof.

"Initial Purchasers" shall have the meaning set forth in the preamble of this Agreement.

"Majority Holders" shall mean the Holders of a majority of the aggregate principal amount of Registrable Senior Securities outstanding; provided that whenever the consent or approval of Holders of a specified percentage of Registrable Senior Securities is required hereunder, Registrable Senior Securities held by the Company, the



Guarantor or any of their affiliates (as such term is defined in Rule 405 under the 1933 Act) (other than the Initial Purchasers or subsequent holders of Registrable Senior Securities, if such subsequent holders are deemed to be such affiliates solely by reason of their holding of such Registrable Senior Securities, shall be disregarded in determining whether such consent or approval was given by the Holders of such required percentage or amount.

"NASD" shall mean the National Association of Securities Dealers, Inc.

"Participating Broker-Dealer" shall have the meaning set forth in Section 3(f).

"Person" shall mean an individual, partnership, joint venture, limited liability company, corporation, trust or unincorporated organization, or a government or agency or political subdivision thereof.

"Prospectus" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Senior Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to a prospectus, including post-effective amendments, and in each case including all material incorporated by reference therein.

"Purchase Agreement" shall have the meaning set forth in the preamble of this Agreement.

"Registrable Senior Securities" shall mean the Senior Securities; provided, however, that the Senior Securities shall cease to be Registrable Senior Securities when (i) a Registration Statement with respect to such Senior Securities shall have been declared effective under the 1933 Act and such Senior Securities shall have been disposed of pursuant to such Registration Statement, (ii) such Senior Securities shall have been sold to the public pursuant to Rule 144 (or any similar provision then in force, but not Rule 144A) under the 1933 Act, (iii) such Senior Securities shall have ceased to be outstanding or (iv) such Senior Securities have been exchanged for Exchange Senior Securities upon consummation of the Exchange Offer.

"Registration Expenses" shall mean any and all expenses incident to performance of or compliance by the Company and the Guarantor with this Agreement, including without limitation: (i) all SEC, stock exchange or NASD registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state or other securities or blue sky laws and compliance with the rules of the NASD (including reasonable fees and disbursements of counsel for any underwriters or Holders in connection with state or other securities or blue sky qualification of any of the Exchange Senior Securities or Registrable Senior Securities), (iii) all expenses of any Persons in preparing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any underwriting agreements, securities sales agreements, certificates representing the Exchange Senior Securities and other documents

relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) all fees and expenses incurred in connection with the listing, if any, of any of the Exchange Senior Securities or such Registrable Senior Securities, covered by a Shelf Registration Statement, as applicable, on any securities exchange or exchanges, (vi) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws, (vii) the fees and disbursements of counsel for the Company and the Guarantor and the fees and expenses of the independent public accountants of the Company and the Guarantor, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, (viii) the fees and expenses of a "qualified independent underwriter" as defined by Conduct Rule 2720 of the NASD (if required by the NASD rules) in connection with the offering of the Registrable Senior Securities and the reasonable fees and expenses of its counsel, (ix) the reasonable fees and expenses of the Trustee, any registrar, any depository and paying agent, including their respective counsel, and any escrow agent or custodian, (x) the reasonable fees and expenses of the Initial Purchasers in connection with the Exchange Offer, including the reasonable fees and expenses of counsel to the Initial Purchasers which shall be Hughes Hubbard & Reed LLP, (xi) the reasonable fees and expenses of one counsel to the Holders which shall be Hughes Hubbard & Reed LLP in connection with the Shelf Registration Statement, and (xii) in the case of an underwritten offering, any reasonable fees and disbursements of the underwriters customarily required to be paid by issuers or sellers of such securities, including the reasonable fees and expenses of counsel to the underwriters, and the fees and expenses of any special experts retained by the Company and the Guarantor in connection with any Registration Statement but excluding (except as otherwise provided herein) fees of counsel to the underwriters or the Holders and underwriting discounts and commissions and any transfer taxes, if any, relating to the sale or disposition of Registrable Senior Securities by a Holder.

"Registration Statement" shall mean any registration statement of the Company and the Guarantor relating to any offering of the Exchange Senior Securities or Registrable Senior Securities pursuant to the provisions of this Agreement, and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"SEC" shall mean the Securities and Exchange Commission.

"Shelf Registration" shall mean a registration effected pursuant to Section 2(b) hereof.

"Shelf Registration Statement" shall mean a "shelf" registration statement of the Company and the Guarantor pursuant to the provisions of Section 2(b) of this Agreement which covers all of the Registrable Senior Securities on an appropriate form under Rule 415 under the 1933 Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Trustee" shall mean the trustee under the Indenture.

2. Registration Under the 1933 Act.

(a) Exchange Offer Registration. To the extent not prohibited by any applicable law or applicable interpretation of the staff of the SEC, the Company and the Guarantor shall (A) file with the SEC within 60 calendar days after the Closing Time an Exchange Offer Registration Statement covering the offer by the Company to the Holders to exchange all of the Registrable Senior Securities for Exchange Senior Securities, (B) use its reasonable best efforts to cause such Exchange Offer Registration Statement to be declared effective by the SEC within 180 calendar days after the Closing Time, (C) use its reasonable best efforts to cause such Registration Statement to remain effective until the closing of the Exchange Offer and (D) use its reasonable best efforts to consummate the Exchange Offer within 45 calendar days after the effective date of the Exchange Offer Registration Statement, which date of consummation it is agreed shall not occur on or before July 30, 2001. The Exchange Senior Securities will be issued under the Indenture. Upon the effectiveness of the Exchange Offer Registration Statement, the Company and the Guarantor shall promptly commence the Exchange Offer, it being the objective of such Exchange Offer to enable each Holder (other than Participating Broker-Dealers (as defined in Section 3(f)) eligible and electing to exchange Registrable Senior Securities for Exchange Senior Securities (assuming that such Holder is not an affiliate of the Company or the Guarantor within the meaning of Rule 405 under the 1933 Act, acquires the Exchange Senior Securities in the ordinary course of such Holder's business and has no arrangements or understandings with any person to participate in the Exchange Offer for the purpose of distributing the Exchange Senior Securities) to trade such Exchange Senior Securities from and after their receipt without any limitations or restrictions under the 1933 Act and without material restrictions under the securities laws of a substantial proportion of the several states of the United States.

In connection with the Exchange Offer, the Company and the Guarantor shall:

(i) mail to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(ii) keep the Exchange Offer open for not less than 20 business days (or longer if required by applicable federal and state securities laws) after the date notice thereof is mailed to the Holders;

(iii) use the services of the Depository for the Exchange Offer with respect to Senior Securities evidenced by global certificates;

(iv) permit Holders to withdraw tendered Registrable Senior Securities at any time prior to the close of business, New York City time, on the last business day on which the Exchange Offer shall remain open, by sending to the institution specified in the notice, a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Senior Securities delivered for exchange, and

a statement that such Holder is withdrawing its election to have such Senior Securities exchanged; and

(v) otherwise comply in all material respects with all applicable federal and state securities laws relating to the Exchange Offer.

As soon as practicable after the close of the Exchange Offer, the Company and the Guarantor shall:

(i) accept for exchange Registrable Senior Securities duly tendered and not validly withdrawn pursuant to the Exchange Offer in accordance with the terms of the Exchange Offer Registration Statement and the letter of transmittal which is an exhibit thereto;

(ii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Senior Securities so accepted for exchange by the Company and the Guarantor; and

(iii) cause the Trustee promptly to authenticate and deliver Exchange Senior Securities to each Holder of Registrable Senior Securities equal in principal amount to the principal amount of the Registrable Senior Securities of such Holder so accepted for exchange.

Interest on each Exchange Note will accrue from the last date on which interest was paid on the Registrable Senior Securities surrendered in exchange therefor or, if no interest has been paid on the Registrable Senior Securities, from the Closing Time. The Exchange Offer shall not be subject to any conditions, other than (i) that the Exchange Offer, or the making of any exchange by a Holder, does not violate applicable law or any applicable interpretation of the staff of the SEC, (ii) that no action or proceeding shall have been instituted or threatened in any court or before any governmental agency with respect to the Exchange Offer which, in the Company's or the Guarantor's judgment, would impair the ability of the Company and the Guarantor to proceed with the Exchange Offer, (iii) that no law, rule or regulation or applicable interpretations of the staff of the SEC has been issued or promulgated which, in the good faith determination of the Company or the Guarantor, does not permit the Company and the Guarantor to effect the Exchange Offer and (iv) that the Holders tender the Registrable Senior Securities to the Company in accordance with the Exchange Offer.

Each Holder of Registrable Senior Securities (other than Participating Broker-Dealers) who wishes to exchange such Registrable Senior Securities for Exchange Senior Securities in the Exchange Offer shall have represented that (i) it is not an affiliate (as defined in Rule 405 under the 1933 Act) of the Company or the Guarantor or, if it is an affiliate, it will comply with the registration and prospectus delivery requirements of the 1933 Act, to the extent applicable, (ii) any Exchange Senior Securities to be received by it will be acquired in the ordinary course of business, (iii) at the time of the commencement of the Exchange Offer, it has no arrangement with any Person to participate in the distribution (within the meaning of the 1933 Act) of the Senior Securities or the Exchange Senior Securities, (iv) it is not acting on behalf of any person who could not truthfully make the foregoing representations and (v) it shall have

made such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to render the use of Form S-4 or another appropriate form under the 1933 Act available or for the Exchange Offer Registration Statement to be declared effective. To the extent permitted by law, the Company shall inform the Initial Purchasers of the names and addresses of the Holders to whom the Exchange Offer is made, and the Initial Purchasers shall have the right to contact such Holders and otherwise facilitate the tender of Registrable Senior Securities in the Exchange Offer.

(b) Shelf Registration.

(i) If, because of any change in law or applicable interpretations thereof by the Staff of the SEC, the Company and the Guarantor are not permitted to effect the Exchange Offer as contemplated by Section 2(a) hereof, (ii) if for any other reason the Exchange Offer Registration Statement is not declared effective within 180 calendar days following the Closing Time or the Exchange Offer is not consummated within 45 days after effectiveness of the Exchange Offer Registration Statement, provided that such consummation shall not be required to occur on or before July 30, 2001 (provided further that, if the Exchange Offer Registration Statement shall be declared effective after such 180-day period or if the Exchange Offer shall be consummated after such 45-day period, then the Company's and the Guarantor's obligations under this clause (ii) arising from the failure of the Exchange Offer Registration Statement to be declared effective within such 180-day period or the failure of the Exchange Offer to be consummated within such 45-day period, respectively, shall terminate), (iii) if any Holder (other than an Initial Purchaser) is not eligible to participate in the Exchange Offer or elects to participate in the Exchange Offer but does not receive fully tradeable Exchange Senior Securities pursuant to the Exchange Offer or (iv) upon the written request of any of the Initial Purchasers within 90 days following the consummation of the Exchange Offer; provided that such Initial Purchaser shall hold Registrable Senior Securities that it acquired directly from the Company and if such Initial Purchaser is not permitted, in the reasonable opinion of counsel to such Initial Purchaser, pursuant to applicable law or applicable interpretation of the staff of the SEC, to participate in the Exchange Offer, the Company and the Guarantor shall, at their cost:

(A) as promptly as practicable, but no later than (a) the 210th day after the Closing Time or (b) the 60th day after such filing obligations arises, whichever is later, file with the SEC a Shelf Registration Statement relating to the offer and sale of the Registrable Senior Securities by the Holders from time to time in accordance with the methods of distribution elected by the Majority Holders of such Registrable Senior Securities and set forth in such Shelf Registration Statement;

(B) use their reasonable best efforts to cause such Shelf Registration Statement to be declared effective by the SEC as promptly as practicable, but in no event later than the 240th day after the Closing Time (or within 30 days of a request of any Initial Purchaser); provided that, with respect to Exchange Senior Securities received by a broker-dealer in exchange for any securities that were acquired by such broker-dealer as a result of market-making or other trading activities, the Company and the Guarantor may, if permitted by current interpretations by the staff of the SEC, file a post-effective amendment to the Exchange Offer Registration Statement containing the information required by Regulation S-K Items 507 and/or 508, as applicable, in satisfaction of its

obligations under paragraph (A) solely with respect to broker-dealers who acquired their Securities as a result of market-making or other trading activities, and any such Exchange Offer Registration Statement, as so amended, shall be referred to herein as, and governed by the provisions herein applicable to, a Shelf Registration Statement. In the event that the Company and the Guarantor are required to file a Shelf Registration Statement upon the request of any Holder (other than an Initial Purchaser) not eligible to participate in the Exchange Offer pursuant to clause (iii) above or upon the request of any Initial Purchaser pursuant to clause (iv) above, the Company and the Guarantor shall file and use their reasonable best efforts to have declared effective by the SEC both an Exchange Offer Registration Statement pursuant to Section 2(a) with respect to all Registrable Senior Securities and a Shelf Registration Statement (which may be a combined Registration Statement with the Exchange Offer Registration Statement) with respect to offers and sales of Registrable Senior Securities held by such Holder or such Initial Purchaser, as applicable, after completion of the Exchange Offer;

(C) use their reasonable best efforts to keep the Shelf Registration Statement continuously effective, supplemented and amended as required, in order to permit the Prospectus forming part thereof to be usable by Holders for a period of two years, plus any extensions as provided in Section 2(d)(iii) below, after its effective date or such shorter period which will terminate when all of the Registrable Senior Securities covered by the Shelf Registration Statement (i) have been sold pursuant to the Shelf Registration Statement, (ii) cease to be outstanding or (iii) become eligible for resale pursuant to Rule 144 under the 1934 Act without volume restrictions; and

(D) notwithstanding any other provisions hereof, ensure that (i) any Shelf Registration Statement and any amendment thereto and any Prospectus forming a part thereof and any supplement thereto complies in all material respects with the 1933 Act and the rules and regulations thereunder, (ii) any Shelf Registration Statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any Prospectus forming part of any Shelf Registration Statement, and any supplement to such Prospectus (as amended or supplemented from time to time), does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they were made, not misleading; provided, however, clauses (ii) and (iii) shall not apply to any information relating to any Initial Purchaser or any Holder furnished to the Company in writing by such Initial Purchaser or Holder expressly for use in the Shelf Registration Statement.

The Company and the Guarantor shall only permit (i) Registrable Senior Securities and (ii) any outstanding unregistered Senior Securities under the registration rights agreement dated January 17, 2001 among the Company, the Guarantor and Initial Purchasers thereto (the "January 17, 2001 Agreement") to be included in the Shelf Registration Statement. All terms used in subsection (ii) of this paragraph shall have the meanings assigned to them in the January 17, 2001 Agreement.

The Company and the Guarantor further agree, if necessary, to supplement or amend the Shelf Registration Statement if reasonably requested by the Majority Holders with respect to information relating to the Holders and otherwise as required by Section 3(b) below, to use their reasonable best efforts to cause any such amendment to become effective and such Shelf Registration Statement to become usable as soon as practicable thereafter and to furnish to the Holders of Registrable Senior Securities copies of any such supplement or amendment promptly after its being used or filed with the SEC.

(c) Expenses. The Company and the Guarantor shall pay all Registration Expenses in connection with the registration pursuant to Sections 2(a) and 2(b) and, in the case of any Shelf Registration Statement, will reimburse the Holders or the Initial Purchasers for the reasonable fees and disbursements of one counsel which shall be Hughes Hubbard & Reed LLP (unless otherwise designated in writing by the Majority Holders) to act as counsel for the Holders of the Registrable Senior Securities in connection therewith. Each Holder shall pay all expenses of its counsel other than as set forth in the preceding sentence, underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Senior Securities pursuant to a Shelf Registration Statement.

(d) Effective Registration Statement.

(i) The Company and the Guarantor shall be deemed not to have used their respective reasonable best efforts to cause the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, to become, or to remain, effective during the requisite periods set forth herein if the Company or the Guarantor voluntarily takes any action that could reasonably be expected to result in any such Registration Statement not being declared effective or remaining effective or in the Holders of Registrable Senior Securities covered thereby not being able to exchange or offer and sell such Registrable Senior Securities during that period unless (A) such action is required by applicable law or (B) such action is taken by the Company or the Guarantor in good faith and for valid business reasons (but not including avoidance of the Company's or the Guarantor's obligations hereunder), including the acquisition or divestiture of assets or a material corporate transaction or event so long as the Company and the Guarantor promptly comply with the requirements of Section 3(k) hereof, if applicable.

(ii) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof shall not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that if, after it has been declared effective, the offering of Registrable Senior Securities pursuant to a Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement shall be deemed not to have been effective during the period of such interference, until the offering of Registrable Senior Securities pursuant to such Registration Statement may legally resume.

(iii) During any 365-day period, the Company and the Guarantor may suspend the availability of a Shelf Registration Statement and the use of the related Prospectus, as provided in Section 3(e)(vi) and the last paragraph of Section 3 hereof, for up to four periods of up to 45 consecutive days (except for the consecutive 45-day period immediately prior to

maturity of the Senior Securities), but no more than an aggregate 90 days during any 365-day period, if any event shall occur (A) as set forth in Section 2(d)(i) or (B) as a result of which it shall be necessary, in the good faith determination of the board of directors of the Company or the Guarantor, to amend the Shelf Registration Statement or amend or supplement any prospectus or prospectus supplement thereunder in order that each such document not include any untrue statement of fact or omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made, provided that any period during which the Company requires Holders to refrain from disposing of their Registrable Senior Securities due to a Material Event Election (an "Election Period") shall be deemed to trigger the obligation of the Company to pay Additional Interest in accordance with Section 2(e) to the extent that such Election Period, together with all other days that the Shelf Registration Statement has become unusable in any consecutive twelve-month period, exceeds 90 days in the aggregate. The Two-Year Period provided for in Section 2(b)(B) above shall be extended by an amount of time equal to all such Election Periods.

(e) Increase in Interest Rate. In the event that (i) the Exchange Offer Registration Statement is not filed with the SEC on or prior to the 60th calendar day after the Closing Time, (ii) the Exchange Offer Registration Statement is not declared effective on or prior to the 180th calendar day after the Closing Time, (iii) the Exchange Offer is not consummated on or prior to the 45th calendar day following the effective date of the Exchange Offer Registration Statement, provided that such consummation shall not be required to occur on or before July 30, 2001, or (iv) if required, a Shelf Registration Statement with respect to the Registrable Senior Securities is not declared effective on or prior to the 240th calendar day after the Closing Time, or (v) the Election Periods exceed, in the aggregate, 90 days during any 365-day period the per annum interest rate borne by the Registrable Senior Securities shall be increased by one-quarter of one percent (0.25%) per annum following such 60-day period in the case of clause (i) above, following such 180-day period in the case of clause (ii) above, following such 45-day period in the case of clause (iii) above, or following such 240-day period in the case of (iv) above or 90-day period in the case of (v) above, which rate will be increased by an additional quarter of one percent (0.25%) per annum for each 90-day period during which noncompliance continues; provided that the aggregate increase in such annual interest rate may in no event exceed one-half of one percent (0.50%) per annum. Upon (w) the filing of the Exchange Offer Registration Statement after the 60-day period described in clause (i) above, (x) the effectiveness of the Exchange Offer Registration Statement after the 180-day period described in clause (ii) above, (y) the consummation of the Exchange Offer after the 45-day period described in clause (iii) above, or (z) the effectiveness of a Shelf Registration Statement, after the 240-day period described in clause (iv) above, the interest rate borne by the Senior Securities from the date of such filing, effectiveness or consummation, as the case may be, shall be reduced to the original interest rate if the Company and the Guarantor are otherwise in compliance with this paragraph; provided, however, that, if after any such reduction in interest rate, a different event specified in clause (i), (ii), (iii), (iv) or (v) above occurs, the interest rate shall again be increased pursuant to the foregoing provisions. No increase in the rate under clause (i), (ii) or (iii) above shall be payable for any period during which a Shelf Registration is effective.

(f) Specific Enforcement. Without limiting the remedies available to the Initial Purchasers and the Holders, the Company and the Guarantor acknowledge that any failure



by the Company and the Guarantor to comply with its obligations under Sections 2(a) and 2(b) hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Company's and the Guarantor's obligations under Sections 2(a) and 2(b).

