

Freston Thomas E
 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 *
 Freston Thomas E

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)
 Co-President and Co-COO

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 Ownership (Instr. 4)		
				(A) or (D)	Price				
				Code	V	Amount			
Class A common stock	12/31/2005		D	74	D	<u>(1)</u>	0	I	By 401(k)
Class B common stock	12/31/2005		D	778	D	<u>(2)</u>	0	I	By 401(k)
Class B common stock	12/31/2005		D	65	D	<u>(2)</u>	0	I	By Spouse (IRA Account) <u>(3)</u>

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

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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 of Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Employee Stock Option (right to buy) ⁽⁷⁾	\$ 30.5625	12/31/2005		D	1,322,000	⁽⁸⁾ 08/20/2008	Class B common stock 1,
Employee Stock Option (right to buy) ⁽⁷⁾	\$ 55.75	12/31/2005		D	1,000,000	⁽⁸⁾ 05/04/2010	Class B common stock 1,
Class A Phantom Common Stock Units	⁽⁴⁾	12/31/2005		D	2,750.6592	⁽⁴⁾ ⁽⁴⁾	Class A common stock 2,7
Class B Phantom Common Stock Units	⁽⁴⁾	12/31/2005		D	10,422.1051	⁽⁴⁾ ⁽⁴⁾	Class B common stock 10,
Employee Stock Option (right to buy) ⁽⁷⁾	\$ 57.01	12/31/2005		D	300,000	⁽⁸⁾ 05/23/2011	Class B common stock 3
Employee Stock Option (right to buy) ⁽⁷⁾	\$ 48.16	12/31/2005		D	400,000	⁽⁸⁾ 05/22/2012	Class B common stock 4
	\$ 39.33	12/31/2005		D	400,000	⁽⁸⁾ 01/29/2013	4

Employee Stock Option (right to buy) <u>(7)</u>								Class B common stock
Employee Stock Option (right to buy) <u>(7)</u>	\$ 40.39	12/31/2005	D	400,000	<u>(8)</u>	01/28/2014		Class B common stock
Employee Stock Option (right to buy) <u>(7)</u>	\$ 35.51	12/31/2005	D	500,000	<u>(8)</u>	07/01/2014		Class B common stock
Employee Stock Option (right to buy) <u>(7)</u>	\$ 35.51	12/31/2005	D	1,000,000	<u>(10)</u>	07/01/2014		Class B common stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Freston Thomas E 1515 BROADWAY NEW YORK, NY 10036			Co-President and Co-COO	

Signatures

/s/ Freston,
Thomas E. 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
- (1) 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.
 - (2) 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

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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.

- (3) The Reporting Person disclaims beneficial ownership of these securities and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of such securities for purposes of Section 16 or any other purposes.
- (4) 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.
- (5) In the Merger, each Viacom Class A Phantom Common Stock Unit was deemed to be exchanged for 0.5 CBS Corporation Phantom Class A Common Stock Units and 0.5 New Viacom Class A Phantom Common Stock Units.
- (6) 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.
- (7) Right to buy under Issuer's long term incentive plan.
- (8) Current.
- (9) In the Merger, each grant of stock options to buy Viacom Class B common stock was converted into a number of stock options to buy New Viacom Class B common stock determined by multiplying the number of outstanding stock options included in the grant before the Merger by 0.792802. The per share exercise price of the converted stock options was determined by dividing the pre-Merger exercise price by 0.792802.
- (10) 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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