

REDSTONE SUMNER M
Form 4
January 04, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
REDSTONE SUMNER M

2. Issuer Name and Ticker or Trading Symbol
VIACOM INC [VIA, VIAB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1515 BROADWAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/31/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman & CEO

NEW YORK, NY 10036

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Class A common stock	12/31/2005		D		80	D	(1) 0	D
Class A common stock	12/31/2005		D		93,658,828	D	(1) 0	I By NAIRI, Inc.
Class B common stock	12/31/2005		D		463,520	D	(2) 0	D
Class B common	12/31/2005		D		243	D	(2) 0	I By 401(k)

stock

Class B common stock	12/31/2005		D	79,619,055	D	<u>(2)</u>	0	I	By NAIRI, Inc.
Class B common stock	12/31/2005		D	200	D	<u>(2)</u>	0	I	By Spouse

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)	Amount Number Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Class B Common Stock Equivalents	<u>(3)</u>	12/31/2005		D	2,875.0877	<u>(3)</u>	<u>(3)</u>	Class B common stock	2,875.0877
Class B Phantom Common Stock Units	<u>(5)</u>	12/31/2005		D	778	<u>(5)</u>	<u>(5)</u>	Class B common stock	
Employee Stock Option (right to buy) <u>(7)</u>	\$ 17.5	12/31/2005		D	500,000	<u>(8)</u>	01/30/2007	Class B common stock	500,000
Employee Stock Option (right to buy) <u>(7)</u>	\$ 15.25	12/31/2005		D	658,500	<u>(8)</u>	08/01/2007	Class B common stock	658,500
Employee Stock Option (right to buy) <u>(7)</u>	\$ 30.5625	12/31/2005		D	4,000,000	<u>(8)</u>	08/20/2008	Class B common stock	4,000,000

buy) ⁽⁷⁾

Employee
Stock

Option	\$ 55.75	12/31/2005	D	2,000,000	⁽⁸⁾	05/04/2010	Class B common stock	2,
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 57.01	12/31/2005	D	750,000	⁽⁸⁾	05/23/2011	Class B common stock	7
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 48.16	12/31/2005	D	600,000	⁽⁸⁾	05/22/2012	Class B common stock	6
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 44.08	12/31/2005	D	800,000	⁽⁸⁾	05/21/2013	Class B common stock	8
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 37.66	12/31/2005	D	550,000	⁽¹⁰⁾	05/19/2014	Class B common stock	5
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 35.51	12/31/2005	D	500,000	⁽⁸⁾	07/01/2014	Class B common stock	5
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buy) ⁽⁷⁾

Employee
Stock

Option	\$ 35.51	12/31/2005	D	1,000,000	⁽¹¹⁾	07/01/2014	Class B common stock	1,
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buy) ⁽⁷⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
REDSTONE SUMNER M 1515 BROADWAY NEW YORK, NY 10036	X	X	Chairman & CEO	

Signatures

By: /s/ Angeline C. Straka,
Attorney-in-fact

01/04/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Disposed of pursuant to a merger between Viacom Inc. and Viacom Merger Sub Inc. (the Merger), in exchange for 0.5 shares of CBS Corporation Class A common stock and 0.5 shares of New Viacom Corp. (New Viacom) Class A common stock for each share of Viacom Class A common stock, with cash in lieu of any fractional shares of CBS Corporation Class A common stock and New Viacom Class A common stock. On January 3, 2006, the first business day following the effective time of the Merger, the opening price of CBS Corporation Class A common stock on the New York Stock Exchange was \$25.60 per share and the opening price of New Viacom Class A common stock on the New York Stock Exchange was \$40.00 per share. Viacom Inc. changed its name to CBS Corporation upon completion of the Merger.

Disposed of pursuant to a merger between Viacom Inc. and Viacom Merger Sub Inc. (the Merger), in exchange for 0.5 shares of CBS Corporation Class B common stock and 0.5 shares of New Viacom Corp. (New Viacom) Class B common stock for each share of Viacom Class B common stock, with cash in lieu of any fractional shares of CBS Corporation Class B common stock and New Viacom Class B common stock. On January 3, 2006, the first business day following the effective time of the Merger, the opening price of CBS Corporation Class B common stock on the New York Stock Exchange was \$25.60 per share and the opening price of New Viacom Class B common stock on the New York Stock Exchange was \$41.12 per share. Viacom Inc. changed its name to CBS Corporation upon completion of the Merger.

Class B Common Stock Equivalents are payable in cash at the beginning of the year after the Reporting Person ceases to be a Viacom Inc. executive officer. Each Class B common stock equivalent was the economic equivalent of one share of Viacom Class B common stock.

In the Merger, each Viacom Class B Common Stock Equivalent was deemed to be exchanged for 0.5 CBS Corporation Class B Common Stock Equivalents and 0.5 New Viacom Class B Common Stock Equivalents.

Phantom common stock units are payable in cash following the Reporting Person's retirement or other termination of service pursuant to the Viacom Excess 401(k) Plan for Designated Senior Executives. Each Viacom Class A Phantom common stock unit was the economic equivalent of one share of Viacom Class A common stock and each Viacom Class B Phantom common stock unit was the economic equivalent of one share of Viacom Class B common stock.

In the Merger, each Viacom Class B Phantom Common Stock Unit was deemed to be exchanged for 0.5 CBS Corporation Phantom Class B Common Stock Units and 0.5 New Viacom Class B Phantom Common Stock Units.

Right to buy under Issuer's long term incentive plan.

Current.

In the Merger, each grant of stock options to buy Viacom Class B common stock was converted into an equal number of stock options to buy CBS Corporation Class B common stock and New Viacom Class B common stock determined by multiplying the number of outstanding stock options included in the grant before the Merger by 0.488609. The per share exercise price of the converted stock options was determined by dividing the pre-Merger exercise price by 1.273438 for the CBS options and by 0.792802 for the New Viacom options.

These options vest in four equal annual installments beginning on May 19, 2005.

This option vests in four equal annual installments beginning on July 1, 2005

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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