3. Registration Procedures. In connection with the obligations of the Company and the Guarantor with respect to the Registration Statements pursuant to Sections 2(a) and 2(b) hereof, the Company and the Guarantor shall:

(a) prepare and file with the SEC a Registration Statement, within the time periods specified in Section 2, on the appropriate form under the 1933 Act, which form (i) shall be selected by the Company, (ii) shall, in the case of a Shelf Registration Statement, be available for the sale of the Registrable Senior Securities by the selling Holders thereof and (iii) shall comply as to form in all material respects with the requirements of the applicable form and include or incorporate by reference all financial statements required by the SEC to be filed therewith, and use its reasonable best efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary under applicable law to keep such Registration Statement effective for the applicable period; cause each Prospectus to be supplemented by any required prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the 1933 Act; and comply with the provisions of the 1933 Act with respect to the disposition of all Senior Securities covered by each Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the selling Holders thereof;

(c) in the case of a Shelf Registration, (i) notify each Holder of Registrable Senior Securities, at least 15 days business days prior to filing, that a Shelf Registration Statement with respect to the Registrable Senior Securities is being filed and advising such Holders that the distribution of Registrable Senior Securities will be made in accordance with the method elected by the Majority Holders; (ii) furnish to each Holder of Registrable Senior Securities, to counsel for the Initial Purchasers, to counsel for the Holders and to each underwriter of an underwritten offering of Registrable Senior Securities, if any, without charge, as many copies of each Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder or underwriter, or their counsel, may reasonably request, including financial statements and schedules and, if the Holder so reasonably requests, all exhibits (including those incorporated by reference) in order to facilitate the public sale or other disposition of the Registrable Senior Securities; and (iii) subject to the last paragraph of this Section 3, hereby consent to the use of the Prospectus, including each preliminary Prospectus, or any amendment or supplement thereto by each of the selling Holders of Registrable Senior Securities in connection with the offering and sale of the

Registrable Senior Securities covered by the Prospectus or any amendment or supplement thereto;

(d) use its reasonable best efforts to register or qualify the Registrable Senior Securities under all applicable state securities or "blue sky" laws of such jurisdictions as any Holder of Registrable Senior Securities covered by a Registration Statement and each underwriter of an underwritten offering of Registrable Senior Securities shall reasonably request by the time the applicable Registration Statement is declared effective by the SEC, to cooperate with the Holders in connection with any filings required to be made with the NASD, keep each such registration or qualification effective during the period such Registration Statement is required to be effective and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Senior Securities owned by such Holder; provided, however, that neither the Company nor the Guarantor shall be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d) or (ii) take any action which would subject it to general service of process or taxation in any such jurisdiction;

(e) in the case of a Shelf Registration, notify each Holder of Registrable Senior Securities and counsel for such Holders promptly and, if requested by such Holder or counsel, confirm such advice in writing promptly (i) when a Registration Statement has become effective and when any post-effective amendments and supplements thereto become effective, (ii) of any request by the SEC or any state securities authority for post-effective amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) if, between the effective date of a Registration Statement and the closing of any sale of Registrable Senior Securities covered thereby, the representations and warranties of the Company and the Guarantor contained in any underwriting agreement, securities sales agreement or other similar agreement, if any, relating to such offering cease to be true and correct in all material respects, (v) of the receipt by the Company or the Guarantor of any notification with respect to the suspension of the qualification of the Registrable Senior Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (vi) of the happening of any event or the discovery of any facts during the period a Shelf Registration Statement is effective (including as contemplated in Section 2(d)(iii) hereof) which (A) is contemplated in Section 2(d)(i) or (B) makes any statement made in such Shelf Registration Statement or the related Prospectus untrue in any material respect or which requires the making of any changes in such Shelf Registration Statement or Prospectus in order to make the statements therein not misleading and (vii) of any determination by the Company or the Guarantor that a post-effective amendment to a Registration Statement would be appropriate;

(f) (A) in the case of an Exchange Offer, (i) include in the Exchange Offer Registration Statement a "Plan of Distribution" section covering the use of the Prospectus included in the Exchange Offer Registration Statement by broker-dealers who have

exchanged their Registrable Senior Securities for Exchange Senior Securities for the resale of such Exchange Senior Securities, (ii) furnish to each broker-dealer who desires to participate in the Exchange Offer, without charge, as many copies of each Prospectus included in the Exchange Offer Registration Statement, including any preliminary prospectus, and any amendment or supplement thereto, as such broker-dealer may reasonably request, (iii) include in the Exchange Offer Registration Statement a statement that any broker-dealer who holds Registrable Senior Securities acquired for its own account as a result of market-making activities or other trading activities (a "Participating Broker-Dealer"), and who receives Exchange Senior Securities for Registrable Senior Securities pursuant to the Exchange Offer, may be a statutory underwriter and must deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Senior Securities, (iv) subject to the last paragraph of this Section 3, hereby consent to the use of the Prospectus forming part of the Exchange Offer Registration Statement or any amendment or supplement thereto, by any broker-dealer in connection with the sale or transfer of the Exchange Senior Securities covered by the Prospectus or any amendment or supplement thereto, and (v) include in the transmittal letter or similar documentation to be executed by an exchange offeree in order to participate in the Exchange Offer the following provision:

"If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Senior Securities. If the undersigned is a broker-dealer that will receive Exchange Senior Securities for its own account in exchange for Registrable Senior Securities, it represents that the Registrable Senior Securities to be exchanged for Exchange Senior Securities were acquired by it as a result of market-making activities or other trading activities and acknowledges that it will deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Senior Securities pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the 1933 Act;"

(B) to the extent any Participating Broker-Dealer participates in the Exchange Offer, the Company and the Guarantor shall use their reasonable best efforts to cause to be delivered at the request of an entity representing the Participating Broker-Dealers (which entity shall be Merrill Lynch, Pierce, Fenner & Smith Incorporated, unless it elects not to act as such representative) any "cold comfort" letters with respect to the Prospectus in the form existing on the last date for which exchanges are accepted pursuant to the Exchange Offer and with respect to each subsequent amendment or supplement, if any, effected during the period specified in clause (C) below;

(C) to the extent any Participating Broker-Dealer participates in the Exchange Offer, the Company and the Guarantor shall use their reasonable best efforts to maintain the effectiveness of the Exchange Offer Registration Statement for a period of

180 days following the closing of the Exchange Offer or such shorter period which will terminate when the Participating Broker-Dealers have completed all resales subject to applicable prospectus delivery requirements; and

(D) the Company and the Guarantor shall not be required to amend or supplement the Prospectus contained in the Exchange Offer Registration Statement as would otherwise be contemplated by Section 3(b) hereof, or take any other action as a result of this Section 3(f), for a period exceeding 180 days after the last date for which exchanges are accepted pursuant to the Exchange Offer (as such period may be extended by the Company and the Guarantor) and Participating Broker-Dealers shall not be authorized by the Company and the Guarantor to, and shall not, deliver such Prospectus after such period in connection with resales contemplated by this Section 3;

(g) (i) in the case of an Exchange Offer, furnish counsel for the Initial Purchasers and (ii) in the case of a Shelf Registration, furnish counsel for the Holders of Registrable Senior Securities copies of any request by the SEC or any state securities authority for amendments or supplements to a Registration Statement and Prospectus or for additional information;

(h) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement as soon as practicable and provide immediate notice to each Holder of the withdrawal of any such order;

(i) in the case of a Shelf Registration, furnish to each Holder of Registrable Senior Securities, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(j) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Senior Securities to facilitate the timely preparation and delivery of certificates representing Registrable Senior Securities to be sold and not bearing any restrictive legends; and cause such Registrable Senior Securities to be in such denominations (consistent with the provisions of the Indenture) in a form eligible for deposit with the Depositary and registered in such names as the selling Holders or the underwriters, if any, may reasonably request in writing at least one business day prior to the closing of any sale of Registrable Senior Securities;

(k) in the case of a Shelf Registration, upon the occurrence of any event or the discovery of any facts, each as contemplated by Section 3(e)(vi) hereof, use its reasonable best efforts to prepare a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Senior Securities, such Prospectus will not contain at the time of such delivery any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Company and the Guarantor agree to notify each Holder to suspend use of the Prospectus as promptly as practicable after the occurrence of

such an event, and each Holder hereby agrees to suspend use of the Prospectus until the Company and the Guarantor have amended or supplemented the Prospectus to correct such misstatement or omission. At such time as such public disclosure is otherwise made or the Company and the Guarantor determine that such disclosure is not necessary, in each case to correct any misstatement of a material fact or to include any omitted material fact, the Company and the Guarantor agree promptly to notify each Holder of such determination and to furnish each Holder such numbers of copies of the Prospectus, as amended or supplemented, as such Holder may reasonably request;

(l) obtain CUSIP numbers, ISINs and common codes for all Exchange Senior Securities or Registrable Senior Securities, as the case may be (which CUSIP numbers, ISINs and common codes, in the case of the Exchange Senior Securities to be issued in relation to the 2006 Senior Notes, are to be identical to those CUSIP numbers, ISINs and common codes then being used by the Company's registered 6.40% Senior Notes due 2006 issued on March 19, 2001), not later than the effective date of a Registration Statement, and provide the Trustee with printed certificates for the Exchange Senior Securities or Registrable Senior Securities, as the case may be, in a form eligible for deposit with the Depository;

(m) (i) cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), in connection with the registration of the Exchange Senior Securities, or Registrable Senior Securities, as the case may be, (ii) cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and (iii) execute, and use its reasonable best efforts to cause the Trustee to execute, all documents as may be required to effect such changes, and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(n) in the case of a Shelf Registration, enter into agreements (including underwriting agreements) and take all other customary and appropriate actions (including those reasonably requested by the Majority Holders of the Registrable Senior Securities being sold) in order to expedite or facilitate the disposition of such Registrable Senior Securities and in such connection, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, in a manner that is reasonable and customary:

(i) make such representations and warranties to the Holders of such Registrable Senior Securities and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in similar underwritten offerings as may be reasonably requested by such Holders and underwriters;

(ii) obtain opinions of counsel to the Company and the Guarantor and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriters, if any, and the Holders of a majority in principal amount of the Registrable Senior Securities being sold) addressed to each selling Holder and the underwriters, if any, covering the matters customarily covered in opinions requested in sales of securities or underwritten

offerings and such other matters as may be reasonably requested by such Holders and underwriters;

(iii) obtain "cold comfort" letters and updates thereof from the Company's and the Guarantor's independent certified public accountants addressed to the underwriters, if any, and will use reasonable best efforts to have such letters addressed to the selling Holders of Registrable Senior Securities, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters to underwriters in connection with similar underwritten offerings;

(iv) enter into a securities sales agreement with the Holders and an agent of the Holders providing for, among other things, the appointment of such agent for the selling Holders for the purpose of soliciting purchases of Registrable Senior Securities, which agreement shall be in form, substance and scope customary for similar offerings;

(v) if an underwriting agreement is entered into in the case of an underwritten offering, cause the same to set forth indemnification provisions and procedures substantially equivalent to the indemnification provisions and procedures set forth in Section 5 hereof with respect to the underwriters and all other parties to be indemnified pursuant to Section 5 hereof; and

(vi) deliver such documents and certificates as may be reasonably requested by the underwriters or the Holders and as are customarily delivered in similar offerings.

The above shall be done at (i) the effectiveness of such Registration Statement (and, if appropriate, each post-effective amendment thereto) and (ii) each closing under any underwriting or similar agreement as and to the extent required thereunder. In the case of any underwritten offering, the Company and the Guarantor shall provide written notice to the Holders of all Registrable Senior Securities of such underwritten offering at least thirty days prior to the filing of a prospectus supplement for such underwritten offering. Such notice shall (x) offer each such Holder the right to participate in such underwritten offering, (y) specify a date, which shall be no earlier than ten business days following the date of such notice, by which such Holder must inform the Company of its intent to participate in such underwritten offering and (z) include the instructions such Holder must follow in order to participate in such underwritten offering;

(o) in the case of a Shelf Registration, make available for inspection by representatives of the Holders of the Registrable Senior Securities and any underwriters participating in any disposition pursuant to a Shelf Registration Statement and any U.S. counsel or accountant retained by such Holders or underwriters, all financial and other records, pertinent corporate documents and properties of the Company and the Guarantor reasonably requested by any such Persons, and cause the respective officers, directors, employees, and any other agents of the Company and the Guarantor to supply all information reasonably requested by any such representative, underwriter, special

counsel or accountant in connection with a Registration Statement; provided that any such records, documents, properties and such information that is designated in writing by the Company and the Guarantor, in good faith, as confidential at the time of delivery of such records, documents, properties or information shall be kept confidential by any such representative, underwriter, counsel or accountant and shall be used only in connection with such Shelf Registration Statement, unless such information has become available (not in violation of this Agreement) to the public generally or through a third party without an accompanying obligation of confidentiality, and except that such representative, underwriter, counsel or accountant shall have no liability, and shall not be in breach of this provision, if disclosure of such confidential information is made in connection with a court proceeding or required by law, and the Company and the Guarantor shall be entitled to request that such representative, underwriter, counsel or accountant sign a confidentiality agreement to the foregoing effect. Each such person will be required to agree that information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of the Company unless and until such is made generally available to the public through no fault or action of such person. Each selling Holder of such Registrable Senior Securities will be required to further agree that it will, upon learning that disclosure of confidential information is necessary, give notice to the Company to allow the Company at its expense to undertake appropriate action to prevent disclosure of the confidential information;

(p) (i) in the case of an Exchange Offer, a reasonable time prior to the filing of any Exchange Offer Registration Statement, any Prospectus forming a part thereof, any amendment to an Exchange Offer Registration Statement or amendment or supplement to a Prospectus, provide copies of such document to the Initial Purchasers, and make such changes in any such document prior to the filing thereof as the Initial Purchasers or their counsel may reasonably request; (ii) in the case of a Shelf Registration, a reasonable time prior to filing any Shelf Registration Statement, any Prospectus forming a part thereof, any amendment to such Shelf Registration Statement or amendment or supplement to such Prospectus, provide copies of such document to the Holders of Registrable Senior Securities, to the Initial Purchasers, to counsel on behalf of the Holders and to the underwriter or underwriters of an underwritten offering of Registrable Senior Securities, if any, and make such changes in any such document prior to the filing thereof as counsel to the Initial Purchasers, the Holders or any underwriter may reasonably request; and (iii) cause the representatives of the Company and the Guarantor to be available for discussion of such document as shall be reasonably requested by the Holders of Registrable Senior Securities, the Initial Purchasers on behalf of such Holders or any underwriter, and shall not at any time make any filing of any such document of which such Holders, the Initial Purchasers on behalf of such Holders, their counsel or any underwriter shall not have previously been advised and furnished a copy or to which such Holders, the Initial Purchasers on behalf of such Holders, their counsel or any underwriter shall reasonably object within a reasonable time period;

(q) in the case of the Exchange Offer, use their reasonable best efforts to cause all Exchange Senior Securities and, in the case of a Shelf Registration, use their reasonable best efforts to cause all Registrable Senior Securities, to be listed on The

Luxembourg Stock Exchange and any other securities exchange on which similar debt securities issued by the Company and the Guarantor are then listed, if , in the case of a Shelf Registration, requested by the Majority Holders or by the underwriter or underwriters of an underwritten offering of Registrable Senior Securities, if any;

(r) in the case of a Shelf Registration, use their reasonable best efforts to cause the Registrable Senior Securities to be rated with the appropriate rating agencies, if so requested by the Majority Holders or by the underwriter or underwriters of an underwritten offering, unless the Registrable Senior Securities are already so rated;

(s) otherwise use their reasonable best efforts to comply with all applicable rules and regulations of the SEC and make available to its security holders, as soon as reasonably practicable, an earnings statement covering at least twelve months which shall satisfy the provisions of Section 11(a) of the 1933 Act and Rule 158 thereunder; and

(t) cooperate and assist in any filings required to be made with the NASD and in the performance of any due diligence investigation by any underwriter and its counsel.

In the case of a Shelf Registration Statement, the Company and the Guarantor may (as a condition to such Holder's participation in the Shelf Registration) require each Holder of Registrable Senior Securities to furnish to the Company and the Guarantor or their counsel such information regarding such Holder and the proposed distribution by such Holder of such Registrable Senior Securities, as the Company or the Guarantor may from time to time reasonably request, and agree in writing to be bound by the Agreement, including the indemnification provisions.

In the case of a Shelf Registration Statement, each Holder agrees that, upon receipt of any notice from the Company or the Guarantor of the happening of any event or the discovery of any facts, each of the kind described in Sections 2(d)(i) and 3(e)(ii)-(vii) hereof, such Holder will forthwith discontinue disposition of Registrable Senior Securities pursuant to a Registration Statement until such Holder's receipt of (i) the copies of the supplemented or amended Prospectus contemplated by Section 3(k) hereof or (ii) written notice from the Company or the Guarantor that the Shelf Registration Statement is once again effective and that no supplement or amendment is required. If so directed by the Company or the Guarantor, such Holder will deliver to the Company (at the Company's expense) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Senior Securities current at the time of receipt of such notice.

If the Company or the Guarantor shall give any such notice to suspend the disposition of Registrable Senior Securities pursuant to a Shelf Registration Statement as a result of the happening of any event or the discovery of any facts, each of the kind described in Sections 2(d)(i) and 3(e)(vi) hereof, the Company and the Guarantor shall be deemed to have used their reasonable best efforts to keep the Shelf Registration Statement effective during such period of suspension; provided that (i) such period of suspension shall not exceed the time periods provided in Section 2(d)(iii) hereof and (ii) the Company and the Guarantor shall, if necessary, use their reasonable best efforts to file and have declared effective (if an amendment) as soon as practicable an amendment or supplement to the Shelf Registration Statement and shall



extend the period during which the Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders shall have received copies of the supplemented or amended Prospectus necessary to resume such dispositions.

4. Underwritten Registrations. If any of the Registrable Senior Securities covered by any Shelf Registration are to be sold in an underwritten offering, the investment banker or investment bankers and manager or managers that will manage the offering will be selected by the Majority Holders of such Registrable Senior Securities included in such offering and shall be reasonably acceptable to the Company.

No Holder of Registrable Senior Securities may participate in any underwritten registration hereunder unless such Holder (a) agrees to sell such Holder's Registrable Senior Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

5. Indemnification and Contribution.

(a) The Company and the Guarantor, jointly and severally, agree to indemnify and hold harmless each Initial Purchaser, each Holder, including Participating Broker-Dealers, each underwriter who participates in an offering of Registrable Senior Securities, their respective affiliates, and their respective directors, officers, employees, agents, and each Person, if any, who controls any Initial Purchaser or any Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred by the Initial Purchaser, any Holder or any such controlling or affiliated Person in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or any amendment thereof, pursuant to which Exchange Senior Securities or Registrable Senior Securities were registered under the 1933 Act, including all documents incorporated therein by reference, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or caused by any untrue statement or alleged untrue statement of a material fact contained in any Prospectus (as amended or supplemented if the Company and the Guarantor shall have furnished any amendments or supplements thereto), or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to any Initial Purchaser or any Holder furnished to the Company and the Guarantor in writing by such Initial Purchaser or by or relating to any Holder or underwriter who participates in an offering of Registrable Senior Securities, in each case expressly for use therein.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Company, the Guarantor, each Initial Purchaser, each underwriter who participates

in an offering of Registrable Senior Securities, and the other selling Holders, and each of their respective directors and officers (including each director and officer of the Company and the Guarantor who signed the Registration Statement) and each Person, if any, who controls the Company or the Guarantor, any Initial Purchaser, any underwriter or any other selling Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses described in the indemnity contained in Section 5(a), as incurred), but only with reference to information relating to such Holder furnished to the Company in writing by such Holder expressly for use in any Registration Statement or any amendment thereof or any Prospectus or any amendments or supplements thereto.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to either paragraph (a) or paragraph (b) above, such Person (the "indemnified party") shall promptly notify the person against whom such indemnity may be sought (the "indemnifying party") in writing (but the failure to so notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party except to the extent it is materially prejudiced or harmed) and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Initial Purchasers and all Persons, if any, who control any Initial Purchaser within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, (b) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company and the Guarantor, their respective directors, their respective officers who sign the Registration Statement and all Persons, if any, who control the Company or the Guarantor within the meaning of either such Section and (c) the fees and expenses of more than one separate firm (in addition to any local counsel) for all Holders and all Persons, if any, who control any Holders within the meaning of either such Section, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Initial Purchasers and such control Persons of the Initial Purchasers, such firm shall be designated in writing by Merrill Lynch. In the case of any such separate firm for the Holders and such Persons who control Holders, such firm shall be designated in writing by the Majority Holders. In all other cases, such firm shall be designated in writing by the Company. The indemnifying party shall not be liable for any settlement of any proceeding affected without its written consent, but if settled with such consent or if there is a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified

party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, which consent shall not be unreasonably withheld, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding and (ii) does not include a statement as to an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in paragraph (a) or paragraph (b) of this Section 5 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties on the one hand and of the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of such indemnifying party or parties on the one hand and the indemnified party or parties on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or parties or such indemnified party or parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Guarantor, the Initial Purchasers, and the Holders of Registrable Senior Securities respective obligations to contribute pursuant to this Section 5 are several in proportion to the respective number of Senior Securities they have purchased hereunder, and not joint.

(e) The Company, the Guarantor, the Initial Purchasers, and each Holder of Registrable Senior Securities agree that it would not be just or equitable if contribution pursuant to this Section 5 were determined by pro rata allocation (even if the Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 5, no Holder shall be required to indemnify or contribute any amount in excess of the amount by which the total price at which Registrable Senior Securities were sold by such Holder exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall

be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 5, each Person, if any, who controls an Initial Purchaser or Holder within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Initial Purchaser or Holder, and each director of the Company or the Guarantor, each officer of the Company or the Guarantor who signed the Registration Statement, and each Person, if any, who controls the Company or the Guarantor within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company and the Guarantor. The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

The indemnity and contribution provisions contained in this Section 5 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Initial Purchaser or any Holder, or any Person controlling any Initial Purchaser or any Holder, or by or on behalf of the Company or the Guarantor, their officers or directors or any Person controlling the Company or the Guarantor, (iii) acceptance of any of the Exchange Senior Securities and (iv) any sale of Registrable Senior Securities pursuant to a Shelf Registration Statement.

#### 6. Miscellaneous.

(a) Rule 144 and Rule 144A. For so long as the Company is subject to the reporting requirements of Section 13 or 15 of the 1934 Act, the Company covenants that it will file the reports required to be filed by it under Section 13(a) or 15(d) of the 1934 Act and the rules and regulations adopted by the SEC thereunder, that if it ceases to be so required to file such reports, it will upon the request of any Holder of Registrable Senior Securities (i) make publicly available or cause to be made publicly available such information as is necessary to permit sales pursuant to Rule 144 under the 1933 Act, (ii) deliver or cause to be delivered such information to a prospective purchaser as is necessary to permit sales pursuant to Rule 144A under the 1933 Act and it will take such further action as any Holder of Registrable Senior Securities may reasonably request, and (iii) take such further action that is reasonable in the circumstances, in each case, to the extent required from time to time to enable such Holder to sell its Registrable Senior Securities without registration under the 1933 Act within the limitation of the exemptions provided by (x) Rule 144 under the 1933 Act, as such Rule may be amended from time to time, (y) Rule 144A under the 1933 Act, as such Rule may be amended from time to time, or (z) any similar rules or regulations hereafter adopted by the SEC. Upon the written request of any Holder of Registrable Senior Securities, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

(b) No Inconsistent Agreements. Neither the Company nor the Guarantor has entered into nor will the Company or the Guarantor on or after the date of this Agreement enter into any agreement which is inconsistent with the rights granted to the Holders of Registrable Senior Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's or the Guarantor's other issued and outstanding securities under any such agreements.

(c) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the material provisions hereof may not be given unless the Company has obtained the written consent of the Majority Holders of the outstanding Registrable Senior Securities affected by such amendment, modification, supplement, waiver or departure.

(d) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder (other than an Initial Purchaser), at the most current address set forth on the records of the Registrar under the Indenture, (ii) if to an Initial Purchaser, at the most current address given by such Initial Purchaser to the Company by means of a notice given in accordance with the provisions of this Section 6(d), which address initially is the address set forth in the Purchase Agreement; and (iii) if to the Company and the Guarantor, initially at the address set forth in the Purchase Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(d).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five business days after being deposited in the mail, postage prepaid, if mailed; when receipt is acknowledged, if telecopied; and on the next business day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(e) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Senior Securities in violation of the terms hereof or of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Registrable Senior Securities, in any manner, whether by operation of law or otherwise, such Registrable Senior Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Senior Securities, such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement, including the restrictions on resale set forth in this Agreement and, if applicable, the Purchase Agreement, and such Person shall be entitled to receive the benefits hereof.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Company and the Guarantor on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the 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.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICTS OF LAW PROVISIONS THEREOF.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

VIACOM INC.

By: /s/ Robert G. Freedline  
-----  
Name: Robert G. Freedline  
Title: Vice President and Treasurer

VIACOM INTERNATIONAL INC., as Guarantor

By: /s/ Robert G. Freedline  
-----  
Name: Robert G. Freedline  
Title: Vice President and Treasurer

Confirmed and Accepted,  
as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

SALOMON SMITH BARNEY INC.

By: MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: /s/ Sabina Ceddia  
-----  
Name: Sabina Ceddia  
Title: Duly Authorized Attorney

SCHEDULE A

INITIAL PURCHASERS

Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Salomon Smith Barney Inc.  
Barclays Capital Inc.  
Bear, Stearns & Co. Inc.  
Credit Suisse First Boston Corporation  
UBS Warburg LLC  
Scotia Capital (USA) Inc.  
Utendahl Capital Partners, L.P.





July 10, 2001

Board of Directors  
 Viacom Inc.  
 1515 Broadway  
 New York, NY 10036

Viacom Inc. and Viacom International Inc.  
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Ladies and Gentlemen:

We have acted as counsel for Viacom Inc. (the "Company") and Viacom International Inc. (the "Guarantor") in connection with the preparation of a registration statement on Form S-4 (the "Registration Statement") being filed with the Securities and Exchange Commission relating to the registration of the Company's 6.40% Senior Notes due 2006 (the "2006 Senior Notes"), its 7.70% Senior Notes due 2010 (the "2010 Senior Notes"), its 6.625% Senior Notes due 2011 (the "2011 Senior Notes") and its 7.875% Senior Debentures due 2030 (the "Senior Debentures", and together with the 2006 Senior Notes, the 2010 Senior Notes and the 2011 Senior Notes, the "Senior Securities") and the unconditional guarantees as to the payment of principal and interest on the Senior Securities by the Guarantor (the "Senior Guarantees"). Pursuant to the Registration Statement, the Company is offering to exchange (the "Exchange Offer") up to \$403,075,000 aggregate principal amount of 2006 Senior Notes for a like amount of its outstanding 6.40% Senior Notes due 2006 (the "Original 2006 Notes"), up to \$100,000,000 aggregate principal amount of 2010 Senior Notes for a like amount of its outstanding 7.70% Senior Notes due 2010 (the "Original 2010 Notes"), up to \$1,000,000,000 aggregate principal amount of 2011 Senior Notes for a like amount of its outstanding 6.625% Senior Notes due 2011 (the "Original 2011 Notes") and up to \$200,000 aggregate principal amount of Senior Debentures for a like amount of its outstanding 7.875% Senior Debentures due 2030 (the "Original Senior Debentures," and together with the Original 2006 Notes, the Original 2010 Notes and the Original 2011 Notes, the "Original Senior Securities") and to exchange the Senior Guarantees for the unconditional guarantees as to the payment of principal and interest on the Original Senior Securities by the Guarantor (the "Original Senior Guarantees"). The Senior Securities and the Senior Guarantees will be issued upon consummation of the Exchange Offer. The Original Senior Securities and Original Senior Guarantees were, and the Senior Securities and the Senior Guarantees will be, issued pursuant to an indenture, dated as of May 15, 1995, as supplemented by the First Supplemental Indenture dated as of May 24, 1995, as supplemented and amended by the Second Supplemental Indenture and Amendment No. 1 dated as of December 15, 1995, as supplemented by Third Supplemental Indenture dated as of July 22, 1996, as supplemented by the Fourth Supplemental Indenture dated as of August 1, 2000, as further supplemented by the Fifth Supplemental Indenture dated as of January 17, 2001, as further supplemented by the Sixth Supplemental Indenture dated as of May 17, 2001 and as further supplemented by the Seventh Supplemental Indenture dated as of May 31, 2001 (as so supplemented and amended, the "Indenture") among the Company, the Guarantor and Citibank N.A., as successor to State Street Bank and Trust Company and The First National Bank of Boston, trustee.

In our capacity as counsel to the Company and the Guarantor we have examined (i) the Registration Statement, (ii) the Indenture and (iii) the originals, or copies identified to our satisfaction, of such corporate records of the Company and the Guarantor, certificates of public officials, officers of the Company and the Guarantor, and other persons, and such other documents, agreements and instruments as we have deemed necessary as a basis for the opinions hereinafter expressed.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. As to any facts material to the opinions expressed herein which were not independently established or verified, we have relied upon oral or written statements and representations of officers and other representatives of the Company and the Guarantor and others.

Our opinion set forth below is limited to the laws of the State of New York, the General Corporation Law of the State of Delaware and the federal laws of the United States and we do not express any opinion herein concerning any other laws.

Based on the foregoing, and having regard for such legal considerations as we have deemed relevant, we are of the opinion that when the Senior Securities and the Senior Guarantees have been duly authorized and executed by the Company and the Guarantor, respectively, the Senior Securities (to which the Senior Guarantees will be affixed) have been authenticated by the Trustee in accordance with the provisions of the Indenture and delivered to holders tendering into the Exchange Offer in accordance with the terms of the Exchange Offer as set forth in the Registration Statement, the Senior Securities and the Senior Guarantees will be legally issued and will constitute valid and binding obligations of the Company and the Guarantor, respectively, enforceable against the Company and the Guarantor, respectively, in accordance with their

terms.

The opinion set forth above is subject, as to enforcement, to (i) bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights generally, (ii) general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law) and (iii) provisions of law that require that a judgment for money damages rendered by a court in the United States be expressed only in United States dollars.

We hereby consent to the use of this opinion letter as an exhibit to the Registration Statement and to the use of our name under the heading "Legal Matters" in each of the two prospectuses included as part of the Registration Statement.

Very truly yours,

STG/JA/JJC/ASG



## CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated February 12, 2001, except for the first paragraph of note 2, which is as of February 21, 2001 relating to the financial statements and financial statement schedule, which appears in Viacom Inc.'s Annual Report on Form 10-K for the year ended December 31, 2000. We also consent to the reference to us under the headings "Experts" in such Registration Statement.

/s/

PricewaterhouseCoopers LLP

New York, New York  
July 9, 2001

## CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the use of our reports: (1) dated January 25, 2000, except as to note 20, which is as of March 21, 2000, appearing on page 30 of CBS Corporation's Form 10-K for the year ended December 31, 1999, and dated March 21, 2000, appearing on page 67 of CBS Corporation's Form 10-K for the year ended December 31, 1999; and (2) dated January 25, 2000, except as to note 17, which is as of March 21, 2000, appearing on page 26 of Infinity Broadcasting Corporation's Form 10-K for the year ended December 31, 1999 and dated March 21, 2000, appearing on page 51 of Infinity Broadcasting Corporation's Form 10-K for the year ended December 31, 1999, each of which is incorporated by reference in this Form S-4 registration statement of Viacom Inc. and Viacom International Inc. We also consent to the reference to us under the headings "Experts" in such Registration Statement.

/s/

KPMG LLP  
New York, New York  
July 9, 2001

VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ George S. Abrams  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ David R. Andelman  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ George H. Conrades

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Philippe P. Dauman  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ William H. Gray III

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Jan Leschly  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ David T. McLaughlin

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Ken Miller  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Leslie Moonves  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Frederic V. Salerno

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Brent D. Redstone

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Shari Redstone

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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ William Schwartz  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Ivan Seidenberg  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morrill and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Patty Stonesifer  
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VIACOM INC.

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned director of VIACOM INC. (the "Company") hereby constitutes and appoints Michael D. Fricklas and Mark C. Morril and each of them, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign (1) a registration statement or statements on Form S-3, S-4 or S-8 or such other form as may be recommended by counsel, to be filed with the Securities and Exchange Commission (the "Commission"), and any and all amendments and post-effective amendments thereto, and any and all post-effective amendments to registration statements or statements previously filed with the Commission, and supplements to the Prospectus contained therein, and any and all instruments and documents filed as a part of or in connection with such registration statements or amendments thereto or supplements or amendments to such Prospectus, and (2) any registration statements, reports and applications to be filed by the Company with the Commission and/or any national securities exchanges under the Securities Exchange Act of 1934, as amended, and any and all amendments thereto, and any and all instruments and documents filed as part of or in connection with such registration statements or reports or amendments thereto; granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that the said attorney-in-fact and agent, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto signed my name this 7th day of June, 2001.

/s/ Robert D. Walter  
-----



SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
-----

## FORM T-1

STATEMENT OF ELIGIBILITY  
UNDER THE TRUST INDENTURE ACT OF 1939 OF A  
CORPORATION DESIGNATED TO ACT AS TRUSTEE

Check if an application to determine eligibility of a Trustee  
pursuant to Section 305 (b)(2) \_\_\_\_\_

-----  
CITIBANK, N.A.

(Exact name of trustee as specified in its charter)

13-5266470  
(I.R.S. employer  
identification no.)

399 Park Avenue, New York, New York  
(Address of principal executive office)

10043  
(Zip Code)

-----  
VIACOM INC.

(Exact name of obligor as specified in its charter)

04-2949533  
(I.R.S. employer  
identification no.)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

1515 Broadway  
New York, NY  
(Address of principal executive offices)

10036  
(Zip Code)

-----  
Debt Securities  
(Title of the indenture securities)

## Item 1. General Information.

Furnish the following information as to the trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
----	-----
Comptroller of the Currency	Washington, D.C.
Federal Reserve Bank of New York 33 Liberty Street New York, NY	New York, NY
Federal Deposit Insurance Corporation	Washington, D.C.

- (b) Whether it is authorized to exercise corporate trust powers.

Yes.

## Item 2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

## Item 16. List of Exhibits.

List below all exhibits filed as a part of this Statement of Eligibility.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as exhibits hereto.

Exhibit 1 - Copy of Articles of Association of the Trustee, as now in effect. (Exhibit 1 to T-1 to Registration Statement No. 2-79983)

Exhibit 2 - Copy of certificate of authority of the Trustee to commence business. (Exhibit 2 to T-1 to Registration Statement No. 2-29577).

Exhibit 3 - Copy of authorization of the Trustee to exercise corporate trust powers. (Exhibit 3 to T-1 to Registration Statement No. 2-55519)

Exhibit 4 - Copy of existing By-Laws of the Trustee. (Exhibit 4 to T-1

to Registration Statement No. 33-34988)

Exhibit 5 - Not applicable.



Exhibit 6 - The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939. (Exhibit 6 to T-1 to Registration Statement No. 33-19227.)

Exhibit 7 - Copy of the latest Report of Condition of Citibank, N.A. (as of March 31, 2000 - attached)

Exhibit 8 - Not applicable.

Exhibit 9 - Not applicable.

-----

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, Citibank, N.A., a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York and State of New York, on the 9th day of July, 2001.

CITIBANK, N.A.

By /s/ Nancy Forte

-----

Nancy Forte  
Assistant Vice President

Charter No. 1461  
 Comptroller of the Currency  
 Northeastern District  
 REPORT OF CONDITION  
 CONSOLIDATED  
 DOMESTIC AND FOREIGN  
 SUBSIDIARIES OF

Citibank, N.A.  
 of New York in the State of New York, at the close of business on March 31,  
 2001, published in response to call made by Comptroller of the Currency, under  
 Title 12, United States Code, Section 161. Charter Number 1461 Comptroller of  
 the Currency Northeastern District.

ASSETS		
Thousands		
of dollars		
Cash & balances due:		
Noninterest-bearing balances . . . . .	.8,899,000	
Interest-bearing balances . . . . .	21,247,000	
Securities:		
Held-to-Maturity securities . . . . .	0	
Available-for-sale securities . . . . .	39,868,000	
Federal funds sold . . . . .	11,252,000	
Loans and leases held for sale . . . . .	4,215,000	
Loans and Leases, net of unearned income . . . . .	242,480,000	
LESS: Allowance for loan and lease losses . . . . .	4,544,000	
Loans and leases, net of earned income and allowance . . . . .	237,936,000	
Trading assets . . . . .	39,123,000	
Premises and fixed assets . . . . .	3,974,000	
Other real estate owned . . . . .	286,000	
Investments in unconsolidated subsidiaries . . . . .	867,000	
Customers' liability on acceptances outstanding . . . . .	1,528,000	
Intangible assets:		
Goodwill . . . . .	2,273,000	
Other intangible assets . . . . .	3,595,000	
Other assets . . . . .	20,806,000	
TOTAL ASSETS . . . . .	395,869,000	
LIABILITIES		
Deposits:		
In domestic offices . . . . .	71,054,000	
Noninterest-bearing . . . . .	12,620,000	
Interest-bearing . . . . .	58,434,000	
In foreign offices . . . . .	212,602,000	
Noninterest-bearing . . . . .	14,351,000	
Interest-bearing . . . . .	198,251,000	
Federal funds purchased and securities sold . . . . .	6,932,000	
Trading liabilities . . . . .	29,238,000	
Other borrowed money . . . . .	23,697,000	
Bank's liability on acceptances . . . . .	1,528,000	
Subordinated notes and debentures . . . . .	8,675,000	
Other liabilities . . . . .	14,481,000	
TOTAL LIABILITIES . . . . .	368,207,000	
EQUITY CAPITAL		
Perpetual preferred stock . . . . .	0	
Common stock . . . . .	751,000	
Surplus . . . . .	11,554,000	
Retained earnings . . . . .	15,961,000	
Accumulated other comprehensive income . . . . .	-813,000	
Other equity capital components . . . . .	0	
TOTAL EQUITY CAPITAL . . . . .	27,453,000	
TOTAL LIABILITIES, MINORITY INTEREST AND EQUITY CAPITAL . . . . .		395,869,000

I, Roger W. Trupin, Controller of the abovenamed bank do hereby declare that  
 this Report of Condition is true and correct to the best of my knowledge and  
 belief.

ROGER W. TRUPIN CONTROLLER

We, the undersigned directors, attest to the correctness of this Report of  
 Condition. We declare that it has been examined by us, and to the best of our  
 knowledge and belief has been prepared in conformance with the instructions and  
 is true and correct.

VICTOR J. MENEZES  
 WILLIAM R. RHODES  
 ALAN S. MACDONALD

## VIACOM INC.

FORM OF LETTER OF TRANSMITTAL FOR THE  
OFFER TO EXCHANGE

Unregistered 6.40% Senior Notes due 2006  
(\$400,000,000 aggregate principal amount outstanding issued May 17, 2001)  
for  
6.40% Senior Notes due 2006  
that have been registered under the Securities Act of 1933

and

Unregistered 6.625% Senior Notes due 2011  
(\$1,000,000,000 aggregate principal amount outstanding issued May 17, 2001)  
for  
6.625% Senior Notes due 2011  
that have been registered under the Securities Act of 1933

-----  
Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)  
-----

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2001  
(THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED BY VIACOM IN ITS  
SOLE DISCRETION.

TENDERS OF UNREGISTERED SENIOR SECURITIES MAY BE WITHDRAWN AT ANY TIME PRIOR TO  
5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

## Deliver To:

Principal Exchange Agent:	Luxembourg Exchange Agent:
Citibank, N.A.	Kredietbank S.A. Luxembourggoise
111 Wall Street, 15th Floor	43, Boulevard Royal
New York, New York 10005	L-2955 Luxembourg
Attn: Agency & Trust Services	Attn: Corporate Trust and Agencies
Telephone: (800) 422-2066	Telephone: (352) 47 97 3933
Facsimile: (212) 825-3483	Facsimile: (352) 47 97 73 951

Delivery of this letter of transmittal to an address, or transmission via telegram, telex or facsimile, other than to the exchange agents as set forth above (the "Exchange Agents") will not constitute a valid delivery. The method of delivery of all documents, including certificates, is at the risk of the holder. If delivery is by mail, we recommend the use of registered mail with return receipt requested, properly insured. You should read the instructions accompanying this letter of transmittal carefully before you complete this letter of transmittal.

The undersigned acknowledges that he or she has received the Prospectus, dated \_\_\_\_\_, 2001 (the "Prospectus"), of Viacom Inc. ("Viacom") and Viacom International Inc. ("Viacom International") and this letter of transmittal and the instructions hereto (the "Letter of Transmittal"), which together constitute Viacom's offer (the "Exchange Offer") to exchange up to \$400,000,000 aggregate principal amount of 6.40% senior notes due 2006, which are registered under the Securities Act of 1933, for its outstanding unregistered 6.40% senior notes due 2006 issued on May 17, 2001, and \$1,000,000,000 aggregate principal amount of 6.625% senior notes due 2011, which are registered under the Securities Act of 1933, for its outstanding unregistered 6.625% senior notes due 2011 issued on May 17, 2001, pursuant to a Registration Statement of which the Prospectus is a part. The unregistered senior securities are unconditionally guaranteed as to payment of principal and interest by Viacom International Inc., a wholly owned subsidiary of Viacom.

The outstanding unregistered 6.40% senior notes due 2006 have CUSIP numbers 925524AR1 or U9222XAE7. The outstanding 6.625% senior notes due 2011 have CUSIP numbers 925524AP5 or U9222XAD9.

The term "Expiration Date" shall mean 5:00 p.m. New York City time on \_\_\_\_\_, 2001, unless Viacom, in its sole discretion, extends the Exchange Offer, in which case the term shall mean the latest date and time to which the Exchange Offer is extended. Whenever we refer to the unregistered senior notes due 2006 and the unregistered senior notes due 2011, we will refer to them as the "unregistered senior securities." Whenever we refer to the exchange senior notes due 2006 and the exchange senior notes due 2011, we will refer to them as the "exchange senior securities." All other terms used but not defined herein have the meaning given to them in the Prospectus.

This Letter of Transmittal is to be used if (1) certificates representing unregistered senior securities are to be physically delivered to the Exchange Agents by Holders (as defined below), (2) the unregistered senior securities are to be tendered by book-entry transfer pursuant to the procedures set forth in the Prospectus under "The Exchange Offer--Book-Entry Transfer" or (3) tender of the unregistered senior securities is to be made by Holders according to the guaranteed delivery procedures set forth in the Prospectus under "The Exchange Offer--Guaranteed Delivery Procedures." Delivery of this Letter of Transmittal and any other required documents must be made to the Exchange Agent.

DELIVERY OF DOCUMENTS TO DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG DOES

NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

The term "Holder" as used herein means any person in whose name unregistered senior securities are registered on the books of Viacom or any other person who has obtained a properly completed bond power from the registered holder.

Any Holder of unregistered senior securities who wishes to tender his, her or its unregistered senior securities must, prior to the Expiration Date, either: (a) complete, sign and deliver this Letter of Transmittal, or a facsimile thereof, to the Exchange Agent, in person or to the address or facsimile number set forth above and tender (and not withdraw) his, her or its unregistered senior securities, or (b) if a tender of unregistered senior securities is to be made by book-entry transfer to the account maintained by the Exchange Agent at DTC, Euroclear or Clearstream Luxembourg, confirm such book-entry transfer, including the delivery of an Agent's Message (a "Book-Entry Confirmation"), in each case in accordance with the procedures for tendering described in the Instructions to this Letter of Transmittal.

Holders of unregistered senior securities whose certificates are not immediately available or who are unable to deliver their certificates or Book-Entry Confirmation and all other documents required by this Letter of Transmittal to be delivered to the Exchange Agent on or prior to the Expiration Date, must tender their unregistered senior securities according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer--Guaranteed Delivery Procedures" in the Prospectus. (See Instruction 1.)

Upon the terms and subject to the conditions of the Exchange Offer, the acceptance for exchange of the unregistered senior securities validly tendered and not withdrawn and the issuance of the exchange senior securities will be made promptly following the Expiration Date. For the purposes of the Exchange Offer, Viacom shall be deemed to have accepted for exchange validly tendered unregistered senior securities when, as and if Viacom has given written notice thereof to the Exchange Agent.

The undersigned has completed, executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Exchange Offer.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL AND THE PROSPECTUS CAREFULLY BEFORE CHECKING ANY BOX BELOW. THE INSTRUCTIONS INCLUDED IN THIS LETTER OF TRANSMITTAL MUST BE FOLLOWED. QUESTIONS AND REQUESTS FOR ASSISTANCE OR FOR ADDITIONAL COPIES OF THE PROSPECTUS, THIS LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY MAY BE DIRECTED TO THE EXCHANGE AGENT. SEE INSTRUCTION 11.

HOLDERS WHO WISH TO ACCEPT THE EXCHANGE OFFER AND TENDER THEIR UNREGISTERED SENIOR SECURITIES MUST COMPLETE THIS LETTER OF TRANSMITTAL IN ITS ENTIRETY AND COMPLY WITH ALL OF ITS TERMS.

Please list below the unregistered senior securities to which this Letter of Transmittal relates. If the space provided below is inadequate, the Certificate Numbers and Principal Amounts should be listed on a separate signed schedule, attached hereto. The minimum permitted tender is \$1,000 in principal amount. All other tenders must be in integral multiples of \$1,000.

-----  
 DESCRIPTION OF UNREGISTERED SENIOR SECURITIES  
 -----

Name(s) and Address(es) of Holder(s) (Please fill in, if blank)	Type of Security Tendered	Certificate Number(s) (Attach signed list if necessary)	Aggregate Principal Amount Tendered
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 -----

TOTAL PRINCIPAL AMOUNT OF UNREGISTERED  
 SENIOR SECURITIES TENDERED:  
 -----

o CHECK HERE IF TENDERED UNREGISTERED SENIOR SECURITIES ARE BEING  
 DELIVERED BY DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG TO THE EXCHANGE  
 AGENT'S ACCOUNT AT DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG AND  
 COMPLETE THE FOLLOWING:

Name of Tendering Institution: \_\_\_\_\_

DTC, Euroclear or Clearstream Luxembourg Book-Entry Account: \_\_\_\_\_

Transaction Code No.: \_\_\_\_\_

Holders who wish to tender their unregistered senior securities and (i)  
 whose unregistered senior securities are not immediately available, or (ii) who  
 cannot deliver their unregistered senior securities, the Letter of Transmittal  
 or any other required documents to the applicable Exchange Agent prior to the  
 Expiration Date, or cannot complete the procedure for book-entry transfer on a  
 timely basis, may effect a tender according to the guaranteed delivery  
 procedures set forth in the Prospectus under the caption "The Exchange  
 Offer--Guaranteed Delivery Procedures."

o CHECK HERE IF TENDERED UNREGISTERED SENIOR SECURITIES ARE BEING  
 DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY  
 DELIVERED TO THE APPLICABLE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Holder(s) of unregistered senior securities: \_\_\_\_\_

Window Ticket No. (if any): \_\_\_\_\_

Date of Execution of Notice of Guaranteed Delivery: \_\_\_\_\_

DTC, Euroclear or Clearstream Luxembourg Book-Entry Account: \_\_\_\_\_

If Delivered by Book-Entry Transfer: \_\_\_\_\_

Name of Tendering Institution: \_\_\_\_\_

Transaction Code No.: \_\_\_\_\_

0

CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: \_\_\_\_\_

Address: \_\_\_\_\_



Ladies and Gentlemen:

Subject to the terms and conditions of the Exchange Offer, the undersigned hereby tenders to Viacom the principal amount of unregistered senior securities indicated above. Subject to and effective upon the acceptance for exchange of the principal amount of unregistered senior securities tendered hereby in accordance with this Letter of Transmittal and the accompanying instructions, the undersigned sells, assigns and transfers to, or upon the order of, Viacom all right, title and interest in and to the unregistered senior securities tendered hereby. The undersigned hereby irrevocably constitutes and appoints the Exchange Agents its agent and attorney-in-fact (with full knowledge that the Exchange Agents also act as agents of Viacom and the Principal Exchange Agent acts as Trustee under the Indentures for the unregistered senior securities and the exchange senior securities) with respect to the tendered unregistered senior securities with full power of substitution to (i) deliver certificates for such unregistered senior securities to Viacom, or transfer ownership of such unregistered senior securities on the account books maintained by DTC, Euroclear or Clearstream Luxembourg, as the case may be, together, in any such case, with all accompanying evidences of transfer and authenticity to, or upon the order of, Viacom and (ii) present such unregistered senior securities for transfer on the books of Viacom and receive all benefits and otherwise exercise all rights of beneficial ownership of such unregistered senior securities, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that he or she has full power and authority to tender, exchange, sell, assign and transfer the unregistered senior securities tendered hereby and to acquire the exchange senior securities issuable upon the exchange of the unregistered senior securities, and that Viacom will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim, when the same are acquired by Viacom. The undersigned also acknowledges that this Exchange Offer is being made in reliance upon an interpretation by the staff of the Securities and Exchange Commission that the exchange senior securities issued in exchange for the unregistered senior securities pursuant to the Exchange Offer may be offered for sale, resold and otherwise transferred by holders thereof (other than a broker-dealer who purchased such unregistered senior securities directly from Viacom for resale pursuant to Rule 144A, Regulation S or any other available exemption under the Securities Act or a holder that is an "affiliate" of Viacom or Viacom International within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such exchange senior securities are acquired by a non-affiliate in the ordinary course of such holder's business and such holders have no arrangement or understanding with any person to participate in the distribution of such exchange senior securities.

The undersigned Holder represents and warrants that

- (a) the exchange senior securities acquired pursuant to the Exchange Offer are being acquired in the ordinary course of business of the person receiving the exchange senior securities, whether or not the person is the Holder,
- (b) neither the undersigned Holder nor any other recipient of the exchange senior securities (if different than the Holder) is engaged in, intends to engage in or has any arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities,
- (c) neither the undersigned Holder nor any other recipient is an "affiliate" of Viacom or Viacom International within the meaning of Rule 405 promulgated under the Securities Act

or, if such Holder is an affiliate, that such Holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable,

- (d) if the undersigned is a broker-dealer, it has not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom or Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange senior securities,
- (e) if the undersigned is a broker-dealer, the undersigned further represents and warrants that if the undersigned broker-dealer will receive exchange senior securities for its own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities, the holder will, in connection with any resale of the exchange senior securities, deliver a prospectus meeting the requirements of the Securities Act (for which purposes, the delivery of the Prospectus, as the same may be hereafter supplemented or amended, shall be sufficient) in connection with any resale of exchange senior securities received in the Exchange Offer (such a broker-dealer will not be deemed, solely by reason of such acknowledgment and prospectus delivery, to admit that it is an "underwriter" within the meaning of the Securities Act) and
- (f) the undersigned Holder is not acting on behalf of any person or entity that could not truthfully make these representations.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange Agents or Viacom to be necessary or desirable to complete the exchange, assignment and transfer of the unregistered senior securities tendered hereby or transfer of ownership of such unregistered senior securities on the account books maintained by a book-entry transfer facility.

The undersigned understands and agrees that Viacom reserves the right not to accept tendered unregistered senior securities from any tendering Holder if Viacom or Viacom International determines, in their sole and absolute discretion, that their ability to proceed with the Exchange Offer would be impaired by a pending or threatened action or proceeding with respect to the Exchange Offer or that such acceptance could result in a violation of applicable securities laws.

For purposes of the Exchange Offer, Viacom shall be deemed to have accepted validly tendered unregistered senior securities when, as and if Viacom has given oral or written notice thereof to the applicable Exchange Agent. If any tendered unregistered senior securities are not accepted for exchange pursuant to the Exchange Offer for any reason, such unaccepted or non-exchanged unregistered senior securities will be returned at the address shown below or at a different address as may be indicated herein under "Special Delivery Instructions," without expense to the tendering Holder thereof, (or, in the case of tender by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility

pursuant to the book-entry transfer procedures described in the Prospectus under the "The Exchange Offer--Book-Entry Transfer," such non-exchanged senior securities will be credited to an account maintained with such book-entry transfer facility) as promptly as practicable after the expiration or termination of the Exchange Offer.

The undersigned understands and acknowledges that Viacom reserves the right in its sole discretion to purchase or make offers for any unregistered senior securities that remain outstanding subsequent to the Expiration Date or, as set forth in the Prospectus under the caption "The Exchange Offer--Expiration Date; Extensions; Amendment; Termination," to terminate the Exchange Offer and, to the extent permitted by applicable law, purchase unregistered senior securities in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the Exchange Offer.

The undersigned understands that tenders of unregistered senior securities pursuant to the procedures described under the caption "The Exchange Offer--Procedures for Tendering" in the Prospectus and in the instructions hereto will constitute a binding agreement between the undersigned and Viacom upon the terms and subject to the conditions of the Exchange Offer. The undersigned also agrees that acceptance of any tendered unregistered senior securities by Viacom and the issuance of exchange senior securities in exchange therefor shall constitute performance in full by Viacom and Viacom International of their respective obligations under the Exchange Offer and Registration Rights Agreement and that, upon the issuance of the exchange senior securities, Viacom and Viacom International will have no further obligations or liabilities thereunder (except in certain limited circumstances).

All authority conferred or agreed to be conferred by this Letter of Transmittal shall survive the death, incapacity or dissolution of the undersigned and every obligation under this Letter of Transmittal shall be binding upon the undersigned's heirs, personal representatives, successors and assigns. This tender may be withdrawn only in accordance with the procedures set forth in the Prospectus and in this Letter of Transmittal.

By acceptance of the Exchange Offer, each broker-dealer that receives exchange senior securities pursuant to the Exchange Offer hereby acknowledges and agrees that upon the receipt of notice by Viacom of the happening of any event that makes any statement in the Prospectus untrue in any material respect or that requires the making of any changes in the Prospectus in order to make the statements therein not misleading (which notice Viacom agrees to deliver promptly to such broker-dealer), such broker-dealer will suspend use of the Prospectus until Viacom has amended or supplemented the Prospectus to correct such misstatement or omission and has furnished copies of the amended or supplemented prospectus to such broker-dealer.

Unless otherwise indicated under "Special Registration Instructions," please issue the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and return any unregistered senior securities not tendered or not exchanged, in the name(s) of the undersigned (or in either such event in the case of unregistered senior securities tendered by DTC, Euroclear or Clearstream Luxembourg, by credit to the respective account at DTC, Euroclear or Clearstream Luxembourg). Similarly, unless otherwise indicated under "Special Delivery Instructions," please send the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and return any unregistered senior securities not tendered or not exchanged (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned's signatures, unless, in either event, tender is being made through DTC, Euroclear or Clearstream Luxembourg. In the event that both "Special Registration Instructions" and "Special Delivery Instructions" are completed, please issue the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and

return any unregistered senior securities not tendered or not exchanged in the name(s) of, and send said certificates to, the person(s) so indicated. The undersigned recognizes that Viacom has no obligations pursuant to the "Special Registration Instructions" and "Special Delivery Instructions" to transfer any unregistered senior securities from the name of the registered holder(s) thereof if Viacom does not accept for exchange any of the unregistered senior securities so tendered.

Holders who wish to tender the unregistered senior securities and (1) whose unregistered senior securities are not immediately available or (2) who cannot deliver their unregistered senior securities, this Letter of Transmittal or any other documents required hereby to the Exchange Agents prior to the Expiration Date may tender their unregistered senior securities according to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer--Guaranteed Delivery Procedures." (See Instruction 1.)

PLEASE SIGN HERE WHETHER OR NOT TENDER IS TO BE MADE PURSUANT TO THE  
GUARANTEED DELIVERY PROCEDURES.

(To Be Completed by All Tendering Holders of Unregistered Senior Securities  
Regardless of Whether Unregistered Senior Securities Are  
Being Physically Delivered Herewith)

This Letter of Transmittal must be signed by the registered Holder(s) of unregistered senior securities exactly as its (their) name(s) appear(s) on certificate(s) of unregistered senior securities or, if tendered by a participant in DTC, Euroclear or Clearstream Luxembourg, exactly as such participant's name appears on its security position listing it as the owner of unregistered senior securities, or by person(s) authorized to become registered Holder(s) by endorsements and documents transmitted with this Letter of Transmittal. If the unregistered senior securities to which this Letter of Transmittal relates are held of record by two or more joint Holders, then all such Holders must sign this Letter of Transmittal. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, then such person must set forth his or her full title below under "Capacity" and submit evidence satisfactory to Viacom of such person's authority to so act. (See Instruction 6.) If the signature appearing below is not the registered Holder(s) of the unregistered senior securities, then the registered Holder(s) must sign a valid proxy.

x \_\_\_\_\_ Date: \_\_\_\_\_

x \_\_\_\_\_ Date: \_\_\_\_\_  
Signature(s) of Holder(s) or  
Authorized Signatory

Name(s): \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_  
(Please Print) (Including Zip Code)

Capacity(ies): \_\_\_\_\_ Area Code and Telephone No.:

Tax Identification or Social Security Number(s):

[Complete Substitute Form W-9 below.]

SIGNATURE GUARANTEE  
(See Instruction 1 herein)  
Certain Signatures Must Be Guaranteed by an Eligible Institution

-----  
(Name of Eligible Institution Guaranteeing Signatures)

-----  
(Address (including zip code) and Telephone Number  
(including area code) of Firm)

-----  
(Authorized Signatures)

-----  
(Printed Name)

-----  
(Title)

Date:

-----  
SPECIAL REGISTRATION INSTRUCTIONS  
(See Instruction 7 herein)

To be completed ONLY if certificates for unregistered senior securities in a principal amount not tendered or not accepted for exchange are to be issued in the name of, or the exchange senior securities issued pursuant to the Exchange Offer are to be issued to the order of, someone other than the person or persons whose signature(s) appear(s) within this Letter of Transmittal or issued to an address different from, that shown in the box entitled "Description of unregistered senior securities" within this Letter of Transmittal, or if exchange senior securities tendered by book-entry transfer that are not accepted for purchase are to be credited to an account maintained at DTC, Euroclear or Clearstream Luxembourg other than the account indicated above.

Name: -----  
(Please Print)

Address: -----  
(Please Print)

-----  
(Zip Code)

-----  
Tax Identification or Social Security Number  
(See Substitute Form W-9 herein)

-----  
SPECIAL DELIVERY INSTRUCTIONS  
(See Instruction 7 herein)

To be completed ONLY if certificates for unregistered senior securities in a principal amount not tendered or not accepted for exchange are to be sent to, or the exchange senior securities issued pursuant to the Exchange Offer are to be sent to someone other than the person or persons whose signature(s) appear(s) within this Letter of Transmittal, or to an address different from, that shown in the box entitled "Description of unregistered senior securities" within this Letter of Transmittal, or to be credited to an account maintained at DTC, Euroclear or Clearstream Luxembourg other than the account indicated above.

Name: -----  
(Please Print)

Address: -----  
(Please Print)

-----  
(Zip Code)

-----  
Tax Identification or Social Security Number  
(See Substitute Form W-9 herein)

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INSTRUCTIONS

Forming Part of the Terms and Conditions  
of the Exchange Offer and the Solicitation

1. Guarantee of Signatures. Signatures on this Letter of Transmittal (or copy hereof) or a notice of withdrawal, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution") unless the unregistered senior securities tendered pursuant thereto are tendered (i) by a registered Holder (including any participant in DTC, Euroclear or Clearstream Luxembourg whose name appears on a security position listing as the owner of unregistered senior securities) who has not completed the box set forth herein entitled "Special Registration Instructions" or "Special Delivery Instructions" of this Letter of Transmittal or (ii) for the account of an Eligible Institution.

2. Delivery of this Letter of Transmittal and Unregistered Senior Securities. Certificates for the physically tendered unregistered senior securities (or a confirmation of a book-entry transfer to the Exchange Agent at DTC, Euroclear or Clearstream Luxembourg of all unregistered senior securities tendered electronically), as well as, in the case of physical delivery of unregistered senior securities, a properly completed and duly executed copy of this Letter of Transmittal or facsimile hereof and any other documents required by this Letter of Transmittal must be received by the applicable Exchange Agent at its address set forth herein prior to 5:00 P.M. New York City time, on the Expiration Date. The method of delivery of the tendered unregistered senior securities, this Letter of Transmittal and all other required documents, or book-entry transfer and transmission of an Agent's Message by a DTC, Euroclear or Clearstream Luxembourg participant, to the applicable Exchange Agent are at the election and risk of the Holder and, except as otherwise provided below, the delivery will be deemed made only when actually received by the applicable Exchange Agent. Instead of delivery by mail, it is recommended that the Holder use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. No Letter of Transmittal or unregistered senior securities should be sent to Viacom, DTC, Euroclear or Clearstream Luxembourg.

The Exchange Agent will make a request to establish an account with respect to the unregistered senior securities at DTC, Euroclear or Clearstream Luxembourg for purposes of the Exchange Offer promptly after receipt of the Prospectus, and any financial institution that is a participant in DTC, Euroclear or Clearstream Luxembourg may make book-entry delivery of unregistered senior securities by causing DTC, Euroclear or Clearstream, Luxembourg, as the case may be, to transfer such unregistered senior securities into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg, as the case may be, in accordance with the relevant entity's procedures for transfer. However, although delivery of unregistered senior securities may be effected through book-entry transfer at DTC, Euroclear or Clearstream Luxembourg, an Agent's Message (as defined in the next paragraph) in connection with a book-entry transfer and any other required documents, must, in any case, be transmitted to and received by the Exchange Agent at the address specified on the cover page of the Letter of Transmittal on or prior to the Expiration Date or the guaranteed delivery procedures described below must be complied with.

A Holder may tender unregistered senior securities that are held through DTC by transmitting its acceptance through DTC's Automatic Tender Offer Program, for which the transaction will be eligible, and DTC will then edit and verify the acceptance and send an Agent's Message to the Exchange Agent for its acceptance. The term "Agent's Message" means a message transmitted by DTC to, and received by, the Exchange Agent and forming part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from each participant in DTC tendering the unregistered senior securities and that such participant has received the Letter of Transmittal and agrees to be bound by the terms of the Letter of Transmittal and the Company may enforce such agreement against such participant. Delivery of an Agent's Message will also constitute an acknowledgment from the tendering DTC participant that the representations and warranties set forth on pages 6 and 7 of this Letter of Transmittal are true and correct.

Holders of unregistered senior securities held through Euroclear or Clearstream Luxembourg, are required to use book-entry transfer pursuant to the standard operating procedures of Euroclear or Clearstream Luxembourg, as the case may be, to accept the Exchange Offer and to tender their unregistered senior securities. A computer-generated message must be transmitted to Euroclear or Clearstream Luxembourg, as the case may be, in lieu of a Letter of Transmittal, in order to tender the unregistered senior securities in the Exchange Offer.

Holders who wish to tender their unregistered senior securities and (i) whose unregistered senior securities are not immediately available or (ii) who cannot deliver their unregistered senior securities, this Letter of Transmittal or any other documents required hereby to the applicable Exchange Agent prior to the Expiration Date, or who cannot complete the procedure for book-entry transfer on a timely basis must



tender their unregistered senior securities and follow the guaranteed delivery procedures set forth in the Prospectus. Pursuant to such procedures: (i) such tender must be made by or through an Eligible Institution (as defined above) or pursuant to the DTC, Euroclear or Clearstream Luxembourg standard operating procedures; (ii) prior to the Expiration Date, the applicable Exchange Agent must have received from the Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the Holder of the unregistered senior securities, the certificate number or numbers of such unregistered senior securities and the principal amount of unregistered senior securities tendered, stating that the tender is being made thereby and guaranteeing that within five Business Days after the Expiration Date, this Letter of Transmittal (or copy thereof) together with the certificate(s) representing the unregistered senior securities (or a confirmation of electronic mail delivery or book-entry delivery into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg) and any of the required documents will be deposited by the Eligible Institution with the applicable Exchange Agent and (iii) such properly completed and executed Letter of Transmittal (or copy thereof), as well as all other documents required by this Letter of Transmittal and the certificate(s) representing all tendered unregistered senior securities in proper form for transfer or a confirmation of electronic mail delivery or book-entry delivery into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg, must be received by the applicable Exchange Agent within five Business Days after the Expiration Date, all as provided in the Prospectus under the caption "The Exchange Offer--Guaranteed Delivery Procedures." Any Holder of unregistered senior securities who wishes to tender his unregistered senior securities pursuant to the guaranteed delivery procedures described above must ensure that the applicable Exchange Agent receives the Notice of Guaranteed Delivery prior to 5:00 P.M., New York City time, on the Expiration Date. Upon request to the Exchange Agent, a Notice of Guaranteed Delivery will be sent to Holders who wish to tender their unregistered senior securities according to the guaranteed delivery procedures set forth above.

All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered unregistered senior securities or this Letter of Transmittal will be determined by Viacom in its sole discretion, which determination will be final and binding. All tendering Holders, by execution of this Letter of Transmittal (or copy hereof), shall waive any right to receive notice of the acceptance of the unregistered senior securities for exchange. Viacom reserves the absolute right to reject any and all unregistered senior securities or Letter of Transmittal not properly tendered or any tenders Viacom's acceptance of which would, in the opinion of counsel for Viacom, be unlawful. Viacom also reserves the absolute right to waive any defects, irregularities or conditions of tender as to particular unregistered senior securities. Viacom's interpretation of the terms and conditions of the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of unregistered senior securities must be cured within such time as Viacom shall determine. Although Viacom intends to notify Holders of defects or irregularities with respect to tenders of unregistered senior securities, neither Viacom, the Exchange Agents nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of unregistered senior securities, nor shall any of them incur any liability for failure to give such notification. Tenders of unregistered senior securities will not be deemed to have been made until such defects or irregularities have been cured or waived. Any unregistered senior securities received by the Exchange Agents that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agents to the tendering Holders of unregistered senior securities, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date.

3. Inadequate Space. If the space provided is inadequate, the certificate numbers and/or the number of the unregistered senior securities should be listed on a separate signed schedule attached hereto.

4. Tender by Holder. Except in limited circumstances, only a registered Holder of unregistered senior securities or a Euroclear, Clearstream Luxembourg, or DTC participant listed on a securities position listing furnished by Euroclear, Clearstream Luxembourg, or DTC with respect to the unregistered senior securities may tender its unregistered senior securities in the Exchange Offer. Any beneficial owner of unregistered senior securities who is not the registered Holder and is not a Euroclear, Clearstream Luxembourg, or DTC participant and who wishes to tender should arrange with such registered holder to execute and deliver this Letter of Transmittal on such beneficial owner's behalf or must, prior to completing and executing this Letter of Transmittal and delivering his, her or its unregistered senior securities, either make appropriate arrangements to register ownership of the unregistered senior securities in such beneficial owner's name or obtain a properly completed bond power from the registered holder or properly endorsed certificates representing such unregistered senior securities.

5. Partial Tenders; Withdrawals. Tenders of unregistered senior securities will be accepted only in integral multiples of \$1,000. If less than the entire principal amount of any unregistered senior securities is tendered, the tendering Holder should fill in the principal amount tendered in the third column of the chart entitled "Description of Unregistered Senior Securities." The entire principal amount of unregistered senior securities delivered to the Exchange Agents will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all unregistered senior securities is not tendered, unregistered senior securities for the principal amount of unregistered senior securities not tendered and a certificate or certificates representing exchange senior securities issued in exchange of any unregistered senior securities accepted will be sent to the Holder at his or her registered address, unless a different address is provided in the appropriate box on this Letter of Transmittal or unless tender is made through DTC, Euroclear or Clearstream Luxembourg, promptly after the unregistered senior securities are accepted for exchange.

Except as otherwise provided herein, tenders of unregistered senior securities may be withdrawn at any time prior to the Expiration Date. To withdraw a tender of unregistered senior securities in the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the Exchange Agent at its address set forth herein prior to the Expiration Date. Any such notice of withdrawal must (1) specify the name of the person having deposited the unregistered senior securities to be withdrawn (the "Depositor"), (2) identify the unregistered senior securities to be withdrawn (including the certificate number or numbers and principal amount of such unregistered senior securities, or, in the case of unregistered senior securities transferred by book-entry transfer the name and number of the account at Euroclear, Clearstream Luxembourg, or DTC to be credited), (3) be signed by the Depositor in the same manner as the original signature on the Letter of Transmittal by which such unregistered senior securities were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Registrar with respect to the unregistered senior securities register the transfer of such unregistered senior securities into the name of the person withdrawing the tender and (4) specify the name in which any such unregistered senior securities are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by Viacom, whose determination shall be final and binding on all parties. Any unregistered senior securities so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no exchange senior securities will be issued with respect thereto unless the unregistered senior securities so withdrawn are validly re-tendered. Any unregistered senior securities which have been tendered but which are not accepted for exchange by Viacom will be returned to the Holder thereof without cost to such Holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn unregistered senior securities may be re-tendered by following one of the procedures described in the Prospectus under "The Exchange Offer--Procedures for Tendering" at any time prior to the Expiration Date.

6. Signatures on the Letter of Transmittal; Bond Powers and Endorsements. If this Letter of Transmittal (or copy hereof) is signed by the registered Holder(s) of the unregistered senior securities tendered hereby, the signature must correspond with the name(s) as written on the face of the unregistered senior securities without alteration, enlargement or any change whatsoever.

If any of the unregistered senior securities tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If a number of unregistered senior securities registered in different names are tendered, it will be necessary to complete, sign and submit as many copies of this Letter of Transmittal as there are different registrations of unregistered senior securities.

If this Letter of Transmittal (or copy hereof) is signed by the registered Holder(s) (which term, for the purposes described herein, shall include a book-entry transfer facility whose name appears on the security listing as the owner of the unregistered senior securities) of unregistered senior securities tendered and the certificate(s) for exchange senior securities issued in exchange therefor is to be issued (or any untendered principal amount of unregistered senior securities is to be reissued) to the registered Holder, such Holder need not and should not endorse any tendered Outstanding Note, nor provide a separate bond power. In any other case, such Holder must either properly endorse the unregistered senior securities tendered or transmit a properly completed separate bond power with this Letter of Transmittal, with the signatures on the endorsement or bond power guaranteed by an Eligible Institution.

If this Letter of Transmittal (or copy hereof) is signed by a person other than the registered Holder(s) of unregistered senior securities listed therein, such unregistered senior securities must be endorsed or accompanied by properly completed bond powers which authorize such person to tender the unregistered senior securities on behalf of the registered Holder, in either case signed as the name of the registered Holder or Holders appears on the unregistered senior securities.

If this Letter of Transmittal (or copy hereof) or any unregistered senior securities or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, or officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by Viacom, evidence satisfactory to Viacom of their authority to so act must be submitted with this Letter of Transmittal.

Endorsements on unregistered senior securities or signatures on bond powers required by this Instruction 6 must be guaranteed by an Eligible Institution.

7. Special Registration and Delivery Instructions. Tendering Holders should indicate, in the applicable spaces, the name and address to which exchange senior securities or substitute unregistered senior securities for principal amounts not tendered or not accepted for exchange are to be issued or sent, if different from the name and address of the person signing this Letter of Transmittal (or in the case of tender of the unregistered senior securities through DTC, Euroclear or Clearstream Luxembourg, if different from the account maintained at DTC, Euroclear or Clearstream Luxembourg indicated above). In the case of issuance in a different name, the taxpayer identification or social security number of the person named must also be indicated.

8. Transfer Taxes. Viacom will pay all transfer taxes, if any, applicable to the exchange of unregistered senior securities pursuant to the Exchange Offer. If, however, certificates representing exchange senior securities or unregistered senior securities for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered Holder of the unregistered senior securities tendered hereby, or if tendered unregistered senior securities are registered in the name of any person other than the person signing this Letter of

Transmittal, or if a transfer tax is imposed for any reasons other than the exchange of unregistered senior securities pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered Holder or any other person) will be payable by the tendering Holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering Holder.

Except as provided in this Instruction 8, it will not be necessary for transfer tax stamps to be affixed to the unregistered senior securities listed in this Letter of Transmittal.

9. Waiver of Conditions. Viacom reserves the right, in its sole discretion, to amend, waive or modify specified conditions in the Exchange Offer in the case of any unregistered senior securities tendered.

10. Mutilated, Lost, Stolen or Destroyed Unregistered Senior Securities. Any tendering Holder whose unregistered senior securities have been mutilated, lost, stolen or destroyed should contact the applicable Exchange Agent at the address indicated herein for further instruction.

11. Requests for Assistance or Additional Copies. Questions and requests for assistance and requests for additional copies of the Prospectus or this Letter of Transmittal may be directed to the applicable Exchange Agent at the address specified in the Prospectus. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.

IMPORTANT TAX INFORMATION

The Holder is required to give the applicable Exchange Agent the social security number or employer identification number of the Holder of the unregistered senior securities. If the unregistered senior securities are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidance on which number to report.

TO BE COMPLETED BY ALL TENDERING HOLDERS

PAYER'S NAME: VIACOM INC.

SUBSTITUTE Form W-9

Part 1 - PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.

Social Security Number(s) or

Employer Identification Number(s)

Department of the Treasury Internal Revenue Service

Payer's Request for Taxpayer Identification Number ("TIN")

Part 2 - Certification - Under Penalties of Perjury, I certify that:

- (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and
(2) I am NOT subject to back-up withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to back-up withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to back-up withholding.

Part 3 -

[ ] Check if Awaiting TIN

Certification Instructions - You must cross out item (2) above if you have been notified by the IRS that you are currently subject to back-up withholding because of underreporting interest or dividends on your tax return.

Sign Here SIGNATURE:

DATE:

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31 PERCENT OF ANY PAYMENTS MADE TO YOU UNDER THE SENIOR SECURITIES. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9

Obtain a Number:

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

Payees Exempt from Backup Withholding:

Payees specifically exempted from backup withholding on ALL payments include the following:

- o A corporation.
- o A financial institution.
- o An organization exempt from tax under section 501(a) or an individual retirement plan.
- o The United States or any agency or instrumentality thereof.
- o A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- o A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- o An international organization or any agency of or instrumentality thereof.
- o A registered dealer in securities or commodities registered in the U.S. or a possession of the U.S.
- o A real estate investment trust.
- o A common trust fund operated by a bank under section 584(a).
- o An exempt charitable remainder trust, or a non-exempt trust described in section 4947(a)(1).
- o An entity registered at all times under the Investment Company Act of 1940.
- o A foreign central bank of issue.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- o Payments to nonresident aliens subject to withholding under section 1441.
- o Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.
- o Payments of patronage dividends where the amount renewed is not paid in money.
- o Payments made by certain foreign nations.
- o Payments made to a nominee.

Payments of interest not generally subject to backup withholding include the following:

- o Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is \$600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payee.
- o Payments of tax-exempt interest (including exempt-interest dividends in section 852).
- o Payments described in section 6049(b)(5) to non-resident alien.
- o Payments on tax-free covenant bonds under section 1451.
- o Payments made by certain foreign organizations.
- o Payments made to a nominee.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding.

FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

Certain payments other than interest, dividends and patronage dividends that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A(a), 6045 and 6050A.

Privacy Act Notice. Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to a payee. Certain penalties may also apply.

Penalties:

(1) Penalty for Failure to Furnish Taxpayer Identification Number. If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information with Respect to Withholding. If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) Criminal Penalty for Falsifying Information. Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.



GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number to Give the Payer. Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employee identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

For this type of account:		Give the SOCIAL SECURITY number of--	For this type of account:		Give the SOCIAL SECURITY number of--
1.	An individual's account	The individual	8.	Sole proprietorship account	The owner 4
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, any one of the individuals 1	9.	A valid trust, estate, or pension trust	The legal entity (Do not furnish the identifying number of the personal representatives or trustee unless the legal entity itself is not designated in the account title.)5
3.	Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person 1	10.	Corporate account	The corporation
4.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor 2	11.	Religious, charitable, or educational organization account	The organization
5.	Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor 1	12.	Partnership account held in the name of the business	The partnership
6.	Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor or incompetent person 3	13.	Association, club or other tax-exempt organization	The organization
7.	a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee 1	14.	A broker or registered nominee	The broker or nominee
7.	b. So-called trust account that is not a legal or valid trust under State law	The actual owner 1	15.	Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments.	The public entity

- 1 List first and circle the name of the person whose number you furnish.
  - 2 Circle the minor's name and furnish the minor's Social Security number.
  - 3 Circle the ward's, minor's or incompetent person's name and furnish such person's Social Security number.
  - 4 Show the name of the Owner.
  - 5 List first and circle the name of the legal trust, estate or pension trust.
- NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

(DO NOT WRITE IN SPACE BELOW)

Certificate Surrendered	Unregistered Senior Securities Tendered	Unregistered Senior Securities Accepted
Delivery Prepared by _____ Checked by _____ Date _____		

The Exchange Agents for the Exchange Offer are:

Principal Exchange Agent:  
Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, NY 10005  
Attn: Agency & Trust Services  
Telephone: (800) 422-2066  
Facsimile: (212) 825-3483

Luxembourg Exchange Agent:  
Kredietbank S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg  
Attn: Corporate Trust and Agencies  
Telephone: (352) 47 97 3933  
Facsimile: (352) 47 97 73 951

FOR ANY QUESTIONS REGARDING THIS LETTER OF TRANSMITTAL OR FOR ANY ADDITIONAL INFORMATION, YOU MAY CONTACT THE PRINCIPAL EXCHANGE AGENT BY TELEPHONE AT (800) 422-2066, OR BY FACSIMILE AT (212) 825-3483 OR THE LUXEMBOURG EXCHANGE AGENT BY TELEPHONE AT (352) 47 97 3933, OR BY FACSIMILE AT (352) 47 97 73 951.

ALL UNREGISTERED SENIOR SECURITIES MUST BE TENDERED BY BOOK-ENTRY TRANSFER IN ACCORDANCE WITH THE STANDARD OPERATING PROCEDURES OF DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG. HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE EXCHANGE SENIOR SECURITIES FOR THEIR UNREGISTERED SENIOR SECURITIES PURSUANT TO THE EXCHANGE OFFER MUST VALIDLY TENDER (AND NOT WITHDRAW) THEIR UNREGISTERED SENIOR SECURITIES TO DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG, AS THE CASE MAY BE, PRIOR TO THE EXPIRATION DATE OR PROVIDE NOTICE OF GUARANTEED DELIVERY TO THE APPLICABLE EXCHANGE AGENT AS DESCRIBED HEREIN.

VIACOM INC.

FORM OF LETTER OF TRANSMITTAL FOR THE  
OFFER TO EXCHANGE

Unregistered 6.40% Senior Notes due 2006  
(\$3,075,000 aggregate principal amount outstanding issued January 17, 2001)  
for

6.40% Senior Notes due 2006  
that have been registered under the Securities Act of 1933

and

Unregistered 7.70% Senior Notes due 2010  
(\$1,000,000 aggregate principal amount outstanding issued January 17, 2001)  
for

7.70% Senior Notes due 2010  
that have been registered under the Securities Act of 1933

and

Unregistered 7.875% Senior Debentures due 2030  
(\$200,000 aggregate principal amount outstanding issued January 17, 2001)  
for

7.875% Senior Debentures due 2030  
that have been registered under the Securities Act of 1933

Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2001  
(THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED BY VIACOM IN ITS  
SOLE DISCRETION.

TENDERS OF UNREGISTERED SENIOR SECURITIES MAY BE WITHDRAWN AT ANY TIME PRIOR TO  
5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

## Deliver To:

## Principal Exchange Agent:

Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, New York 10005  
Attn: Agency & Trust Services  
Telephone: (800) 422-2066  
Facsimile: (212) 825-3483

## Luxembourg Exchange Agent:

Kredietbank S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg  
Attn: Corporate Trust and Agencies  
Telephone: (352) 47 97 3933  
Facsimile: (352) 47 97 73 951

Delivery of this letter of transmittal to an address, or transmission via telegram, telex or facsimile, other than to the exchange agents as set forth above (the "Exchange Agents") will not constitute a valid delivery. The method of delivery of all documents, including certificates, is at the risk of the holder. If delivery is by mail, we recommend the use of registered mail with return receipt requested, properly insured. You should read the instructions accompanying this letter of transmittal carefully before you complete this letter of transmittal.

The undersigned acknowledges that he or she has received the Prospectus, dated \_\_\_\_\_, 2001 (the "Prospectus"), of Viacom Inc. ("Viacom") and Viacom International Inc. ("Viacom International") and this letter of transmittal and the instructions hereto (the "Letter of Transmittal"), which together constitute Viacom's offer (the "Exchange Offer") to exchange up to \$3,075,000 aggregate principal amount of 6.40% senior notes due 2006, which are registered under the Securities Act of 1933, for its outstanding unregistered 6.40% senior notes due 2006 issued on January 17, 2001, \$1,000,000 aggregate principal amount of 7.70% senior notes due 2010, which are registered under the Securities Act of 1933, for its outstanding unregistered 7.70% senior notes due 2010 issued on January 17, 2001, and \$200,000 aggregate principal amount of 7.875% senior debentures due 2030, which are registered under the Securities Act of 1933, for its outstanding unregistered 7.875% senior debentures due 2030 issued on January 17, 2001, pursuant to a Registration Statement of which the Prospectus is a part. The unregistered senior securities are unconditionally guaranteed as to payment of principal and interest by Viacom International Inc., a wholly owned subsidiary of Viacom.

The outstanding unregistered 6.40% senior notes due 2006 have CUSIP numbers U9222XAA5 or 925524AK6. The outstanding 7.70% senior notes due 2010 have CUSIP numbers U9222XAB3 or 925524AL4. The outstanding unregistered 7.875% senior debentures due 2030 have CUSIP numbers U9222XAC1 or 925524AM2.

The term "Expiration Date" shall mean 5:00 p.m. New York City time on \_\_\_\_\_, 2001, unless Viacom, in its sole discretion, extends the Exchange Offer, in which case the term shall mean the latest date and time to which the Exchange Offer is extended. Whenever we refer to the unregistered senior notes due 2006, the unregistered senior notes due 2010 and the unregistered senior debentures, we will refer to them as the "unregistered senior securities." Whenever we refer to the exchange senior notes due 2006, the exchange senior notes due 2010 and the exchange senior debentures, we will refer to them as the "exchange senior securities." All other terms used but not defined herein have

the meaning given to them in the Prospectus.

This Letter of Transmittal is to be used if (1) certificates representing unregistered senior securities are to be physically delivered to the Exchange Agents by Holders (as defined below), (2) the unregistered senior securities are to be tendered by book-entry transfer pursuant to the procedures set forth in the Prospectus under "The Exchange Offer--Book-Entry Transfer" or (3) tender of the unregistered senior securities is to be made by Holders according to the guaranteed delivery procedures set forth in the Prospectus under "The Exchange Offer--Guaranteed Delivery Procedures." Delivery of this Letter of Transmittal and any other required documents must be made to the Exchange Agent.

DELIVERY OF DOCUMENTS TO DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

The term "Holder" as used herein means any person in whose name unregistered senior securities are registered on the books of Viacom or any other person who has obtained a properly completed bond power from the registered holder.

Any Holder of unregistered senior securities who wishes to tender his, her or its unregistered senior securities must, prior to the Expiration Date, either: (a) complete, sign and deliver this Letter of Transmittal, or a facsimile thereof, to the Exchange Agent, in person or to the address or facsimile number set forth above and tender (and not withdraw) his, her or its unregistered senior securities, or (b) if a tender of unregistered senior securities is to be made by book-entry transfer to the account maintained by the Exchange Agent at DTC, Euroclear or Clearstream Luxembourg, confirm such book-entry transfer, including the delivery of an Agent's Message (a "Book-Entry Confirmation"), in each case in accordance with the procedures for tendering described in the Instructions to this Letter of Transmittal.

Holders of unregistered senior securities whose certificates are not immediately available or who are unable to deliver their certificates or Book-Entry Confirmation and all other documents required by this Letter of Transmittal to be delivered to the Exchange Agent on or prior to the Expiration Date, must tender their unregistered senior securities according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer--Guaranteed Delivery Procedures" in the Prospectus. (See Instruction 1.)

Upon the terms and subject to the conditions of the Exchange Offer, the acceptance for exchange of the unregistered senior securities validly tendered and not withdrawn and the issuance of the exchange senior securities will be made promptly following the Expiration Date. For the purposes of the Exchange Offer, Viacom shall be deemed to have accepted for exchange validly tendered unregistered senior securities when, as and if Viacom has given written notice thereof to the Exchange Agent.

The undersigned has completed, executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Exchange Offer.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL AND THE PROSPECTUS CAREFULLY BEFORE CHECKING ANY BOX BELOW. THE INSTRUCTIONS INCLUDED IN THIS LETTER OF TRANSMITTAL MUST BE FOLLOWED. QUESTIONS AND REQUESTS FOR ASSISTANCE OR FOR ADDITIONAL COPIES OF THE PROSPECTUS, THIS LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY MAY BE DIRECTED TO THE EXCHANGE AGENT. SEE INSTRUCTION 11.

HOLDERS WHO WISH TO ACCEPT THE EXCHANGE OFFER AND TENDER THEIR UNREGISTERED SENIOR SECURITIES MUST COMPLETE THIS LETTER OF TRANSMITTAL IN ITS ENTIRETY AND COMPLY WITH ALL OF ITS TERMS.

Please list below the unregistered senior securities to which this Letter of Transmittal relates. If the space provided below is inadequate, the Certificate Numbers and Principal Amounts should be listed on a separate signed schedule, attached hereto. The minimum permitted tender is \$1,000 in principal amount. All other tenders must be in integral multiples of \$1,000.

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 DESCRIPTION OF UNREGISTERED SENIOR SECURITIES  
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Name(s) and Address(es) of Holder(s) (Please fill in, if blank)	Type of Security Tendered	Certificate Number(s) (Attach signed list if necessary)	Aggregate Principal Amount Tendered
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TOTAL PRINCIPAL AMOUNT OF UNREGISTERED  
 SENIOR SECURITIES TENDERED:  
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[ ] CHECK HERE IF TENDERED UNREGISTERED SENIOR SECURITIES ARE BEING DELIVERED BY DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG TO THE EXCHANGE AGENT'S ACCOUNT AT DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG AND COMPLETE THE FOLLOWING:

Name of Tendering Institution: \_\_\_\_\_

DTC, Euroclear or Clearstream Luxembourg Book-Entry Account: \_\_\_\_\_

Transaction Code No.: \_\_\_\_\_

Holders who wish to tender their unregistered senior securities and (i) whose unregistered senior securities are not immediately available, or (ii) who cannot deliver their unregistered senior securities, the Letter of Transmittal or any other required documents to the applicable Exchange Agent prior to the Expiration Date, or cannot complete the procedure for book-entry transfer on a timely basis, may effect a tender according to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer--Guaranteed Delivery Procedures."

[ ] CHECK HERE IF TENDERED UNREGISTERED SENIOR SECURITIES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY DELIVERED TO THE APPLICABLE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Holder(s) of unregistered senior securities: \_\_\_\_\_

Window Ticket No. (if any): \_\_\_\_\_

Date of Execution of Notice of Guaranteed Delivery: \_\_\_\_\_

DTC, Euroclear or Clearstream Luxembourg Book-Entry Account: \_\_\_\_\_

If Delivered by Book-Entry Transfer: \_\_\_\_\_

Name of Tendering Institution: \_\_\_\_\_

Transaction Code No.: \_\_\_\_\_

[ ] CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10  
ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR  
SUPPLEMENTS THERETO.

Name: \_\_\_\_\_

Address: \_\_\_\_\_



Ladies and Gentlemen:

Subject to the terms and conditions of the Exchange Offer, the undersigned hereby tenders to Viacom the principal amount of unregistered senior securities indicated above. Subject to and effective upon the acceptance for exchange of the principal amount of unregistered senior securities tendered hereby in accordance with this Letter of Transmittal and the accompanying instructions, the undersigned sells, assigns and transfers to, or upon the order of, Viacom all right, title and interest in and to the unregistered senior securities tendered hereby. The undersigned hereby irrevocably constitutes and appoints the Exchange Agents its agent and attorney-in-fact (with full knowledge that the Exchange Agents also act as agents of Viacom and the Principal Exchange Agent acts as Trustee under the Indentures for the unregistered senior securities and the exchange senior securities) with respect to the tendered unregistered senior securities with full power of substitution to (i) deliver certificates for such unregistered senior securities to Viacom, or transfer ownership of such unregistered senior securities on the account books maintained by DTC, Euroclear or Clearstream Luxembourg, as the case may be, together, in any such case, with all accompanying evidences of transfer and authenticity to, or upon the order of, Viacom and (ii) present such unregistered senior securities for transfer on the books of Viacom and receive all benefits and otherwise exercise all rights of beneficial ownership of such unregistered senior securities, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that he or she has full power and authority to tender, exchange, sell, assign and transfer the unregistered senior securities tendered hereby and to acquire the exchange senior securities issuable upon the exchange of the unregistered senior securities, and that Viacom will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim, when the same are acquired by Viacom. The undersigned also acknowledges that this Exchange Offer is being made in reliance upon an interpretation by the staff of the Securities and Exchange Commission that the exchange senior securities issued in exchange for the unregistered senior securities pursuant to the Exchange Offer may be offered for sale, resold and otherwise transferred by holders thereof (other than a broker-dealer who purchased such unregistered senior securities directly from Viacom for resale pursuant to Rule 144A, Regulation S or any other available exemption under the Securities Act or a holder that is an "affiliate" of Viacom or Viacom International within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such exchange senior securities are acquired by a non-affiliate in the ordinary course of such holder's business and such holders have no arrangement or understanding with any person to participate in the distribution of such exchange senior securities.

The undersigned Holder represents and warrants that

- (a) the exchange senior securities acquired pursuant to the Exchange Offer are being acquired in the ordinary course of business of the person receiving the exchange senior securities, whether or not the person is the Holder,
- (b) neither the undersigned Holder nor any other recipient of the exchange senior securities (if different than the Holder) is engaged in, intends to engage in or has any arrangement or understanding with any person to participate in the distribution of the unregistered senior securities or exchange senior securities,
- (c) neither the undersigned Holder nor any other recipient is an "affiliate" of Viacom or Viacom International within the meaning of Rule 405 promulgated under the Securities Act

or, if such Holder is an affiliate, that such Holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable,

- (d) if the undersigned is a broker-dealer, it has not entered into any arrangement or understanding with Viacom or Viacom International or any "affiliate" of Viacom or Viacom International (within the meaning of Rule 405 under the Securities Act) to distribute the exchange senior securities,
- (e) if the undersigned is a broker-dealer, the undersigned further represents and warrants that if the undersigned broker-dealer will receive exchange senior securities for its own account in exchange for unregistered senior securities that were acquired as a result of market-making activities or other trading activities, the holder will, in connection with any resale of the exchange senior securities, deliver a prospectus meeting the requirements of the Securities Act (for which purposes, the delivery of the Prospectus, as the same may be hereafter supplemented or amended, shall be sufficient) in connection with any resale of exchange senior securities received in the Exchange Offer (such a broker-dealer will not be deemed, solely by reason of such acknowledgment and prospectus delivery, to admit that it is an "underwriter" within the meaning of the Securities Act) and
- (f) the undersigned Holder is not acting on behalf of any person or entity that could not truthfully make these representations.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange Agents or Viacom to be necessary or desirable to complete the exchange, assignment and transfer of the unregistered senior securities tendered hereby or transfer of ownership of such unregistered senior securities on the account books maintained by a book-entry transfer facility.

The undersigned understands and agrees that Viacom reserves the right not to accept tendered unregistered senior securities from any tendering Holder if Viacom or Viacom International determines, in their sole and absolute discretion, that their ability to proceed with the Exchange Offer would be impaired by a pending or threatened action or proceeding with respect to the Exchange Offer or that such acceptance could result in a violation of applicable securities laws.

For purposes of the Exchange Offer, Viacom shall be deemed to have accepted validly tendered unregistered senior securities when, as and if Viacom has given oral or written notice thereof to the applicable Exchange Agent. If any tendered unregistered senior securities are not accepted for exchange pursuant to the Exchange Offer for any reason, such unaccepted or non-exchanged unregistered senior securities will be returned at the address shown below or at a different address as may be indicated herein under "Special Delivery Instructions," without expense to the tendering Holder thereof, (or, in the case of tender by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described in the Prospectus under the "The Exchange Offer--Book-Entry Transfer," such non-exchanged senior securities will be credited to an account maintained with such book-entry transfer facility) as promptly as practicable after the expiration or termination of the Exchange Offer.

The undersigned understands and acknowledges that Viacom reserves the right in its sole discretion to purchase or make offers for any unregistered senior securities that remain outstanding subsequent to the Expiration Date or, as set forth in the Prospectus under the caption "The Exchange Offer--Expiration Date; Extensions; Amendment; Termination," to terminate the Exchange Offer and, to the extent permitted by applicable law, purchase unregistered senior securities in the open market, in

privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the Exchange Offer.

The undersigned understands that tenders of unregistered senior securities pursuant to the procedures described under the caption "The Exchange Offer--Procedures for Tendering" in the Prospectus and in the instructions hereto will constitute a binding agreement between the undersigned and Viacom upon the terms and subject to the conditions of the Exchange Offer. The undersigned also agrees that acceptance of any tendered unregistered senior securities by Viacom and the issuance of exchange senior securities in exchange therefor shall constitute performance in full by Viacom and Viacom International of their respective obligations under the Exchange Offer and Registration Rights Agreement and that, upon the issuance of the exchange senior securities, Viacom and Viacom International will have no further obligations or liabilities thereunder (except in certain limited circumstances).

All authority conferred or agreed to be conferred by this Letter of Transmittal shall survive the death, incapacity or dissolution of the undersigned and every obligation under this Letter of Transmittal shall be binding upon the undersigned's heirs, personal representatives, successors and assigns. This tender may be withdrawn only in accordance with the procedures set forth in the Prospectus and in this Letter of Transmittal.

By acceptance of the Exchange Offer, each broker-dealer that receives exchange senior securities pursuant to the Exchange Offer hereby acknowledges and agrees that upon the receipt of notice by Viacom of the happening of any event that makes any statement in the Prospectus untrue in any material respect or that requires the making of any changes in the Prospectus in order to make the statements therein not misleading (which notice Viacom agrees to deliver promptly to such broker-dealer), such broker-dealer will suspend use of the Prospectus until Viacom has amended or supplemented the Prospectus to correct such misstatement or omission and has furnished copies of the amended or supplemented prospectus to such broker-dealer.

Unless otherwise indicated under "Special Registration Instructions," please issue the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and return any unregistered senior securities not tendered or not exchanged, in the name(s) of the undersigned (or in either such event in the case of unregistered senior securities tendered by DTC, Euroclear or Clearstream Luxembourg, by credit to the respective account at DTC, Euroclear or Clearstream Luxembourg). Similarly, unless otherwise indicated under "Special Delivery Instructions," please send the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and return any unregistered senior securities not tendered or not exchanged (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned's signatures, unless, in either event, tender is being made through DTC, Euroclear or Clearstream Luxembourg. In the event that both "Special Registration Instructions" and "Special Delivery Instructions" are completed, please issue the certificates representing the exchange senior securities issued in exchange for the unregistered senior securities accepted for exchange and return any unregistered senior securities not tendered or not exchanged in the name(s) of, and send said certificates to, the person(s) so indicated. The undersigned recognizes that Viacom has no obligations pursuant to the "Special Registration Instructions" and "Special Delivery Instructions" to transfer any unregistered senior securities from the name of the registered holder(s) thereof if Viacom does not accept for exchange any of the unregistered senior securities so tendered.

Holders who wish to tender the unregistered senior securities and (1) whose unregistered senior securities are not immediately available or (2) who cannot deliver their unregistered senior securities, this Letter of Transmittal or any other documents required hereby to the Exchange Agents prior to the Expiration Date may tender their unregistered senior securities according to the guaranteed delivery procedures set

forth in the Prospectus under the caption "The Exchange Offer--Guaranteed Delivery Procedures." (See Instruction 1.)

PLEASE SIGN HERE WHETHER OR NOT TENDER IS TO BE MADE PURSUANT TO THE  
GUARANTEED DELIVERY PROCEDURES.

(To Be Completed by All Tendering Holders of Unregistered Senior Securities  
Regardless of Whether Unregistered Senior Securities Are Being Physically  
Delivered Herewith)

This Letter of Transmittal must be signed by the registered Holder(s) of  
unregistered senior securities exactly as its (their) name(s) appear(s) on  
certificate(s) of unregistered senior securities or, if tendered by a  
participant in DTC, Euroclear or Clearstream Luxembourg, exactly as such  
participant's name appears on its security position listing it as the owner of  
unregistered senior securities, or by person(s) authorized to become registered  
Holder(s) by endorsements and documents transmitted with this Letter of  
Transmittal. If the unregistered senior securities to which this Letter of  
Transmittal relates are held of record by two or more joint Holders, then all  
such Holders must sign this Letter of Transmittal. If signature is by a trustee,  
executor, administrator, guardian, attorney-in-fact, officer of a corporation or  
other person acting in a fiduciary or representative capacity, then such person  
must set forth his or her full title below under "Capacity" and submit evidence  
satisfactory to Viacom of such person's authority to so act. (See Instruction  
6.) If the signature appearing below is not the registered Holder(s) of the  
unregistered senior securities, then the registered Holder(s) must sign a valid  
proxy.

x \_\_\_\_\_ Date: \_\_\_\_\_  
-----

x \_\_\_\_\_ Date: \_\_\_\_\_  
-----  
Signature(s) of Holder(s) or  
Authorized Signatory

Name(s): \_\_\_\_\_ Address: \_\_\_\_\_  
-----  
-----  
(Please Print) (Including Zip Code)

Capacity(ies): \_\_\_\_\_ Area Code and Telephone No.:

Tax Identification or Social Security Number(s):

[Complete Substitute Form W-9 below.]

SIGNATURE GUARANTEE  
(See Instruction 1 herein)  
Certain Signatures Must Be Guaranteed by an Eligible Institution

-----  
(Name of Eligible Institution Guaranteeing Signatures)

-----  
(Address (including zip code) and Telephone Number  
(including area code) of Firm)

-----  
(Authorized Signatures)

-----  
(Printed Name)

-----  
(Title)

Date:

SPECIAL REGISTRATION INSTRUCTIONS  
(See Instruction 7 herein)

To be completed ONLY if certificates for unregistered senior securities in a principal amount not tendered or not accepted for exchange are to be issued in the name of, or the exchange senior securities issued pursuant to the Exchange Offer are to be issued to the order of, someone other than the person or persons whose signature(s) appear(s) within this Letter of Transmittal or issued to an address different from, that shown in the box entitled "Description of unregistered senior securities" within this Letter of Transmittal, or if exchange senior securities tendered by book-entry transfer that are not accepted for purchase are to be credited to an account maintained at DTC, Euroclear or Clearstream Luxembourg other than the account indicated above.

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

\_\_\_\_\_  
(Zip Code)

\_\_\_\_\_  
Tax Identification or Social Security Number  
(See Substitute Form W-9 herein)

SPECIAL DELIVERY INSTRUCTIONS  
(See Instruction 7 herein)

To be completed ONLY if certificates for unregistered senior securities in a principal amount not tendered or not accepted for exchange are to be sent to, or the exchange senior securities issued pursuant to the Exchange Offer are to be sent to someone other than the person or persons whose signature(s) appear(s) within this Letter of Transmittal, or to an address different from, that shown in the box entitled "Description of unregistered senior securities" within this Letter of Transmittal, or to be credited to an account maintained at DTC, Euroclear or Clearstream Luxembourg other than the account indicated above.

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

\_\_\_\_\_  
(Zip Code)

\_\_\_\_\_  
Tax Identification or Social Security Number  
(See Substitute Form W-9 herein)

INSTRUCTIONS

Forming Part of the Terms and Conditions  
of the Exchange Offer and the Solicitation

1. Guarantee of Signatures. Signatures on this Letter of Transmittal (or copy hereof) or a notice of withdrawal, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution") unless the unregistered senior securities tendered pursuant thereto are tendered (i) by a registered Holder (including any participant in DTC, Euroclear or Clearstream Luxembourg whose name appears on a security position listing as the owner of unregistered senior securities) who has not completed the box set forth herein entitled "Special Registration Instructions" or "Special Delivery Instructions" of this Letter of Transmittal or (ii) for the account of an Eligible Institution.

2. Delivery of this Letter of Transmittal and Unregistered Senior Securities. Certificates for the physically tendered unregistered senior securities (or a confirmation of a book-entry transfer to the Exchange Agent at DTC, Euroclear or Clearstream Luxembourg of all unregistered senior securities tendered electronically), as well as, in the case of physical delivery of unregistered senior securities, a properly completed and duly executed copy of this Letter of Transmittal or facsimile hereof and any other documents required by this Letter of Transmittal must be received by the applicable Exchange Agent at its address set forth herein prior to 5:00 P.M. New York City time, on the Expiration Date. The method of delivery of the tendered unregistered senior securities, this Letter of Transmittal and all other required documents, or book-entry transfer and transmission of an Agent's Message by a DTC, Euroclear or Clearstream Luxembourg participant, to the applicable Exchange Agent are at the election and risk of the Holder and, except as otherwise provided below, the delivery will be deemed made only when actually received by the applicable Exchange Agent. Instead of delivery by mail, it is recommended that the Holder use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. No Letter of Transmittal or unregistered senior securities should be sent to Viacom, DTC, Euroclear or Clearstream Luxembourg.

The Exchange Agent will make a request to establish an account with respect to the unregistered senior securities at DTC, Euroclear or Clearstream Luxembourg for purposes of the Exchange Offer promptly after receipt of the Prospectus, and any financial institution that is a participant in DTC, Euroclear or Clearstream Luxembourg may make book-entry delivery of unregistered senior securities by causing DTC, Euroclear or Clearstream, Luxembourg, as the case may be, to transfer such unregistered senior securities into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg, as the case may be, in accordance with the relevant entity's procedures for transfer. However, although delivery of unregistered senior securities may be effected through book-entry transfer at DTC, Euroclear or Clearstream Luxembourg, an Agent's Message (as defined in the next paragraph) in connection with a book-entry transfer and any other required documents, must, in any case, be transmitted to and received by the Exchange Agent at the address specified on the cover page of the Letter of Transmittal on or prior to the Expiration Date or the guaranteed delivery procedures described below must be complied with.

A Holder may tender unregistered senior securities that are held through DTC by transmitting its acceptance through DTC's Automatic Tender Offer Program, for which the transaction will be eligible, and DTC will then edit and verify the acceptance and send an Agent's Message to the Exchange Agent for its acceptance. The term "Agent's Message" means a message transmitted by DTC to, and received by, the Exchange Agent and forming part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from each participant in DTC tendering the unregistered senior securities and that such participant has received the Letter of Transmittal and agrees to be bound by the terms of the Letter of Transmittal and the Company may enforce such agreement against such participant. Delivery of an Agent's Message will also constitute an acknowledgment from the tendering DTC participant that the representations and warranties set forth on pages 5 and 6 of this Letter of Transmittal are true and correct.

Holders of unregistered senior securities held through Euroclear or Clearstream Luxembourg, are required to use book-entry transfer pursuant to the standard operating procedures of Euroclear or Clearstream Luxembourg, as the case may be, to accept the Exchange Offer and to tender their unregistered senior securities. A computer-generated message must be transmitted to Euroclear or Clearstream Luxembourg, as the case may be, in lieu of a Letter of Transmittal, in order to tender the unregistered senior securities in the Exchange Offer.

Holders who wish to tender their unregistered senior securities and (i) whose unregistered senior securities are not immediately available or (ii) who cannot deliver their unregistered senior securities, this Letter of Transmittal or any other documents required hereby to the applicable Exchange Agent prior to the Expiration Date, or who cannot complete the procedure for book-entry transfer on a timely basis must



tender their unregistered senior securities and follow the guaranteed delivery procedures set forth in the Prospectus. Pursuant to such procedures: (i) such tender must be made by or through an Eligible Institution (as defined above) or pursuant to the DTC, Euroclear or Clearstream Luxembourg standard operating procedures; (ii) prior to the Expiration Date, the applicable Exchange Agent must have received from the Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the Holder of the unregistered senior securities, the certificate number or numbers of such unregistered senior securities and the principal amount of unregistered senior securities tendered, stating that the tender is being made thereby and guaranteeing that within five Business Days after the Expiration Date, this Letter of Transmittal (or copy thereof) together with the certificate(s) representing the unregistered senior securities (or a confirmation of electronic mail delivery or book-entry delivery into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg) and any of the required documents will be deposited by the Eligible Institution with the applicable Exchange Agent and (iii) such properly completed and executed Letter of Transmittal (or copy thereof), as well as all other documents required by this Letter of Transmittal and the certificate(s) representing all tendered unregistered senior securities in proper form for transfer or a confirmation of electronic mail delivery or book-entry delivery into the Exchange Agent's account at DTC, Euroclear or Clearstream Luxembourg, must be received by the applicable Exchange Agent within five Business Days after the Expiration Date, all as provided in the Prospectus under the caption "The Exchange Offer--Guaranteed Delivery Procedures." Any Holder of unregistered senior securities who wishes to tender his unregistered senior securities pursuant to the guaranteed delivery procedures described above must ensure that the applicable Exchange Agent receives the Notice of Guaranteed Delivery prior to 5:00 P.M., New York City time, on the Expiration Date. Upon request to the Exchange Agent, a Notice of Guaranteed Delivery will be sent to Holders who wish to tender their unregistered senior securities according to the guaranteed delivery procedures set forth above.

All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered unregistered senior securities or this Letter of Transmittal will be determined by Viacom in its sole discretion, which determination will be final and binding. All tendering Holders, by execution of this Letter of Transmittal (or copy hereof), shall waive any right to receive notice of the acceptance of the unregistered senior securities for exchange. Viacom reserves the absolute right to reject any and all unregistered senior securities or Letter of Transmittal not properly tendered or any tenders Viacom's acceptance of which would, in the opinion of counsel for Viacom, be unlawful. Viacom also reserves the absolute right to waive any defects, irregularities or conditions of tender as to particular unregistered senior securities. Viacom's interpretation of the terms and conditions of the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of unregistered senior securities must be cured within such time as Viacom shall determine. Although Viacom intends to notify Holders of defects or irregularities with respect to tenders of unregistered senior securities, neither Viacom, the Exchange Agents nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of unregistered senior securities, nor shall any of them incur any liability for failure to give such notification. Tenders of unregistered senior securities will not be deemed to have been made until such defects or irregularities have been cured or waived. Any unregistered senior securities received by the Exchange Agents that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agents to the tendering Holders of unregistered senior securities, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date.

3. Inadequate Space. If the space provided is inadequate, the certificate numbers and/or the number of the unregistered senior securities should be listed on a separate signed schedule attached hereto.

4. Tender by Holder. Except in limited circumstances, only a registered Holder of unregistered senior securities or a Euroclear, Clearstream Luxembourg, or DTC participant listed on a securities position listing furnished by Euroclear, Clearstream Luxembourg, or DTC with respect to the unregistered senior securities may tender its unregistered senior securities in the Exchange Offer. Any beneficial owner of unregistered senior securities who is not the registered Holder and is not a Euroclear, Clearstream Luxembourg, or DTC participant and who wishes to tender should arrange with such registered holder to execute and deliver this Letter of Transmittal on such beneficial owner's behalf or must, prior to completing and executing this Letter of Transmittal and delivering his, her or its unregistered senior securities, either make appropriate arrangements to register ownership of the unregistered senior securities in such beneficial owner's name or obtain a properly completed bond power from the registered holder or properly endorsed certificates representing such unregistered senior securities.

5. Partial Tenders; Withdrawals. Tenders of unregistered senior securities will be accepted only in integral multiples of \$1,000. If less than the entire principal amount of any unregistered senior securities is tendered, the tendering Holder should fill in the principal amount tendered in the third column of the chart entitled "Description of Unregistered Senior Securities." The entire principal amount of unregistered senior securities delivered to the Exchange Agents will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all unregistered senior securities is not tendered, unregistered senior securities for the principal amount of unregistered senior securities not tendered and a certificate or certificates representing exchange senior securities issued in exchange of any unregistered senior securities accepted will be sent to the Holder at his or her registered address, unless a different address is provided in the appropriate box on this Letter of Transmittal or unless tender is made through DTC, Euroclear or Clearstream Luxembourg, promptly after the unregistered senior securities are accepted for exchange.

Except as otherwise provided herein, tenders of unregistered senior securities may be withdrawn at any time prior to the Expiration Date. To withdraw a tender of unregistered senior securities in the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the Exchange Agent at its address set forth herein prior to the Expiration Date. Any such notice of withdrawal must (1) specify the name of the person having deposited the unregistered senior securities to be withdrawn (the "Depositor"), (2) identify the unregistered senior securities to be withdrawn (including the certificate number or numbers and principal amount of such unregistered senior securities, or, in the case of unregistered senior securities transferred by book-entry transfer the name and number of the account at Euroclear, Clearstream Luxembourg, or DTC to be credited), (3) be signed by the Depositor in the same manner as the original signature on the Letter of Transmittal by which such unregistered senior securities were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Registrar with respect to the unregistered senior securities register the transfer of such unregistered senior securities into the name of the person withdrawing the tender and (4) specify the name in which any such unregistered senior securities are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by Viacom, whose determination shall be final and binding on all parties. Any unregistered senior securities so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no exchange senior securities will be issued with respect thereto unless the unregistered senior securities so withdrawn are validly re-tendered. Any unregistered senior securities which have been tendered but which are not accepted for exchange by Viacom will be returned to the Holder thereof without cost to such Holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn unregistered senior securities may be re-tendered by following one of the procedures described in the Prospectus under "The Exchange Offer--Procedures for Tendering" at any time prior to the Expiration Date.

6. Signatures on the Letter of Transmittal; Bond Powers and Endorsements. If this Letter of Transmittal (or copy hereof) is signed by the registered Holder(s) of the unregistered senior securities tendered hereby, the signature must correspond with the name(s) as written on the face of the unregistered senior securities without alteration, enlargement or any change whatsoever.

If any of the unregistered senior securities tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If a number of unregistered senior securities registered in different names are tendered, it will be necessary to complete, sign and submit as many copies of this Letter of Transmittal as there are different registrations of unregistered senior securities.

If this Letter of Transmittal (or copy hereof) is signed by the registered Holder(s) (which term, for the purposes described herein, shall include a book-entry transfer facility whose name appears on the security listing as the owner of the unregistered senior securities) of unregistered senior securities tendered and the certificate(s) for exchange senior securities issued in exchange therefor is to be issued (or any untendered principal amount of unregistered senior securities is to be reissued) to the registered Holder, such Holder need not and should not endorse any tendered Outstanding Note, nor provide a separate bond power. In any other case, such Holder must either properly endorse the unregistered senior securities tendered or transmit a properly completed separate bond power with this Letter of Transmittal, with the signatures on the endorsement or bond power guaranteed by an Eligible Institution.

If this Letter of Transmittal (or copy hereof) is signed by a person other than the registered Holder(s) of unregistered senior securities listed therein, such unregistered senior securities must be endorsed or accompanied by properly completed bond powers which authorize such person to tender the unregistered senior securities on behalf of the registered Holder, in either case signed as the name of the registered Holder or Holders appears on the unregistered senior securities.

If this Letter of Transmittal (or copy hereof) or any unregistered senior securities or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, or officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by Viacom, evidence satisfactory to Viacom of their authority to so act must be submitted with this Letter of Transmittal.

Endorsements on unregistered senior securities or signatures on bond powers required by this Instruction 6 must be guaranteed by an Eligible Institution.

7. Special Registration and Delivery Instructions. Tendering Holders should indicate, in the applicable spaces, the name and address to which exchange senior securities or substitute unregistered senior securities for principal amounts not tendered or not accepted for exchange are to be issued or sent, if different from the name and address of the person signing this Letter of Transmittal (or in the case of tender of the unregistered senior securities through DTC, Euroclear or Clearstream Luxembourg, if different from the account maintained at DTC, Euroclear or Clearstream Luxembourg indicated above). In the case of issuance in a different name, the taxpayer identification or social security number of the person named must also be indicated.

8. Transfer Taxes. Viacom will pay all transfer taxes, if any, applicable to the exchange of unregistered senior securities pursuant to the Exchange Offer. If, however, certificates representing exchange senior securities or unregistered senior securities for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered Holder of the unregistered senior securities tendered hereby, or if tendered unregistered senior securities are registered in the name of any person other than the person signing this Letter of

Transmittal, or if a transfer tax is imposed for any reasons other than the exchange of unregistered senior securities pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered Holder or any other person) will be payable by the tendering Holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering Holder.

Except as provided in this Instruction 8, it will not be necessary for transfer tax stamps to be affixed to the unregistered senior securities listed in this Letter of Transmittal.

9. Waiver of Conditions. Viacom reserves the right, in its sole discretion, to amend, waive or modify specified conditions in the Exchange Offer in the case of any unregistered senior securities tendered.

10. Mutilated, Lost, Stolen or Destroyed Unregistered Senior Securities. Any tendering Holder whose unregistered senior securities have been mutilated, lost, stolen or destroyed should contact the applicable Exchange Agent at the address indicated herein for further instruction.

11. Requests for Assistance or Additional Copies. Questions and requests for assistance and requests for additional copies of the Prospectus or this Letter of Transmittal may be directed to the applicable Exchange Agent at the address specified in the Prospectus. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.

IMPORTANT TAX INFORMATION

The Holder is required to give the applicable Exchange Agent the social security number or employer identification number of the Holder of the unregistered senior securities. If the unregistered senior securities are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidance on which number to report.

TO BE COMPLETED BY ALL TENDERING HOLDERS

PAYER'S NAME: VIACOM INC.

SUBSTITUTE Form W-9

Part 1 - PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.

Social Security Number(s) or

Employer Identification Number(s)

Department of the Treasury Internal Revenue Service

Payer's Request for Taxpayer Identification Number ("TIN")

Part 2 - Certification - Under Penalties of Perjury, I certify that:

- (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and
(2) I am NOT subject to back-up withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to back-up withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to back-up withholding.

Part 3 -

[ ] Check if Awaiting TIN

Certification Instructions - You must cross out item (2) above if you have been notified by the IRS that you are currently subject to back-up withholding because of underreporting interest or dividends on your tax return.

Sign Here

SIGNATURE:

DATE:

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31 PERCENT OF ANY PAYMENTS MADE TO YOU UNDER THE SENIOR SECURITIES. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9

Obtain a Number:

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

Payees Exempt from Backup Withholding:

Payees specifically exempted from backup withholding on ALL payments include the following:

- o A corporation.
- o A financial institution.
- o An organization exempt from tax under section 501(a) or an individual retirement plan.
- o The United States or any agency or instrumentality thereof.
- o A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- o A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- o An international organization or any agency of or instrumentality thereof.
- o A registered dealer in securities or commodities registered in the U.S. or a possession of the U.S.
- o A real estate investment trust.
- o A common trust fund operated by a bank under section 584(a).
- o An exempt charitable remainder trust, or a non-exempt trust described in section 4947(a)(1).
- o An entity registered at all times under the Investment Company Act of 1940.
- o A foreign central bank of issue.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- o Payments to nonresident aliens subject to withholding under section 1441.
- o Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.
- o Payments of patronage dividends where the amount renewed is not paid in money.
- o Payments made by certain foreign nations.
- o Payments made to a nominee.

Payments of interest not generally subject to backup withholding include the following:

- o Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is \$600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payee.
- o Payments of tax-exempt interest (including exempt-interest dividends in section 852).
- o Payments described in section 6049(b)(5) to non-resident alien.
- o Payments on tax-free covenant bonds under section 1451.
- o Payments made by certain foreign organizations.
- o Payments made to a nominee.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding.

FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

Certain payments other than interest, dividends and patronage dividends that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A(a), 6045 and 6050A.

Privacy Act Notice. Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to a payee. Certain penalties may also apply.

Penalties:

(1) Penalty for Failure to Furnish Taxpayer Identification Number. If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information with Respect to Withholding. If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) Criminal Penalty for Falsifying Information. Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number to Give the Payer. Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employee identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

For this type of account:	Give the SOCIAL SECURITY number of--	For this type of account:	Give the SOCIAL SECURITY number of--
1. An individual's account	The individual	8. Sole proprietorship account	The owner 4
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, any one of the individuals 1	9. A valid trust, estate, or pension trust	The legal entity (Do not furnish the identifying number of the personal representatives or trustee unless the legal entity itself is not designated in the account title.) 5
3. Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person 1	10. Corporate account	The corporation
4. Custodian account of a minor (Uniform Gift to Minors Act)	The minor 2	11. Religious, charitable, or educational organization account	The organization
5. Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor 1	12. Partnership account held in the name of the business	The partnership
6. Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor or incompetent person 3	13. Association, club or other tax-exempt organization	The organization
7. a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee 1	14. A broker or registered nominee	The broker or nominee
7. b. So-called trust account that is not a legal or valid trust under State law	The actual owner 1	15. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments.	The public entity

- 1 List first and circle the name of the person whose number you furnish.  
 2 Circle the minor's name and furnish the minor's Social Security number.  
 3 Circle the ward's, minor's or incompetent person's name and furnish such person's Social Security number.  
 4 Show the name of the Owner.  
 5 List first and circle the name of the legal trust, estate or pension trust.
- NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.



(DO NOT WRITE IN SPACE BELOW)

-----  
Certificate Surrendered

Unregistered Senior Securities  
Tendered

Unregistered Senior Securities  
Accepted  
-----

-----  
Delivery Prepared by \_\_\_\_\_

Checked by \_\_\_\_\_

Date \_\_\_\_\_  
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The Exchange Agents for the Exchange Offer are:

Principal Exchange Agent:  
Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, NY 10005  
Attn: Agency & Trust Services  
Telephone: (800) 422-2066  
Facsimile: (212) 825-3483

Luxembourg Exchange Agent:  
Kredietbank S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg  
Attn: Corporate Trust and Agencies  
Telephone: (352) 47 97 3933  
Facsimile: (352) 47 97 73 951

FOR ANY QUESTIONS REGARDING THIS LETTER OF TRANSMITTAL OR FOR ANY ADDITIONAL INFORMATION, YOU MAY CONTACT THE PRINCIPAL EXCHANGE AGENT BY TELEPHONE AT (800) 422-2066, OR BY FACSIMILE AT (212) 825-3483 OR THE LUXEMBOURG EXCHANGE AGENT BY TELEPHONE AT (352) 47 97 3933, OR BY FACSIMILE AT (352) 47 97 73 951.

ALL UNREGISTERED SENIOR SECURITIES MUST BE TENDERED BY BOOK-ENTRY TRANSFER IN ACCORDANCE WITH THE STANDARD OPERATING PROCEDURES OF DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG. HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE EXCHANGE SENIOR SECURITIES FOR THEIR UNREGISTERED SENIOR SECURITIES PURSUANT TO THE EXCHANGE OFFER MUST VALIDLY TENDER (AND NOT WITHDRAW) THEIR UNREGISTERED SENIOR SECURITIES TO DTC, EUROCLEAR OR CLEARSTREAM LUXEMBOURG, AS THE CASE MAY BE, PRIOR TO THE EXPIRATION DATE OR PROVIDE NOTICE OF GUARANTEED DELIVERY TO THE APPLICABLE EXCHANGE AGENT AS DESCRIBED HEREIN.



VIACOM INC.

## FORM OF NOTICE OF GUARANTEED DELIVERY

Unregistered 6.40% Senior Notes due 2006  
(\$400,000,000 aggregate principal amount outstanding issued May 17, 2001)

Unregistered 6.625% Senior Notes due 2011  
(\$1,000,000,000 aggregate principal amount outstanding issued May 17, 2001)

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Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)  
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As set forth in the Prospectus dated , 2001 (the "Prospectus") of Viacom Inc. ("Viacom") and Viacom International Inc. (the "Guarantor") and in the accompanying Letter of Transmittal and instructions thereto (the "Letter of Transmittal"), this form or one substantially equivalent hereto must be used to accept Viacom's offer to exchange up to \$400,000,000 aggregate principal amount of 6.40% Senior Notes due 2006 and \$1,000,000,000 aggregate principal amount of 6.625% Senior Notes due 2011 which have been registered under the Securities Act of 1933, as amended (the "Securities Act") (collectively, the "exchange senior securities") for the outstanding unregistered \$400,000,000 aggregate principal amount of 6.40% Senior Notes due 2006 and \$1,000,000,000 aggregate principal amount of 6.625% Senior Notes due 2011 (collectively, the "unregistered senior securities"), respectively, if (i) certificates representing the unregistered senior securities to be tendered for exchange are not lost but are not immediately available, (ii) time will not permit the Letter of Transmittal, certificates representing such unregistered senior securities or other required documents to reach the Exchange Agent prior to the Expiration Date (as defined herein) or (iii) the procedures for book-entry transfer cannot be completed prior to the Expiration Date. This form may be delivered by an Eligible Institution (as defined in the Letter of Transmittal) by mail or hand delivery or transmitted, via telegram, telex or facsimile, to the Exchange Agent as set forth below. All capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Prospectus.

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THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2001  
(THE "EXPIRATION DATE") UNLESS THE OFFER IS EXTENDED BY VIACOM. TENDERS OF  
UNREGISTERED SENIOR SECURITIES MAY BE WITHDRAWN AT ANY TIME PRIOR TO 5:00 P.M.,  
NEW YORK CITY TIME, ON THE EXPIRATION DATE.  
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To: Citibank, N.A., Principal Exchange Agent  
By Hand or Overnight Courier:

Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, New York 10005  
Attention: Agency & Trust Services

By Facsimile Transmission:  
(212) 825-3483

Confirm By Telephone:  
(800) 422-2066

To: Kredietbank S.A. Luxembourgeoise, Luxembourg Exchange Agent  
By Hand or Overnight Courier:

Kredietbank, S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg  
Attention: Corporate Trust and Agencies

By Facsimile Transmission:  
(352) 47 97 73 951

Confirm By Telephone:  
(352) 47 97 3933

Delivery of this instrument to an address, or transmission via facsimile with confirmation, other than to the exchange agents as set forth above will not constitute a valid delivery. The method of delivery of all documents, including certificates, is at the risk of the holder. If delivery is by mail, we recommend registered mail with return receipt requested, properly insured. You should read the instructions accompanying the letter of transmittal carefully before you complete this notice of guaranteed delivery.

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tender(s) to Viacom, upon the terms and subject to the conditions of the exchange offer as set forth in the Prospectus and the Letter of Transmittal, receipt of which is hereby acknowledged, the aggregate principal amounts of unregistered senior securities set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus.

The undersigned understands that tenders of unregistered senior securities will be accepted only in authorized denominations. The undersigned understands that tenders of unregistered senior securities pursuant to the exchange offer may not be withdrawn after 5:00 p.m., New York City time on the Expiration Date. Tenders of unregistered senior securities may be withdrawn if the exchange offer is terminated or as otherwise provided in the Prospectus.

The undersigned understands that the exchange of unregistered senior securities for exchange senior securities will only be made after receipt by the Exchange Agent within three (3) business days of the Expiration Date of: (i) a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) with any required signature guarantees, (ii) certificates representing the unregistered senior securities covered hereby in proper form for transfer (or confirmation of the book-entry transfer of such unregistered senior securities into the Exchange Agent's account at The Depository Trust Company, Euroclear or Clearstream Luxembourg, pursuant to the procedure for book-entry transfer set forth in the Prospectus) and (iii) this Notice of Guaranteed Delivery together with any required documents.

All authority herein conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall survive the death or incapacity of the undersigned and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

PLEASE SIGN AND COMPLETE

Principal Amount of Unregistered 6.40% Senior Notes due 2006 Tendered:\*

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Principal Amount of Unregistered 6.625% Senior Notes due 2011 Tendered:\*

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Date: -----

Name(s) of Registered Holder(s): -----

Certificate No(s). of Unregistered Senior Securities (if available):

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Address: -----

-----

Area Code and Telephone No: -----

If unregistered senior securities will be delivered by book-entry transfer at The Depository Trust Company, Euroclear or Clearstream Luxembourg, insert Account No:

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Signature(s) of Registered Owner(s) or Authorized Signatory:

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\* Must be in denominations of principal amount of \$1,000 and any integral multiple thereof.

This Notice of Guaranteed Delivery must be signed by the registered Holder(s) of unregistered senior securities exactly as its (their) name(s) appear on certificates for unregistered senior securities or on a security position listing as the owner of unregistered senior securities, or by person(s) authorized to become registered Holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name: -----

Capacity: -----

Address(es): -----

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Do not send unregistered senior securities with this form. Unregistered senior securities should be sent to the Exchange Agent, together with a properly completed and duly executed Letter of Transmittal.

GUARANTEE

(Not to be used for signature guarantee)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or a correspondent in the United States or an "eligible guarantor institution" as defined by Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), hereby (a) represents that each Holder of unregistered senior securities on whose behalf this tender is being made "own(s)" the unregistered senior securities covered hereby within the meaning of Rule 13d-3 under the Exchange Act, (b) represents that such tender of unregistered senior securities complies with such Rule 14e-4, and (c) guarantees that, within three (3) business days from the date of this Notice of Guaranteed Delivery, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with certificates representing the unregistered senior securities covered hereby in proper form for transfer (or confirmation of the book-entry transfer of such unregistered senior securities into the Exchange Agent's account at The Depository Trust Company, Euroclear or Clearstream Luxembourg, pursuant to the procedure for book-entry transfer set forth in the Prospectus) and required documents will be deposited by the undersigned with the Exchange Agent.

The undersigned acknowledges that it must deliver the Letter of Transmittal and unregistered senior securities tendered hereby to the Exchange Agent within the time period set forth and that failure to do so could result in financial loss to the undersigned.

Name of Firm: .....	Authorized Signature: .....
Address: .....	Name: .....
.....	Title: .....

Area Code and Telephone No: .....

## VIACOM INC.

## FORM OF NOTICE OF GUARANTEED DELIVERY

Unregistered 6.40% Senior Notes due 2006  
(\$3,075,000 aggregate principal amount outstanding issued January 17, 2001)

Unregistered 7.70% Senior Notes due 2010  
(\$1,000,000 aggregate principal amount outstanding issued January 17, 2001)

Unregistered 7.875% Senior Debentures due 2030  
(\$200,000 aggregate principal amount outstanding issued January 17, 2001)

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Unconditionally guaranteed as to payment of principal  
and interest by Viacom International Inc.  
(a wholly owned subsidiary of Viacom Inc.)  
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As set forth in the Prospectus dated \_\_\_\_\_, 2001 (the "Prospectus") of Viacom Inc. ("Viacom") and Viacom International Inc. (the "Guarantor") and in the accompanying Letter of Transmittal and instructions thereto (the "Letter of Transmittal"), this form or one substantially equivalent hereto must be used to accept Viacom's offer to exchange up to \$3,075,000 aggregate principal amount of 6.40% Senior Notes due 2006, \$1,000,000 aggregate principal amount of 7.70% Senior Notes due 2010 and \$200,000 aggregate principal amount of 7.875% Senior Debentures due 2030 which have been registered under the Securities Act of 1933, as amended (the "Securities Act") (collectively, the "exchange senior securities") for the remaining outstanding unregistered \$3,075,000 aggregate principal amount of 6.40% Senior Notes due 2006, \$1,000,000 aggregate principal amount of 7.70% Senior Notes due 2010 and \$200,000 aggregate principal amount of 7.875% Senior Debentures due 2030 (collectively, the "unregistered senior securities"), respectively, if (i) certificates representing the unregistered senior securities to be tendered for exchange are not lost but are not immediately available, (ii) time will not permit the Letter of Transmittal, certificates representing such unregistered senior securities or other required documents to reach the Exchange Agent prior to the Expiration Date (as defined herein) or (iii) the procedures for book-entry transfer cannot be completed prior to the Expiration Date. This form may be delivered by an Eligible Institution (as defined in the Letter of Transmittal) by mail or hand delivery or transmitted, via telegram, telex or facsimile, to the Exchange Agent as set forth below. All capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Prospectus.

-----  
THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2001  
(THE "EXPIRATION DATE") UNLESS THE OFFER IS EXTENDED BY VIACOM. TENDERS OF  
UNREGISTERED SENIOR SECURITIES MAY BE WITHDRAWN AT ANY TIME PRIOR TO 5:00 P.M.,  
NEW YORK CITY TIME, ON THE EXPIRATION DATE.  
-----

To: Citibank, N.A., Principal Exchange Agent  
By Hand or Overnight Courier:

Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, New York 10005  
Attention: Agency & Trust Services

By Facsimile Transmission:  
(212) 825-3483

Confirm By Telephone:  
(800) 422-2066

To: Kredietbank S.A. Luxembourgeoise, Luxembourg Exchange Agent  
By Hand or Overnight Courier:

Kredietbank, S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg  
Attention: Corporate Trust and Agencies

By Facsimile Transmission:  
(352) 47 97 73 951

Confirm By Telephone:  
(352) 47 97 3933

Delivery of this instrument to an address, or transmission via facsimile with confirmation, other than to the exchange agents as set forth above will not constitute a valid delivery. The method of delivery of all documents, including certificates, is at the risk of the holder. If delivery is by mail, we recommend registered mail with return receipt requested, properly insured. You should read the instructions accompanying the letter of transmittal carefully before you complete this notice of guaranteed delivery.

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the



applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tender(s) to Viacom, upon the terms and subject to the conditions of the exchange offer as set forth in the Prospectus and the Letter of Transmittal, receipt of which is hereby acknowledged, the aggregate principal amounts of unregistered senior securities set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus.

The undersigned understands that tenders of unregistered senior securities will be accepted only in authorized denominations. The undersigned understands that tenders of unregistered senior securities pursuant to the exchange offer may not be withdrawn after 5:00 p.m., New York City time on the Expiration Date. Tenders of unregistered senior securities may be withdrawn if the exchange offer is terminated or as otherwise provided in the Prospectus.

The undersigned understands that the exchange of unregistered senior securities for exchange senior securities will only be made after receipt by the Exchange Agent within three (3) business days of the Expiration Date of: (i) a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) with any required signature guarantees, (ii) certificates representing the unregistered senior securities covered hereby in proper form for transfer (or confirmation of the book-entry transfer of such unregistered senior securities into the Exchange Agent's account at The Depository Trust Company, Euroclear or Clearstream Luxembourg, pursuant to the procedure for book-entry transfer set forth in the Prospectus) and (iii) this Notice of Guaranteed Delivery together with any required documents.

All authority herein conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall survive the death or incapacity of the undersigned and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

PLEASE SIGN AND COMPLETE

Principal Amount of Unregistered 6.40% Senior Notes due 2006 Tendered:\*

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Principal Amount of Unregistered 7.70% Senior Notes due 2010 Tendered:\*

-----

Principal Amount of Unregistered 7.875% Senior Debentures due 2030 Tendered:\*

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Date: -----

Name(s) of Registered Holder(s): -----

Certificate No(s). of Unregistered Senior Securities (if available):

-----

Address: -----

-----

-----

Area Code and Telephone No: -----

If unregistered senior securities will be delivered by book-entry transfer at The Depository Trust Company, Euroclear or Clearstream Luxembourg, insert Account No:

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Signature(s) of Registered Owner(s) or Authorized Signatory:

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\* Must be in denominations of principal amount of \$1,000 and any integral multiple thereof.

This Notice of Guaranteed Delivery must be signed by the registered Holder(s) of unregistered senior securities exactly as its (their) name(s) appear on certificates for unregistered senior securities or on a security position listing as the owner of unregistered senior securities, or by person(s) authorized to become registered Holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name: -----

Capacity: -----

Address(es): -----

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Do not send unregistered senior securities with this form. Unregistered senior securities should be sent to the Exchange Agent, together with a properly completed and duly executed Letter of Transmittal.

GUARANTEE

(Not to be used for signature guarantee)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or a correspondent in the United States or an "eligible guarantor institution" as defined by Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), hereby (a) represents that each Holder of unregistered senior securities on whose behalf this tender is being made "own(s)" the unregistered senior securities covered hereby within the meaning of Rule 13d-3 under the Exchange Act, (b) represents that such tender of unregistered senior securities complies with such Rule 14e-4, and (c) guarantees that, within three (3) business days from the date of this Notice of Guaranteed Delivery, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with certificates representing the unregistered senior securities covered hereby in proper form for transfer (or confirmation of the book-entry transfer of such unregistered senior securities into the Exchange Agent's account at The Depository Trust Company, Euroclear or Clearstream Luxembourg, pursuant to the procedure for book-entry transfer set forth in the Prospectus) and required documents will be deposited by the undersigned with the Exchange Agent.

The undersigned acknowledges that it must deliver the Letter of Transmittal and unregistered senior securities tendered hereby to the Exchange Agent within the time period set forth and that failure to do so could result in financial loss to the undersigned.

Name of Firm: _____	Authorized Signature: _____
Address: _____	Name: _____
_____	Title: _____

Area Code and Telephone No: \_\_\_\_\_



## FORM OF EXCHANGE AGENT AGREEMENT

July \_\_, 2001

Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, New York 10005

Attention: Agency & Trust Services

Kredietbank S.A. Luxembourgeoise  
43 Boulevard Royal  
L-2955 Luxembourg

Attention: Corporate Trust Trustee Administration

Ladies and Gentlemen:

Viacom Inc., a Delaware corporation, proposes to make an offer (the "Exchange Offer") to exchange all of its outstanding unregistered 6.40% Senior Notes due 2006 (the "Unregistered Notes due 2006"), of which \$403,075,000 aggregate principal amount is outstanding, its 7.70% Senior Notes due 2010 (the "Unregistered Notes due 2010"), of which \$1,000,000 aggregate principal amount is outstanding, its 6.625% Senior Notes due 2011 (the "Unregistered Notes due 2011"), of which \$1,000,000,000 aggregate principal amount is outstanding and its 7.875% Senior Debentures due 2030, of which \$200,000 aggregate principal amount is outstanding, (the "Unregistered Debentures" and, together with the Unregistered Notes due 2006, the Unregistered Notes due 2010 and the Unregistered Notes due 2011, the "Unregistered Securities") for an equal principal amount of its 6.40% Senior Notes due 2006 (the "2006 Exchange Notes"), its 7.70% Senior Notes due 2010 (the "2010 Exchange Notes"), its 6.625% Senior Notes due 2011 (the "2011 Exchange Notes") and its 7.875% Senior Debentures due 2030 (the "Exchange Debentures" and, together with the 2006 Exchange Notes, the 2010 Exchange Notes and the 2011 Exchange Notes, the "Exchange Securities"). The terms and conditions of the Exchange Offer as currently contemplated are set forth in a prospectus, dated July \_\_, 2001 (the "Prospectus"), proposed to be distributed to all record holders of the Unregistered Securities. The Unregistered Securities and the Exchange Securities are collectively referred to herein as the "Securities". The Securities are and will be unconditionally guaranteed by Viacom International Inc., which, together with Viacom Inc., will be referred to herein as the "Company".

The Company hereby appoints Citibank, N.A. to act as the Principal Exchange Agent and Kredietbank S.A. Luxembourgeoise to act as Luxembourg Exchange Agent (collectively the "Exchange Agents") in connection with the Exchange Offer. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Prospectus.

The Exchange Offer is expected to be commenced by the Company on or about \_\_, 2001. The Letter of Transmittal accompanying the Prospectus (or in the case of book-entry securities, the Automated Tender Offer Program ("ATOP") of the Book-Entry Transfer Facility (as defined below)) is to be used by the holders of the Unregistered Securities to accept the Exchange Offer and contains instructions with respect to the delivery of certificates for Unregistered Securities tendered in connection therewith.

The Exchange Offer shall expire at 5:00 p.m., New York City time, on \_\_, 2001 or on such subsequent date or time to which the Company may extend the Exchange Offer (the "Expiration Date"). Subject to the terms and conditions set forth in the Prospectus, the Company expressly reserves the right to extend the Exchange Offer from time to time and may extend the Exchange Offer by giving oral (promptly confirmed in writing) or written notice to you before 9:00 a.m., New York City time, on the business day following the previously scheduled Expiration Date.

The Company expressly reserves the right to amend or terminate the Exchange Offer, and not to accept for exchange any Unregistered Securities not theretofore accepted for exchange, upon the occurrence of any of the conditions of the Exchange Offer specified in the Prospectus under the caption "The Exchange Offer -- Expiration Date; Extensions; Amendment; Termination." The Company will give oral (promptly confirmed in writing) or written notice of any amendment, termination or nonacceptance to you as promptly as practicable.

In carrying out your duties as Exchange Agent, you are to act in accordance with the following instructions:

1. You will perform such duties and only such duties as are specifically set forth in the sections of the Prospectus captioned "The Exchange Offer" or as specifically set forth herein; provided, however, that in no way will your general duty to act in good faith be discharged by the foregoing.

2. You will establish a book-entry account with respect to the Unregistered Securities at The Depository Trust Company (the "Book-Entry Transfer Facility") for purposes of the Exchange Offer within two business days after the date of the Prospectus, and any financial institution that is a participant in the Book-Entry Transfer Facility's systems may make book-entry delivery of the Unregistered Securities by causing the Book-Entry Transfer

Facility to transfer such Unregistered Securities into your account in accordance with the Book-Entry Transfer Facility's procedure for such transfer.

3. You are to examine each of the Letters of Transmittal and certificates for Unregistered Securities (or confirmation of book-entry transfer into your account at the Book-Entry Transfer Facility) and any other documents delivered or mailed to you by or for holders of the Unregistered Securities, and any book-entry confirmations (as such phrase is used in the Prospectus) to ascertain whether: (i) the Letters of Transmittal and any such other documents are duly executed and properly completed in accordance with instructions set forth therein; (ii) the Unregistered Securities have otherwise been properly tendered and (iii) holders have provided their correct Tax Identification Number or required certification. In each case where the Letter of Transmittal or any other document has been improperly completed or

executed or any of the certificates for Unregistered Securities are not in proper form for transfer or some other irregularity in connection with the acceptance of the Exchange Offer exists, you will endeavor to inform the presenters of the need for fulfillment of all requirements and to take any other action as may be reasonably necessary or advisable to cause such irregularity to be corrected. You are not authorized to waive any irregularity in connection with a surrender except as provided in paragraph 4. If such irregularity is neither corrected nor waived, you will return to the surrendering holder (at your option by either (a) first class mail under a blanket surety bond or insurance protecting you and the Company from losses or liabilities arising out of the non-receipt or non-delivery of such certificates or (b) registered mail insured separately for the value of such certificates) to such holders address set forth in the Letter of Transmittal, any certificates for Unregistered Securities surrendered in connection therewith, the related Letter of Transmittal, and any other documents received with such certificates, and a letter of notice explaining the reasons for the return of the certificates and other documents.

4. With the approval of the President or any Vice President of the Company (such approval, if given orally, to be promptly confirmed in writing) or any other party designated in writing, by such an officer, you are authorized to waive any irregularities in connection with any tender of Unregistered Securities pursuant to the Exchange Offer.

5. Tenders of Unregistered Securities may be made only as set forth in the Letter of Transmittal and in the sections of the Prospectus captioned "The Exchange Offer -- Procedures for Tendering," and "The Exchange Offer -- Guaranteed Delivery Procedures," and Unregistered Securities shall be considered properly tendered to you only when tendered in accordance with the procedures set forth therein.

Notwithstanding the provisions of this Section 5, Unregistered Securities which the President, Senior Vice President, or any Vice President of the Company shall approve as having been properly tendered shall be considered to be properly tendered (such approval, if given orally, shall be promptly confirmed in writing).

6. You shall advise the Company with respect to any Unregistered Securities received subsequent to the Expiration Date and accept its instructions with respect to disposition of such Unregistered Securities.

7. You shall accept tenders:

(a) in cases where the Unregistered Securities are registered in two or more names only if signed by all named holders;

(b) in cases where the signing person (as indicated on the Letter of Transmittal) is acting in a fiduciary or a representative capacity only when proper evidence of his or her authority so to act is submitted; and

(c) from persons other than the registered holder of Unregistered Securities, provided that customary transfer requirements, including payment of any applicable transfer taxes, are fulfilled.



You shall accept partial tenders of Unregistered Securities where so indicated and as permitted in the Letter of Transmittal and deliver certificates for Unregistered Securities to the registrar for split-up and return any untendered Unregistered Securities to the holder (or such other person as may be designated in the Letter of Transmittal) as promptly as practicable after expiration or termination of the Exchange Offer.

8. Upon satisfaction or waiver of all of the conditions to the Exchange Offer, the Company will notify you (such notice, if given orally, to be promptly confirmed in writing) of its acceptance, promptly after the Expiration Date, of all Unregistered Securities properly tendered and you, on behalf of the Company, will exchange such Unregistered Securities for Exchange Securities and cause such Unregistered Securities to be cancelled. Delivery of Exchange Securities will be made on behalf of the Company by you at the rate of \$1,000 principal amount of Exchange Securities for each \$1,000 principal amount of the corresponding series of Unregistered Securities tendered promptly after notice (such notice if given orally, to be promptly confirmed in writing) of acceptance of said Unregistered Securities by the Company; provided, however, that in all cases, Unregistered Securities tendered pursuant to the Exchange Offer will be exchanged only after timely receipt by you of certificates for such Unregistered Securities (or confirmation of book-entry transfer into your account at the Book-Entry Transfer Facility), a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees and any other required documents. You shall issue Exchange Securities only in denominations of \$1,000 or any integral multiple thereof.

9. Tenders pursuant to the Exchange Offer are irrevocable, except that, subject to the terms and upon the conditions set forth in the Prospectus and the Letter of Transmittal, Unregistered Securities tendered pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date.

10. All Unregistered Securities accepted for exchange are to be retired from the Company's books and will no longer be outstanding.

11. The Company shall not be required to exchange any Unregistered Securities tendered if any of the conditions set forth in the Exchange Offer are not met. Notice of any decision by the Company not to exchange any Unregistered Securities tendered shall be given (if given orally, to be promptly confirmed in writing) by the Company to you.

12. If, pursuant to the Exchange Offer, the Company does not accept for exchange all or part of the Unregistered Securities tendered because of an invalid tender, the occurrence of certain other events set forth in the Prospectus under the caption "The Exchange Offer -- Expiration Date; Extensions; Amendment; Termination" or otherwise, you shall as soon as practicable after the expiration or termination of the Exchange Offer return those certificates for unaccepted Unregistered Securities (or effect appropriate book-entry transfer), together with any related required documents and the Letters of Transmittal relating thereto that are in your possession, to the persons who deposited them.

13. All certificates for reissued Unregistered Securities, unaccepted Unregistered Securities or for Exchange Securities shall be forwarded by (a) first-class certified mail, return

receipt requested, under a blanket surety bond or insurance protecting you and the Company from losses and liabilities arising out of the non-receipt or non-delivery of such certificates or (b) registered mail insured separately for the value of such securities.

14. You are not authorized to pay or offer to pay any concessions, commissions or solicitation fees to any broker, dealer, bank or other persons or to engage or utilize any person to solicit tenders.

15. As Exchange Agent hereunder you:

(a) shall not be liable for any action or omission to act unless the same constitutes your own gross negligence, willful misconduct or bad faith, and in no event shall you be liable to a security holder, the Company or any third party for special, indirect or consequential damages, or lost profits, arising in connection with this Agreement;

(b) shall have no duties or obligations other than those specifically set forth herein or as may be subsequently agreed to in writing between you and the Company;

(c) will be regarded as making no representations and having no responsibilities as to the validity, sufficiency, value or genuineness of any of the certificates or the Unregistered Securities represented thereby deposited with you pursuant to the Exchange Offer, and will not be required to and will make no representation as to the validity, value or genuineness of the Exchange Offer;

(d) shall not be obligated to take any legal action hereunder which might in your reasonable judgment involve any expense or liability, unless you shall have been furnished with indemnity reasonably satisfactory to you;

(e) may reasonably rely on and shall be protected in acting in reliance upon any certificate, instrument, opinion, notice, letter, telegram or other document or security delivered to you and reasonably believed by you to be genuine and to have been signed or presented by the proper person or persons;

(f) may reasonably act upon any tender, statement, request, document, agreement, certificate or other instrument whatsoever not only as to its due execution and validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which you shall in good faith believe to be genuine or to have been signed or presented by the proper person or persons;

(g) may reasonably rely on and shall be protected in acting upon written or oral instructions from any authorized officer of the Company;

(h) may consult with counsel of your selection with respect to any questions relating to your duties and responsibilities and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by you hereunder in good faith and in accordance with the advice or opinion of such counsel; and

(i) shall not advise any person tendering Unregistered Securities pursuant to the Exchange Offer as to the wisdom of making such tender or as to the market value or decline or appreciation in market value of any Unregistered Securities.

16. You shall take such action as may from time to time be requested by the Company or its counsel (and such other action as you may deem reasonably appropriate) to furnish copies of the Prospectus, Letter of Transmittal and the Notice of Guaranteed Delivery (as such terms are used in the Prospectus) or such other forms as may be approved from time to time by the Company, to all persons requesting such documents and to accept and comply with telephone requests for information relating to the Exchange Offer, provided that such information shall relate only to the procedures for accepting (or withdrawing from) the Exchange Offer. The Company will furnish you with copies of such documents on your request. All other requests for information relating to the Exchange Offer shall be directed to the Company, Attention: General Counsel, Viacom Inc., 1515 Broadway, New York, NY 10036.

17. You shall advise by facsimile transmission the President, Corporate Finance, of the Company (at the facsimile number (212) 258-6143), and such other person or persons as the Company may request, daily (and more frequently during the week immediately preceding the Expiration Date if requested) up to and including the Expiration Date, as to the number of Unregistered Securities which have been tendered pursuant to the Exchange Offer and the items received by you pursuant to this Agreement, separately reporting and giving cumulative totals as to items properly received and items improperly received. In addition, you will also inform, and cooperate in making available to, the Company or any such other person or persons upon oral request made from time to time prior to the Expiration Date of such other information as they may reasonably request. Such cooperation shall include, without limitation, the granting by you to the Company and such person as the Company may request of access to those persons on your staff who are responsible for receiving tenders, in order to ensure that immediately prior to the Expiration Date the Company shall have received information in sufficient detail to enable it to decide whether to extend the Exchange Offer. You shall prepare a final list of all persons whose tenders were accepted, the aggregate principal amount of Unregistered Securities tendered, the aggregate principal amount of Unregistered Securities accepted and deliver said list to the Company.

18. Letters of Transmittal, book-entry confirmations and Notices of Guaranteed Delivery shall be stamped by you as to the date and, after the expiration of the Exchange Offer, the time, of receipt thereof and shall be preserved by you for a period of time at least equal to the period of time you preserve other records pertaining to the transfer of securities and shall thereafter be delivered by you to the Company. You shall dispose of unused Letters of Transmittal and other surplus materials by returning them to the Company.

19. For services rendered as Exchange Agent hereunder, you shall be entitled to such compensation as set forth on Schedule I attached hereto. The provisions of this section shall survive the termination of this Agreement.

20. You hereby acknowledge receipt of the Prospectus and the Letter of Transmittal and further acknowledge that you have examined each of them. Any inconsistency between this Agreement, on the one hand, and the Prospectus and the Letter of Transmittal (as

they may be amended from time to time), on the other hand, shall be resolved in favor of the latter two documents, except with respect to your duties, liabilities and indemnification as Exchange Agent, which shall be controlled by this Exchange Agreement.

21. The Company covenants and agrees to fully indemnify and hold you harmless in your capacity as Exchange Agent hereunder against any and all loss, liability, cost or expense, including attorneys' fees and expenses, incurred without gross negligence or willful misconduct on your part, arising out of or in connection with any act, omission, delay or refusal made by you in reliance upon any signature, endorsement, assignment, certificate, order, request, notice, instruction or other instrument or document reasonably believed by you to be valid, genuine and sufficient and in accepting any tender or effecting any transfer of Unregistered Securities reasonably believed by you in good faith to be authorized, and in delaying or refusing in good faith to accept any tenders or effect any transfer of Unregistered Securities. In no case, shall the Company be liable under this indemnity with respect to any claim against you unless the Company shall be notified by you, by letter or facsimile transmission, of the written assertion of a claim against you or of any other action commenced against you, promptly after you shall have received any such written assertion or shall have been served with a summons in connection therewith. The Company shall be entitled to participate at its own expense in the defense of any such claim or other action and, if the Company so elects, the Company shall assume the defense of any suit brought to enforce any such claim. It is understood that the Company shall not be liable under this paragraph for the fees and disbursements of more than one legal counsel to you. In the event that the Company may assume the defense of any such suit, the Company shall not be liable for the fees and expenses of any additional counsel thereafter retained by you, so long as the Company shall retain counsel satisfactory to you to defend such suit, and so long as you have not determined, in your reasonable judgment, that a conflict of interest exists between you and the Company. The provisions of this section shall survive the termination of this Agreement.

Without the prior written consent of the Company, you will not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification could be sought in accordance with the indemnification provisions of this Agreement (whether or not you, the Company or any of its directors, officers and controlling persons is an actual or potential party to such claim or proceeding), unless such settlement or consent includes an unconditional release of the Company and its directors, officers and controlling persons from all liability arising out of such claim, action or proceeding.

22. You shall arrange to comply with all requirements under the tax laws of the United States, including those relating to missing Tax Identification Numbers, and shall file any appropriate reports with the Internal Revenue Service.

23. You shall deliver or cause to be delivered, in a timely manner to each governmental authority to which any transfer taxes are payable in respect of the exchange of Unregistered Securities, the Company's check in the amount of all transfer taxes so payable; provided, however, that you shall reimburse the Company for amounts refunded to you in respect of your payment of any such transfer taxes, at such time as such refund is received by you.

24. This Agreement and your appointment as Exchange Agent hereunder shall be construed and enforced in accordance with the laws of the State of New York applicable to

agreements made and to be performed entirely within such state, and without regard to conflicts of law principles, and shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors and assigns of each of the parties hereto.

25. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.

26. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

27. This Agreement shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the party to be charged. This Agreement may not be modified orally.

28. Unless otherwise provided herein, all notices, requests and other communications to any party hereunder shall be in writing (including facsimile or similar writing) and shall be given to such party, addressed to it, at its address or telecopy number set forth below:

If to the Company:

Viacom Inc.  
1515 Broadway  
New York, NY 10036

Facsimile: (212) 258-6099  
Attention: General Counsel

Copy to:

Shearman & Sterling  
599 Lexington Avenue  
New York, New York 10022

Facsimile: (212) 848-7179  
Attention: Stephen T. Giove, Esq.

If to the Exchange Agent:

Citibank, N.A.  
111 Wall Street, 15th Floor  
New York, New York 10005

Facsimile: (212) 825-3483  
Attention: Agency & Trust Service

29. Unless terminated earlier by the parties hereto, this Agreement shall terminate 90 days following the Expiration Date. Notwithstanding the foregoing, Sections 18 and 20 shall survive the termination of this Agreement. Upon any termination of this Agreement, you shall promptly deliver to the Company any certificates for Securities, funds or property then held by you as Exchange Agent under this Agreement.

30. This Agreement shall be binding and effective as of the date hereof.

Please acknowledge receipt of this Agreement and confirm the arrangements herein provided by signing and returning the enclosed copy.

VIACOM INC.

By: \_\_\_\_\_  
Name:  
Title:

VIACOM INTERNATIONAL INC.

By: \_\_\_\_\_  
Name:  
Title:

Accepted as of the date first above written:

CITIBANK, N.A., as Principal Exchange Agent

By: \_\_\_\_\_  
Name:  
Title:

KREDIETBANK S.A. LUXEMBOURGEOISE,  
as Luxembourg Exchange Agent

By: \_\_\_\_\_  
Name:  
Title:

SCHEDULE I  
COMPENSATION OF EXCHANGE AGENT: