

Viacom Inc.
Form DEF 14A
January 21, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

VIACOM INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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January 21, 2011

Dear Viacom Stockholders:

We are pleased to invite you to attend the Viacom Inc. 2011 Annual Meeting of Stockholders. The meeting will be held on Wednesday, March 16, 2011 at our corporate headquarters located at 1515 Broadway (enter on 44th St.), New York, New York, beginning at 10:30 a.m., Eastern Daylight Time.

At this year's meeting, we will be electing 11 members of our Board of Directors, holding a non-binding advisory vote on the compensation of our named executive officers as described in the proxy statement, holding a non-binding advisory vote on the frequency of the stockholder vote on executive compensation and selecting our independent public accountants.

To help reduce costs and the environmental impact of printing the proxy materials, we encourage you to take advantage of electronic delivery by following the instructions in the proxy statement. Stockholders who do not receive electronically delivered or printed proxy materials will receive a Notice of Internet Availability of Proxy Materials in the mail that tells you how to:

Access the Notice of 2011 Annual Meeting of Stockholders and Proxy Statement, our Stockholder Letter and our Transition Report on Form 10-K for the nine-month fiscal year ended September 30, 2010 through <http://proxymaterials.viacom.com>; and

Submit your vote if you hold shares of Class A common stock. Class A common stockholders can submit their vote by telephone, the Internet or in person at the Annual Meeting. Class A holders will also find instructions on how to vote their shares on their proxy card or voting instruction card.

We appreciate your continued support of Viacom and look forward to seeing you at the Annual Meeting.

SUMNER M. REDSTONE

Executive Chairman of the Board of Directors and Founder

PHILIPPE P. DAUMAN

President and Chief Executive Officer

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**NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS
AND PROXY STATEMENT**

The Viacom Inc. 2011 Annual Meeting of Stockholders will be held on Wednesday, March 16, 2011 at Viacom's corporate headquarters located at 1515 Broadway (enter at 44th St.), New York, New York, beginning at 10:30 a.m., Eastern Daylight Time. At the meeting, we will consider:

1. The election of the 11 director nominees identified in the proxy statement;
2. The adoption, on an advisory basis, of a resolution approving the compensation of our named executive officers, as described in the proxy statement under "Executive Compensation";
3. The selection, on an advisory basis, of the frequency of the stockholder vote on the compensation of our named executive officers;
4. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as our independent auditor for our fiscal year 2011; and
5. Such other business as may properly come before the meeting.

Holders of Class A common stock at the close of business on our record date of January 18, 2011 are entitled to notice of and to vote at the Annual Meeting and any postponement or adjournment of the meeting. For a period of at least ten days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be open for examination by any stockholder during ordinary business hours at our corporate headquarters located at 1515 Broadway, New York, New York.

Holders of Class B common stock are not entitled to vote at the Annual Meeting, but are invited to attend the meeting and will receive the proxy materials for informational purposes.

National Amusements, Inc., which, as of our record date, beneficially owned approximately 79.6% of the shares of Class A common stock, has advised us that it intends to vote all of its shares of Class A common stock in accordance with the recommendations of the Board of Directors on each of the items of business identified above, which will be sufficient to constitute a quorum and to determine the outcome of each item under consideration.

If you plan to attend the Annual Meeting, you will need to obtain an admission ticket and present photo identification. Instructions on how to obtain an admission ticket are on page 4 of the proxy statement ("How do I gain admission to the Annual Meeting?").

By order of the Board of Directors,

MICHAEL D. FRICKLAS
Executive Vice President, General Counsel and Secretary

January 21, 2011

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2011 PROXY STATEMENT

QUESTIONS AND ANSWERS ABOUT THE 2011 ANNUAL MEETING OF STOCKHOLDERS

What is the purpose of this proxy statement?

The Viacom Board of Directors is soliciting a proxy from stockholders of our Class A common stock to vote on the items to be considered at the 2011 Annual Meeting of Stockholders (the Annual Meeting), which will be held on March 16, 2011.

What is the Notice of Internet Availability of Proxy Materials?

The Notice of Internet Availability of Proxy Materials is a document that:

Indicates that our Stockholder Letter, Notice of 2011 Annual Meeting of Stockholders and Proxy Statement, and Transition Report on Form 10-K for the nine-month fiscal year ended September 30, 2010 are available at <http://proxymaterials.viacom.com>;

Provides instructions on how Class A stockholders may vote their shares; and

Indicates how you may request printed copies of these materials, including, for holders of Class A common stock, the proxy card or voting instruction card.

We will begin distributing the Notice of Internet Availability of Proxy Materials on or about January 26, 2011.

What items of business will be voted on at the Annual Meeting?

At the meeting, we will consider:

1. The election of the 11 director nominees identified in this proxy statement;
2. The adoption, on an advisory basis, of a resolution approving the compensation of our named executive officers (NEOs), as described under Executive Compensation below;
3. The selection, on an advisory basis, of the frequency of the stockholder vote on the compensation of our NEOs; and
4. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as our independent auditor for our fiscal year 2011.

Who is entitled to vote at the Annual Meeting?

If you are a holder of Class A common stock:

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Holders of our Class A common stock as of the record date of January 18, 2011 are entitled to notice of and to vote at the Annual Meeting and any postponement or adjournment of the meeting.

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If you are a holder of Class B common stock:

Holders of our non-voting Class B common stock are not entitled to vote at the Annual Meeting or any postponement or adjournment of the meeting, and will receive this proxy statement and related materials for informational purposes.

How does the Board of Directors recommend holders of Class A common stock vote on the business of the meeting?

The Board of Directors recommends that Class A stockholders vote their shares:

1. FOR the election of each of the 11 director nominees identified in this proxy statement;
2. FOR the adoption of the resolution approving the compensation of our NEOs;
3. In favor of holding an advisory vote on the compensation of our NEOs EVERY THREE YEARS ; and
4. FOR the ratification of the appointment of PricewaterhouseCoopers LLP to serve as our independent auditor for our fiscal year 2011.

How many shares can vote at the Annual Meeting?

At the close of business on January 18, 2011, we had 51,625,270 shares of Class A common stock outstanding, and each of those shares is entitled to one vote. Shares of Class B common stock are not entitled to vote.

How many shares must be present or represented at the Annual Meeting to conduct business?

Under our Amended and Restated Bylaws, the holders of a majority of the aggregate voting power of the Class A common stock outstanding on the record date, present in person or by proxy at the Annual Meeting, constitute a quorum to conduct business at the Annual Meeting. Abstentions and broker non-votes will be treated as present for purposes of determining a quorum. The shares of our Class A common stock held by National Amusements, Inc. (NAI) will be voted at the Annual Meeting and will constitute a quorum.

What vote is required to approve each of the items of business?

The affirmative vote of the holders of a majority of the aggregate voting power of the Class A common stock outstanding at the close of business on our record date of January 18, 2011, present in person or by proxy at the Annual Meeting, is required to approve items 1, 2 and 4 listed above. The outcome of item 3 will be determined by plurality vote, which means that we will consider stockholders to have expressed a non-binding preference for the option that receives the highest number of favorable votes. Items 2 and 3 are advisory votes only and as discussed in more detail below, the voting results are not binding on us.

At the close of business on our record date, NAI beneficially owned, directly and through its wholly-owned subsidiary, NAI Entertainment Holdings LLC (NAI EH), approximately 79.6% of our outstanding Class A common stock. Sumner M. Redstone, the controlling stockholder of NAI, is our Executive Chairman of the Board of Directors and Founder. NAI has advised us that it intends to vote all of the shares of Class A common stock held by it and NAI EH in accordance with the recommendations of the Board of Directors on each of the items of business listed above.

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How can I vote my shares at the Annual Meeting?

Voting by Proxy

Holders of Class A common stock may submit a proxy by:

following the instructions on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction card to vote by telephone or the Internet. These instructions can also be found at <http://proxymaterials.viacom.com>. Your telephone or Internet proxy must be received no later than 11:59 p.m., Eastern Daylight Time, on March 15, 2011; or

completing, signing, dating and returning the proxy card or voting instruction card so that it is received prior to the Annual Meeting. Philippe P. Dauman and Michael D. Fricklas (the proxy holders) have been designated by our Board of Directors to vote the shares represented by proxy at the Annual Meeting. Messrs. Dauman and Fricklas are executive officers of Viacom, and Mr. Dauman is also a director nominee.

The proxy holders will vote the shares represented by your valid and timely received proxy in accordance with your instructions.

If you do not specify instructions on your proxy when you submit it, the proxy holders will vote the shares represented by the proxy in accordance with the recommendations of the Board of Directors on each item of business listed above.

If any other matter properly comes before the Annual Meeting, the proxy holders will vote the shares represented by proxy on that matter in their discretion.

Voting Shares Held in the Viacom 401(k) Plan

Voting instructions for shares of Class A common stock held in the Viacom 401(k) plan must be received by 11:59 p.m., Eastern Daylight Time, on March 14, 2011 so that the trustee of the plan (who votes the shares on behalf of plan participants) has adequate time to tabulate the voting instructions. Shares held in the Viacom 401(k) plan that are not voted, or for which the trustee does not receive timely voting instructions, will be voted by the trustee in the same proportion as the shares held in the plan that are timely voted, except as otherwise required by law.

Voting other than by Proxy

While we encourage voting in advance by proxy, holders of Class A common stock (other than shares held in the Viacom 401(k) plan) also have the option of voting their shares in person at the Annual Meeting.

Can I change my vote or revoke my proxy after I return my proxy card?

Shares Held other than in the Viacom 401(k) Plan

You may change your vote or revoke your proxy at any time before your proxy is voted at the Annual Meeting by:

sending written notice to Michael D. Fricklas, Secretary, Viacom Inc., 1515 Broadway, New York, NY 10036-5794, so long as it is received by 11:59 p.m., Eastern Daylight Time, on March 15, 2011;

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submitting a proxy bearing a later date than the proxy being revoked to Broadridge, P.O. Box 9111, Farmingdale, NY 11735, so long as it is received by 11:59 p.m., Eastern Daylight Time, on March 15, 2011;

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voting again by telephone or the Internet by 11:59 p.m., Eastern Daylight Time, on March 15, 2011; or

attending the Annual Meeting and voting in person.

Shares Held in the Viacom 401(k) Plan

Voting instructions relating to shares of Class A common stock held in the 401(k) plan may be revoked prior to 11:59 p.m., Eastern Daylight Time, on March 14, 2011 by:

sending written notice to Michael D. Fricklas, Secretary, Viacom Inc., 1515 Broadway, New York, NY 10036-5794;

submitting voting instructions bearing a later date than the voting instructions being revoked to Broadridge, P.O. Box 9111, Farmingdale, NY 11735; or

voting again by telephone or the Internet.

What effect do abstentions and broker non-votes have on the items of business?

An abstention on any of items 1, 2 and 4 identified above will have the effect of a vote against that item. An abstention on item 3 will have no effect on the voting results for that item.

Broker non-votes may occur because certain beneficial holders of our Class A common stock hold their shares in street name through a broker or other nominee. Under the rules of the New York Stock Exchange (the NYSE), the only item to be acted upon at our Annual Meeting with respect to which a broker or nominee will be permitted to exercise voting discretion is item 4, the ratification of the appointment of PricewaterhouseCoopers LLP to serve as our independent auditor for fiscal year 2011. Therefore, if a beneficial holder of our Class A common stock does not give the broker or nominee specific voting instructions on items 1 through 3, the holder's shares will not be voted on those items and a broker non-vote will occur. Broker non-votes will have no effect on the voting results for such items.

How do I gain admission to the Annual Meeting?

If you are a registered holder of Class A common stock:

Please mark the appropriate box on the proxy card, or indicate that you plan to attend the meeting when you vote by telephone or the Internet, and an admission ticket will be sent to you. Please bring photo identification with you for admittance to the meeting.

If you are a registered holder of Class B common stock or hold Class A or Class B common stock beneficially in a brokerage account or otherwise:

You must obtain an admission ticket in advance by sending a written request along with proof of ownership (such as your brokerage firm account statement or statement of holdings from our transfer agent) to Director, Shareholder Relations, Viacom Inc., 1515 Broadway, 52nd Floor, New York, New York 10036-5794. Please bring photo identification with you for admittance to the meeting.

Who pays the cost of soliciting votes for the Annual Meeting?

We will pay the cost of the solicitation of proxies, including the preparation, website posting, printing and delivery of the proxy materials. We will furnish copies of these materials to banks, brokers, fiduciaries, custodians and other nominees that hold shares on behalf of beneficial owners so that they may forward the materials to beneficial owners.

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Who will count the votes?

We have retained IVS Associates, Inc. to tabulate the votes and serve as the independent inspector of election for the Annual Meeting.

Where can I find the voting results of the Annual Meeting?

We will publish the final results of the voting in a Current Report on Form 8-K within four business days of the Annual Meeting.

How can I elect to receive future shareholder communications such as proxy materials electronically?

We highly recommend that you receive electronic delivery of Viacom proxy statements, annual reports and other stockholder communications. This helps reduce the use of paper and lowers our printing, postage and other costs. If you have not previously enrolled in electronic delivery of such materials, you can elect to participate when you vote on the Internet. You can also enroll at www.icsdelivery.com/viacom.

Stockholders who have not enrolled in electronic delivery will receive the Notice of Internet Availability of Proxy Materials indicating that our proxy materials are available at <http://proxymaterials.viacom.com>, unless you have advised us that you prefer to receive a printed copy.

COMPANY INFORMATION AND MAILING ADDRESS

We were organized as a Delaware corporation in 2005. Our mailing address is Viacom Inc., 1515 Broadway, New York, NY 10036-5794, and our telephone number is (212) 846-6000. Our website address is www.viacom.com. References in this proxy statement to Viacom, company, we, us and our refer to Viacom Inc. and our consolidated subsidiaries, unless the context requires otherwise. Information on our website is not intended to be incorporated into this proxy statement.

Fiscal Year End Change

As previously announced, in 2010, we changed our fiscal year end to September 30 from December 31. This Proxy Statement reports information for the nine-month fiscal year ended September 30, 2010, which we refer to as fiscal year 2010 throughout this report. Following fiscal year 2010, we will report on a twelve-month fiscal year beginning on October 1 and ending on September 30 of each year. The fiscal years ended December 31, 2009, 2008 and 2007 reflect the twelve-month information of the respective calendar years.

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ITEM 1 ELECTION OF DIRECTORS

The election of 11 directors is proposed by the Board of Directors. In accordance with our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, each director will hold office for a term of one year and until his or her successor is duly elected and qualified.

Our Director Nominees

The Governance and Nominating Committee is responsible for reviewing the composition of our Board annually after considering the Board's anticipated needs for the upcoming year. In recommending director nominees to our Board, the members of the Governance and Nominating Committee consider information on the experience and qualifications of each director nominee, including each nominee's independence, each incumbent director's performance as a Viacom Board member, and an overall assessment of the Board's functioning.

All of our director nominees are current members of our Board of Directors who were last elected at our 2010 Annual Meeting. The Governance and Nominating Committee unanimously recommended to the Board that the director nominees be invited to stand for re-election at the Annual Meeting.

Director Qualifications and Biographies

The Governance and Nominating Committee, consistent with the desires of the full Board and our controlling stockholder, seeks to achieve a Board that represents a diverse mix of skills, perspectives, talents, backgrounds and education that will enhance our decision-making process, oversee management's execution of strategic objectives and represent the interests of all of our stockholders. Independence is a key factor when considering the director nominees, as are critical thinking skills, practical wisdom and mature judgment in the decision-making process. Our Board composition reflects our commitment to include individuals from diverse backgrounds and with diverse experience, and the members of our Governance and Nominating Committee are mindful of that objective when they nominate directors for election. Our Board composition also reflects the Committee's determination as to the appropriate size of the board to facilitate effective communication and cooperation.

The information that follows includes each director nominee's:

independence status as determined by the Board of Directors in accordance with the standards set forth in our Corporate Governance Guidelines and the NYSE listing standards, as discussed under "Our Board of Directors";

tenure on our Board and the Board of former Viacom Inc. (Former Viacom), which is now known as CBS Corporation, as applicable;

experience, qualifications, attributes and skills that the Governance and Nominating Committee and the Board considered in concluding that each director nominee should serve on Viacom's Board; and

service on the boards of directors of other public companies and investment companies during the past five years.

Important information about Viacom's corporate governance practices, the responsibilities and functioning of the Board and its committees, director compensation and related person transactions is found elsewhere in this proxy statement. We encourage you to review this information in connection with your decisions on the election of the 11 director nominees.

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George S. Abrams **Age 78** **Not Independent**

Mr. Abrams has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 1987. Mr. Abrams is being re-nominated to our Board because of his extensive knowledge of and history with Viacom, his skills as an attorney and advisor, familiarity with issues facing media and entertainment companies, and his involvement with NAI, our controlling stockholder. Mr. Abrams is an attorney associated with the law firm of Winer and Abrams in Boston since 1969. Prior to that, Mr. Abrams served for three years as General Counsel and Staff Director of the United States Senate Judiciary Committee for Refugees. Mr. Abrams is a Trustee of the Boston Museum of Fine Arts and a Fellow and/or Director of a number of other arts and education related boards and foundations. He is also a director of NAI and has been a director of Sonesta International Hotels Corporation since 1995.

Philippe P. Dauman **Age 56** **Not Independent**

Mr. Dauman has been our President and Chief Executive Officer since September 2006 and a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 1987. Mr. Dauman is being re-nominated to our Board due to his role as our President and CEO, extensive knowledge of and history with Viacom, his strategic and operational experience, his in-depth understanding of our industry and his connections in the business community. Mr. Dauman was Co-Chairman and Chief Executive Officer of DND Capital Partners, L.L.C., a private equity firm specializing in media and telecommunications investments that he co-founded with Mr. Dooley, from May 2000 until September 2006. Prior to that, Mr. Dauman held several positions at Former Viacom, which he first joined in 1993, including Deputy Chairman and member of its Executive Committee. Mr. Dauman is also a director of NAI and has served as a director of Lafarge S.A. since 2007. He also served as a director of Lafarge North America from 1997 to 2006.

Thomas E. Dooley **Age 54** **Not Independent**

Mr. Dooley has been our Senior Executive Vice President since September 2006, our Chief Operating Officer since May 2010 and a member of our Board since January 1, 2006. He served as our Chief Administrative Officer from September 2006 to May 2010 and as our Chief Financial Officer from January 2007 to September 2010. Mr. Dooley is being re-nominated to our Board due to his position as Chief Operating Officer, prior experience as our Chief Administrative Officer and CFO, extensive knowledge of and history with Viacom, his financial expertise and operational experience, and his in-depth understanding of our industry. Mr. Dooley was Co-Chairman and Chief Executive Officer of DND Capital Partners, L.L.C., a private equity firm specializing in media and telecommunications investments that he co-founded with Mr. Dauman, from May 2000 until September 2006. Before that, Mr. Dooley held various corporate and divisional positions at Former Viacom, which he first joined in 1980, including Deputy Chairman and member of its Executive Committee. Mr. Dooley served as a director of Sapphire Industrials Corp. from 2007 to 2010 and LaBranche & Co Inc. from 2000 to 2007.

Alan C. Greenberg **Age 83** **Independent**

Mr. Greenberg has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 2003. Mr. Greenberg is being re-nominated to our Board because of his independence, his broad business knowledge and demonstrated skills, his experience leading a large, multinational corporation in the financial industry and his connections in the business community. Mr. Greenberg is Vice Chairman Emeritus of JPMorgan Chase & Co., having previously served as Chairman of the Executive Committee of The Bear Stearns Companies Inc. from June 2001 until Bear Stearns was acquired by JPMorgan in May 2008. Mr. Greenberg also served as Chairman of the Board of Bear Stearns from 1985 to 2001, and as its Chief Executive Officer from 1978 to 1993.

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Robert K. Kraft **Age 69** **Independent**

Mr. Kraft has been a member of our Board since January 1, 2006. Mr. Kraft is being re-nominated to our Board because of his independence, his experience and talent leading a large, multinational corporation, including strategic and operational experience, and his connections in the business community. Mr. Kraft is Chairman and Chief Executive Officer of The Kraft Group, which includes the New England Patriots, New England Revolution, Gillette Stadium, Rand-Whitney Group and International Forest Products Corporation. He is also a director of the Dana Farber Cancer Institute and The New England Patriots Charitable Foundation.

Blythe J. McGarvie **Age 54** **Independent**

Ms. McGarvie has been a member of our Board since April 12, 2007. Ms. McGarvie is being re-nominated to our Board because of her independence, her financial expertise and critical thinking, her experience and talent as a consultant and her international experience. Ms. McGarvie is the Chief Executive Officer of Leadership for International Finance, LLC, a firm focusing on improving clients' financial positions and providing leadership seminars for corporate and academic groups, having previously served as President since January 2003. From 1999 through 2002, Ms. McGarvie was the Executive Vice President and Chief Financial Officer of BIC Group. Prior to that, Ms. McGarvie served as Senior Vice President and Chief Financial Officer of Hannaford Bros. Co. from 1994 to 1999. Ms. McGarvie has served as a director of Accenture Ltd. since 2001 and The Travelers Companies, Inc. since 2004. Ms. McGarvie also served as a director of The Pepsi Bottling Group, Inc. from 2002 to 2010 and Lafarge North America from 2004 to 2006.

Charles E. Phillips, Jr. **Age 51** **Independent**

Mr. Phillips has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 2004. Mr. Phillips is being re-nominated to our Board because of his independence, his experience as a senior executive in a large, multinational corporation, his financial industry background and financial and analytical expertise, and his familiarity with issues facing media, new media and intellectual property-driven companies. Mr. Phillips has been CEO of Infor Global Solutions since December 1, 2010. He was a President of Oracle Corporation from May 2003 to September 2010 and served as a member of its Board of Directors and Executive Management Committee from January 2004 to September 2010. Mr. Phillips also served as a director of Morgan Stanley from 2006 to 2010.

Shari Redstone **Age 56** **Not Independent**

Ms. Redstone has been the Non-Executive Vice Chair of our Board since January 1, 2006. She also serves as Non-Executive Vice Chair of the Board of CBS Corporation. Ms. Redstone served on the Board of Former Viacom since 1994, becoming Vice Chairman in June 2005. Ms. Redstone is being re-nominated to our Board because of her extensive experience in and understanding of the entertainment industry, her experience and talent managing a large business, and her position with NAI, including as one of its significant stockholders. Ms. Redstone has been President of NAI since January 2000, and prior to that, served as Executive Vice President of NAI since 1994. Ms. Redstone is also Chairman of Rising Star Media and Founder and Managing Partner of Legacy Ventures. An attorney, Ms. Redstone is a member of the Board of Directors and Executive Committee for the National Association of Theatre Owners and Co-Chairman of MovieTickets.com, Inc. She is also a member of the board of several charitable organizations, including the Dana Farber Cancer Institute, Combined Jewish Philanthropies and the John F. Kennedy Library Foundation. Ms. Redstone is also a director of NAI. She also served as a director of Midway Games Inc. from 2004 until 2008. She is the daughter of Sumner Redstone.

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Sumner M. Redstone

Age 87

Not Independent

Mr. Redstone has been our Executive Chairman of the Board of Directors and Founder since January 1, 2006. He has also served as Executive Chairman and Founder of CBS Corporation since January 1, 2006. He was Chairman of the Board of Former Viacom beginning in 1987. Mr. Redstone is being re-nominated to our Board because of his position as our controlling stockholder, role in founding Viacom, including managing it for many years, his extensive experience in and understanding of the media and entertainment industry and his connections in the business community. Mr. Redstone was Chief Executive Officer of Former Viacom from 1996 to 2005. He has been Chairman of the Board of NAI since 1986, its Chief Executive Officer since 1967 and also served as its President from 1967 through 1999. Mr. Redstone served as the first Chairman of the Board of the National Association of Theatre Owners and is currently a member of its Executive Committee. He has been a frequent lecturer at universities, including Harvard Law School, Boston University Law School and Brandeis University. Mr. Redstone graduated from Harvard University in 1944 and received an LL.B. from Harvard University School of Law in 1947. Upon graduation, he served as law secretary with the U.S. Court of Appeals and then as a special assistant to the U.S. Attorney General. Mr. Redstone served in the Military Intelligence Division during World War II. While a student at Harvard, he was selected to join a special intelligence group whose mission was to break Japan's high-level military and diplomatic codes. Mr. Redstone received, among other honors, two commendations from the Military Intelligence Division in recognition of his service, contribution and devotion to duty, and the Army Commendation Award.

Frederic V. Salerno

Age 67

Independent

Mr. Salerno has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 1994. Mr. Salerno is being re-nominated to our Board because of his independence, his experience as a chief financial officer in large, multinational corporations, his financial expertise and his extensive knowledge of and history with Viacom. Mr. Salerno is a retired Vice Chairman and Chief Financial Officer of Verizon Communications Inc., a position he held from June 2000 to October 2002. Prior to that, Mr. Salerno served as Vice Chairman and Chief Financial Officer of Bell Atlantic (Verizon's predecessor) from August 1997. Prior to the merger of Bell Atlantic and NYNEX Corporation, Mr. Salerno served as Vice Chairman, Finance and Business Development, of NYNEX from 1994 to 1997. Mr. Salerno was Vice Chairman of the Board of NYNEX and President of the NYNEX Worldwide Services Group from 1991 to 1994. Mr. Salerno has served as a director of Akamai Technologies, Inc. since 2002, IntercontinentalExchange, Inc. since 2002, Popular Inc. since 2003, CBS Corporation since 2007, and National Fuel Gas Company since 2008. Mr. Salerno also served as a director of The Bear Stearns Companies Inc. from 1992 until 2008, of Consolidated Edison Inc. from 2002 until 2007 and of GAMCO Investors, Inc. from 2003 until 2006.

William Schwartz

Age 77

Independent

Mr. Schwartz has been a member of our Board since January 1, 2006, having previously served as a director of Former Viacom since 1987. Mr. Schwartz is being re-nominated to our Board because of his independence, his extensive knowledge of and history with Viacom, his experience in governance matters, his skills as an attorney and advisor and his background in academics. He is counsel to the law firm of Cadwalader, Wickersham & Taft, a position he has held since 1988. Mr. Schwartz served as Vice President for Academic Affairs (the chief academic officer) of Yeshiva University from 1993 to 1998, and has been University Professor of Law at Yeshiva University and the Cardozo School of Law since 1991. Mr. Schwartz was Dean of the Boston University School of Law from 1980 to 1988, and a professor of law at Boston University from 1955 to 1991. Mr. Schwartz is an honorary member of the National College of Probate Judges. Mr. Schwartz formerly served as chairman of UST Corp., and was chairman of the Boston Mayor's Special Commission on Police Procedures and a member of the Legal Advisory Board of the New York Stock Exchange.

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In accordance with the Board's recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies FOR the election of each of the 11 director nominees set forth above, unless the stockholder gives instructions to the contrary. If, for any reason, any of the director nominees becomes unavailable for election, the proxy holders may exercise discretion to vote for substitute nominees proposed by the Board. Each of the director nominees has indicated that he or she will be able to serve if elected and has agreed to do so.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors recommends a vote FOR the election of each of the director nominees named above.

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OUR BOARD OF DIRECTORS

Our Board of Directors is comprised of 11 members, 6 of whom are independent under the standards discussed below. The Board has three standing committees: the Audit Committee, the Compensation Committee and the Governance and Nominating Committee, each of which consists solely of independent directors. Our Board met 5 times in fiscal year 2010, and each of our directors attended all of the meetings of the Board and Committees on which the director served, with the exception of Mr. Kraft, who was unable to attend at least 75% of the meetings of the Board due to family health issues. In addition to our Board and Committee meetings, all directors are expected to attend the Annual Meeting and all of our directors attended our 2010 Annual Meeting, except for Mr. Kraft.

Board Structure

Our Board of Directors is comprised of the following members:

an Executive Chairman,

a non-executive Vice Chair,

our President and Chief Executive Officer,

our Senior Executive Vice President and Chief Operating Officer, and

seven other directors, six of whom are independent.

Mr. Redstone is the controlling stockholder of NAI, which has voting control of Viacom. Mr. Redstone founded Viacom in 1987 and has led our development over the years into the company we are today. The Board of Directors believes it is appropriate for Mr. Redstone to be Chairman of the Board, in an executive capacity, as he continues to actively participate in the development of the strategic direction of our company. The Board also appointed Mr. Redstone's daughter, Shari Redstone, as non-executive Vice Chair of the Board, to increase her involvement with our company in a non-executive capacity. Ms. Redstone also has a significant ownership interest in NAI.

Mr. Dauman has been a member of Viacom's Board since 1987, and Mr. Dooley rejoined Viacom's Board in 2006 after serving on the Board for four years prior to the merger with CBS in 2000. In September 2006, Mr. Dauman was elected President and Chief Executive Officer and Mr. Dooley was elected Senior Executive Vice President and Chief Administrative Officer, and in May 2010, Mr. Dooley was promoted to Chief Operating Officer. The Board has determined that their continued participation on the Board would be beneficial because of their experience, talent and knowledge of the business, as well as their day-to-day management of Viacom.

We do not have a formal lead independent director. Mr. Schwartz, the Chair of our Governance and Nominating Committee, leads executive sessions of non-management and independent directors and approves Board agendas. He and Mr. Salerno, the Chair of our Compensation Committee, play leading roles with respect to various other matters that are appropriate for consideration by independent directors, such as executive compensation, matters involving related parties or potential conflicts of interest.

In keeping with good corporate governance practices, we maintain a majority of independent directors and our Board committees are comprised solely of independent directors. Independent directors have the ability to propose agenda items, including for executive sessions, to the Chair of the Governance and Nominating Committee. We believe our Board leadership structure provides the appropriate balance of independent directors, directors affiliated with our controlling stockholder and management directors to work together to represent the interests of our entire stockholder base.

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Board Role in Risk Oversight

Our Board receives regular reports from our CEO, CFO and other members of senior management regarding areas of significant risk to us, including operational, strategic, legal and regulatory, financial and reputational risks. Certain risks that are under the purview of a particular Committee are monitored by that Committee, which then reports to the full Board as appropriate. For example, our Internal Audit and Strategic Business Practices group, which identifies and manages a wide range of risks companywide, reports to the Audit Committee and senior management, who in turn report significant developments to the full Board of Directors. In addition, under its Charter, the Audit Committee reviews our risk assessment and risk management processes.

Director Independence

Our Corporate Governance Guidelines (the Guidelines) provide that a majority of our directors must be independent of Viacom, as independence is defined in the NYSE listing standards and in the Guidelines.

NYSE Listing Standards

The NYSE listing standards provide five bright-line tests to determine independence. If a director fails any of the five tests, the director must be found to be not independent. In addition, the NYSE listing standards provide that a director is not independent unless the Board affirmatively determines that the director has no material relationship with Viacom.

Our Corporate Governance Guidelines

Our Guidelines provide categorical standards to assist the Board in determining what constitutes a material relationship with Viacom for purposes of the NYSE listing standards. These categorical standards are summarized below and can be found in their entirety in our Guidelines, which are posted in the Investor Relations/Corporate Governance section of our website [at www.viacom.com](http://www.viacom.com).

Under the categorical standards in our Guidelines, the following relationships are generally deemed not to be material:

the types of relationships identified by the NYSE listing standard's bright-line tests, if they occurred more than five years ago (the Board will review any such relationship if it occurred more than three but less than five years ago);

a relationship whereby the director has received, or an immediate family member of the director has received for service as an executive officer, \$120,000 or less in direct compensation from us during any twelve-month period within the last three years; and

a relationship in which the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of the following:

- Ø a company that made payments to or received payments from us for property or services in an amount that, in any of the last three fiscal years, is less than 1% of that company's annual consolidated gross revenues;
- Ø a company that is either indebted to us or a creditor of ours in an amount that is less than 1% of that company's total consolidated assets; and
- Ø a tax-exempt organization that received contributions from us in the prior fiscal year in an amount less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

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For relationships that exceed these thresholds, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, is made by the directors who are independent. In addition, the Guidelines state that, generally, the types of relationships not addressed by the NYSE listing standards or the categorical standards described in the Guidelines will not, by themselves, cause a director to be considered not independent. The Board may, after considering relevant facts and circumstances, determine that a director is not independent for any reason it deems appropriate.

Independence of Our Directors

When considering whether a director is independent, we believe it is important for our Board to have a range of information about the director so that it can make an informed independence determination. Our Governance and Nominating Committee and the full Board review summary information sheets on each director with information about:

the director's employment;

any relationships required to be disclosed as related person transactions in this proxy statement;

certain other relationships not required to be disclosed in this proxy statement because they do not meet materiality thresholds;

any relationship of which we are aware between the director or a director's family member and Viacom or any other Viacom director or executive officer (for example, overlapping directorships); and

other public company board and committee memberships and affiliations with not-for-profit organizations.

In addition, as discussed under Related Person Transactions, the Governance and Nominating Committee receives reports on all transactions between related persons and us, regardless of whether such transaction is determined to involve a material interest by a related person.

Since our 2010 Annual Meeting, 6 of our 11 directors have been independent: Messrs. Greenberg, Kraft, Phillips, Salerno and Schwartz and Ms. McGarvie. In January 2011, the Board conducted its annual review of the independence of the director nominees and confirmed that these directors continue to be independent.

With respect to specific companies affiliated with an independent director, the Governance and Nominating Committee and the Board considered the following:

Mr. Greenberg is non-executive Vice Chairman Emeritus at JPMorgan Chase & Co. (having previously served as Chairman of the Executive Committee of Bear Stearns prior to JPMorgan Chase's acquisition of Bear Stearns). JPMorgan provides banking and other services to us from time to time, including acting as trustee for our tax-qualified retirement plans.

Until October 2010, Charles Phillips was a President of Oracle Corporation, with which we have commercial agreements for the licensing or purchase of software and other equipment and related consulting services.

Any financial amounts involved in the transactions described above (in the aggregate) were well below 1% of the other company's revenues, which is the threshold under our Guidelines below which transactions are presumed not to affect independence. The transactions between Viacom and JPMorgan and Oracle were negotiated on an arm's length basis. The Board determined that these transactions did not affect the independence of either Mr. Greenberg or Mr. Phillips.

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Board Committees

Committee Membership

The Board reviews and determines the membership of our Board committees at least annually, with input from the Governance and Nominating Committee. The following discusses the membership of the committees in fiscal year 2010, including the number of meetings held in fiscal year 2010, as well as information about the committees, their respective roles and responsibilities and their charters. Each of our committees has a written charter, which is posted in the Investor Relations/Corporate Governance section of our website at www.viacom.com.

| Name | Governance and | | |
|-------------------------------|-----------------|------------------------|----------------------|
| | Audit Committee | Compensation Committee | Nominating Committee |
| Blythe J. McGarvie | Chair | Member | Member |
| Charles E. Phillips, Jr. | Member | (1) | |
| Frederic V. Salerno | Member | Chair | Member |
| William Schwartz | | Member | Chair |
| FY 2010 Meetings | 5 | 15 | 4 |
| Calendar 2010 Meetings | 6 | 16 | 4 |

(1) On November 10, 2010, the Board appointed Mr. Phillips to the Compensation Committee.

Audit Committee

Under its Charter, the Audit Committee is responsible for the following, among other things:

the appointment, compensation, retention, termination and oversight of our independent auditor, including reviewing with the independent auditor the scope of the audit plan and audit fees;

reviewing our financial statements and related SEC filings and financial disclosures;

overseeing our compliance with the requirements of Section 404 of the Sarbanes-Oxley Act with respect to internal control over financial reporting;

reviewing our risk assessment and risk management processes;

oversight of our internal audit function; and

oversight of our compliance with legal and regulatory requirements.

For additional information on the Committee's role and its oversight of the independent auditor during fiscal year 2010, see Report of the Audit Committee.

The Audit Committee Charter also provides that:

the Committee will be comprised of at least three independent directors, each of whom also meets the separate standards for Audit Committee independence set forth in the NYSE listing standards;

all Committee members must be financially literate and the Committee must have at least one audit committee financial expert ;

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the Committee will hold at least six regular meetings each calendar year;

the Committee will meet separately with the independent auditor at least four times each year;

the Committee will meet regularly in executive session with members of our senior management team; and

the Committee is empowered to hire outside advisors as it deems appropriate.

Audit Committee Financial Experts

The Board of Directors has determined that all of the members of the Audit Committee are financially literate, as that term is interpreted by the Board in its business judgment. In addition, the Board has determined that all three members, Ms. McGarvie (Chair), Mr. Phillips and Mr. Salerno, are independent directors and qualify as audit committee financial experts, as that term is defined in the regulations promulgated under the Securities Act of 1933, as amended (the Securities Act).

Service on the Audit Committees of Other Public Companies

We do not restrict the number of other audit committees on which members of our Audit Committee may serve; however, in recommending director candidates to the Board and directors to serve on committees of the Board, the Governance and Nominating Committee considers the other demands on each director's time, including those arising from such service.

Compensation Committee

Under its Charter, the Compensation Committee is responsible for the following, among other things:

establishing and regularly reviewing our general compensation philosophy, strategy, principles and policies, including conducting periodic risk assessments of our compensation programs;

reviewing and approving the total compensation packages for, and key terms of any agreements with, our Executive Chairman and Founder, our President and Chief Executive Officer, our other executive officers, the divisional executives who report to the CEO, and certain other executives;

reviewing and making recommendations to the Board on compensation plans and overseeing the administration of those plans;

determining the appropriate design for awards made under our annual cash bonus and equity compensation plans and setting related performance targets;

approving all equity awards we grant; and

evaluating the performance of our Executive Chairman and Founder and our President and Chief Executive Officer, and reviewing the evaluations of other executives by the Executive Chairman and Founder and/or the President and CEO, as appropriate, including in the context of succession planning.

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For additional information on the Committee's role, its processes for the consideration and determination of executive compensation and its use of outside advisors, see Compensation Discussion and Analysis.

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The Compensation Committee Charter also provides that:

the Committee will be comprised of at least three independent directors, each of whom must be an outside director as defined by Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code);

the Committee will hold at least four regular meetings each calendar year;

the Committee will meet periodically in executive session, which sessions typically include its independent outside advisors; and

the Committee is empowered to hire outside advisors as it deems appropriate.

Compensation Committee's Relationship with its Independent Compensation Consultant

The Committee's independent compensation consultant in 2009 was Towers Perrin. In early 2010, Towers Perrin merged with Watson Wyatt, another human resources consulting firm that has provided services to us, and is now called Towers Watson. Effective February 1, 2010, the Committee retained Pay Governance LLC (Pay Governance), a firm founded by the consultant who formerly served the Committee when he was employed by Towers Perrin, as its independent compensation consultant. The Committee may continue to have access to data from Towers Watson but the firm no longer serves as the independent compensation consultant to the Committee.

Pay Governance is engaged by, and reports directly to, the Committee, which has the sole authority to hire or fire Pay Governance and to approve fee arrangements for work performed. Pay Governance assists the Committee in fulfilling its responsibilities under its Charter, including advising on proposed compensation packages for top executives, compensation program design and market practices generally. The Committee has authorized Pay Governance to interact with management on behalf of the Committee, as needed in connection with advising the Committee, and Pay Governance is included in discussions with management and the Committee's outside legal counsel on matters being brought to the Committee for consideration.

It is the Committee's policy that the Chair of the Committee or the full Committee pre-approve any additional services provided to management by our independent compensation consultant. In fiscal year 2010, Pay Governance only did work for the Committee. Towers Watson received fees of less than \$20,000 in connection with work performed at management's request.

Governance and Nominating Committee

Under its Charter, the Governance and Nominating Committee is responsible for the following, among other things:

identifying and recommending to the Board potential director candidates and reviewing the composition of the Board as part of this process;

overseeing all aspects of our corporate governance initiatives, including regular assessments of our principal governance documents, and making recommendations to the Board as appropriate;

establishing policy on and overseeing our entry into related person transactions;

establishing criteria for the annual self-assessments of the Board and its Committees;

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reviewing and making recommendations to the Board on director compensation matters; and

monitoring developments in the law and practice of corporate governance.

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The Governance and Nominating Committee Charter also provides that:

the Committee will be comprised of at least three independent directors, which the Board believes should include a Chair with experience in governance matters plus the Chairs of the Audit and Compensation Committees in accordance with good governance practice;

the Committee will hold at least three regular meetings each calendar year;

the Committee will meet regularly in executive session; and

the Committee is empowered to hire outside advisors as it deems appropriate.

The Governance and Nominating Committee uses the Compensation Committee's independent compensation consultant for advice on director compensation. For additional information on the Committee's oversight of director compensation and related person transactions, see the sections Director Compensation and Related Person Transactions.

Executive Sessions of the Board

Mr. Schwartz, the Chair of the Governance and Nominating Committee, leads the executive sessions of non-management and independent directors.

Director Nomination Process and Consideration of Diversity

Our Guidelines and the Governance and Nominating Committee Charter set forth certain criteria for director qualifications and Board composition. These criteria include an expectation that directors have substantial accomplishments in their professional backgrounds, are able to make independent, analytical inquiries and exhibit practical wisdom and mature judgment. The Governance and Nominating Committee seeks to achieve a Board that represents a diverse mix of skills, perspectives, talents, backgrounds and education that will enhance our decision-making process, oversee management's execution of strategic objectives and represent the interests of all of our stockholders. Director candidates should meet our standards for independence, be free of potential conflicts of interest, possess the highest personal and professional ethics, integrity and values, be committed to promoting the long-term interests of our stockholders and be able and willing to devote the necessary time to carrying out their duties and responsibilities as members of the Board. These criteria are described more fully in our Guidelines and the Governance and Nominating Committee Charter. The Governance and Nominating Committee considers these criteria, including diversity, in connection with its annual review of the composition, qualifications and independence of our Board.

For additional discussion of the process undertaken by the Committee in determining the director nominees, see Item 1 Election of Directors and Our Board of Directors Director Independence.

Stockholder Recommendations for Director Candidates

The Committee will consider potential director candidates recommended by our stockholders. When making a recommendation, stockholders should consider our criteria for director qualifications and Board composition set forth above and in our Guidelines and the Governance and Nominating Committee Charter. Director candidates recommended by stockholders who meet these qualifications will be considered by the Chair of the Committee, who will present the information on the candidate to the entire Committee. All director candidates recommended by stockholders will be considered by the Committee in the same manner as any other candidate and may or may not be selected by the Committee.

All recommendations by stockholders for potential director candidates must include written materials on the potential candidate's qualifications and be sent to Michael D. Fricklas, Secretary, Viacom Inc., 1515 Broadway, New York, NY 10036-5794.

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Communications with Directors

Stockholders and other interested parties who would like to contact our non-management directors may send an email to: nonmanagementdirectors@viacom.com or write to Non-Management Directors, Viacom Inc., 1515 Broadway, 52nd Floor, New York, NY 10036-5794. The non-management directors' contact information is also available on our website at www.viacom.com. The non-management directors have approved the process for handling communications received in this manner.

Stockholders should also use the email and mailing address for the non-management directors to send communications to the Board. The process for handling stockholder communications to the Board received in this manner has been approved by the independent directors of the Board. Correspondence relating to accounting or auditing matters will be handled in accordance with procedures established by the Audit Committee for such matters.

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CORPORATE GOVERNANCE

Our corporate governance practices are established, monitored and regularly assessed by our Board of Directors with assistance from the Governance and Nominating Committee. The Board considers current and proposed legal requirements and governance best practices in connection with its decisions on our governance practices, including ensuring that a majority of our Board is independent and that all of our Board committees are comprised solely of independent directors.

Our principal governance documents are our Corporate Governance Guidelines, Board Committee Charters, Global Business Practices Statement and Supplemental Code of Ethics for Senior Financial Officers. These documents are available in the Investor Relations/Corporate Governance section of our website at www.viacom.com, and copies of these documents may be requested by writing to Investor Relations, Viacom Inc., 1515 Broadway, New York, NY 10036-5794.

Certain aspects of our governance documents are summarized below. We encourage our stockholders to read our governance documents, as we believe they illustrate our commitment to good governance practices and ethical business conduct.

Corporate Governance Guidelines

Our Corporate Governance Guidelines establish our corporate governance principles and practices on a variety of topics, including the responsibilities, composition and functioning of the Board. The Governance and Nominating Committee assesses the Guidelines annually and makes recommendations to the Board on any changes to implement. Our Guidelines address, among other things:

director qualifications, including our director independence standards;

the requirement to hold separate executive sessions of the non-management directors and of the independent directors and their frequency;

how stockholders and interested parties may communicate with the non-management directors;

stock ownership guidelines for directors and the Board's policies for setting director compensation;

director orientation and continuing education;

policies regarding director access to management, employees and independent advisors;

the role of the non-management directors in executive succession planning; and

the annual self-assessment of the Board to evaluate its effectiveness.

Board Committee Charters

As discussed in more detail in the descriptions of our Board committees under Our Board of Directors Board Committees, each of our Board committees operates under a written charter adopted by the Board. The charters set forth the purpose, objectives and responsibilities of the respective committee and discuss matters such as committee membership requirements, number of meetings and the setting of meeting agendas. The charters are assessed annually by the Governance and Nominating Committee and the respective committee and are updated by the Board as needed.

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Viacom Global Business Practices Statement

Our Global Business Practices Statement (the GBPS) discusses our standards for ethical conduct that are expected of all directors and employees of Viacom and its subsidiaries. The GBPS has been distributed to our directors and employees worldwide. As part of our compliance and ethics programs, directors and employees receive regular training on the contents of the GBPS and, where permitted, are required to certify as to compliance with it. They are also required to disclose any conflicts or potential conflicts of interest on an ongoing basis and appropriately report on suspected violations of the GBPS. The GBPS addresses, among other things, topics such as:

Compliance with laws, rules and regulations;

Conflicts of interest, including the disclosure of actual or potential conflicts;

Confidentiality, insider information, and fair disclosure;

Financial accounting and improper payments;

Our commitment to being an equal opportunity employer and to providing a workplace environment free of harassment and improper bias;

Fair dealing and relations with competitors, customers and suppliers;

Privacy and data security, including protection and proper use of company assets, electronic systems and communications;

Anti-corruption laws such as the Foreign Corrupt Practices Act;

Export control and anti-boycott laws;

Health, safety and the environment; and

Political contributions and payments.

The GBPS also identifies numerous avenues for employees to report violations of the GBPS, matters of alleged financial impropriety and any other matters of concern, anonymously or with attribution, to the appropriate officers of Viacom and/or the Audit Committee. These avenues include telephone hotlines (in the United States and for numerous international locations), email contacts and reporting through various internal websites at Viacom and its business divisions. The GBPS makes clear that retaliation against an employee who makes a report in good faith will not be tolerated.

Our Senior Vice President and Deputy Head, Internal Audit and Strategic Business Practices, has day-to-day responsibility for our compliance and ethics programs. He reports to the Audit Committee and, as to compliance matters, to the General Counsel. These individuals, together with senior executives of various disciplines from Viacom and its business divisions, regularly review and update the GBPS policies, and generate more detailed policies and training for those officers and employees engaged in activities that warrant additional focus, such as conducting business internationally. We also require that our suppliers comply with pertinent elements of our business conduct policies.

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Waivers of the GBPS for our executive officers and directors will be disclosed on our website at www.viacom.com or by Form 8-K filed with the SEC.

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Supplemental Code of Ethics for Senior Financial Officers

The Supplemental Code of Ethics for Senior Financial Officers is applicable to our Executive Chairman and Founder, President and Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Chief Accounting Officer. The Supplemental Code of Ethics addresses matters specific to those senior financial positions at Viacom, including responsibility for the disclosures made in our filings with the SEC, reporting obligations with respect to certain matters and a general obligation to promote honest and ethical conduct within Viacom. As with all employees, the Senior Financial Officers are also required to comply with the GBPS.

Amendments to or waivers of the Supplemental Code of Ethics for these officers will be disclosed on our website at www.viacom.com or by Form 8-K filed with the SEC.

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DIRECTOR COMPENSATION

Directors who are not employees of Viacom or any of its subsidiaries (the "Outside Directors") are entitled to receive compensation for their service on the Board and are eligible to participate in certain director plans, as discussed below. Messrs. Abrams, Greenberg, Kraft, Phillips, Salerno and Schwartz, Ms. McGarvie and Ms. Redstone are Outside Directors.

Our director compensation programs are overseen by our Governance and Nominating Committee, which makes recommendations annually to the Board on the appropriate amount and structure of director compensation in light of then current competitive practice and other factors. The Governance and Nominating Committee receives advice from Pay Governance, the Compensation Committee's independent compensation consultant, on director compensation matters.

In early 2010, the Governance and Nominating Committee reviewed a report on director compensation prepared by the independent compensation consultant to the Compensation Committee. The report concluded that our director compensation levels had become lower than market practice since 2005, when our director compensation was last increased. As a result, in April 2010, the Board made certain changes, as described below, to our director compensation programs that became effective June 10, 2010. The changes to the equity components of our director compensation programs were approved by our stockholders at our 2010 Annual Meeting.

Elements of Outside Director Compensation

Cash Compensation

We pay cash compensation to our Outside Directors as follows:

Our Outside Directors receive an annual Board retainer of \$75,000, payable in equal installments quarterly in advance, except for our Vice Chair, who receives an annual retainer of \$200,000.

The Chairs of the Audit and Compensation Committees each receive an annual retainer of \$20,000, payable in equal installments quarterly in advance, and the members of those committees receive a per meeting attendance fee of \$2,000.

The Chair of the Governance and Nominating Committee receives an annual retainer of \$15,000, payable in equal installments quarterly in advance, and the members of that committee receive a per meeting attendance fee of \$1,500.

Prior to June 10, 2010, our Outside Directors received an annual Board retainer of \$60,000, plus a per meeting attendance fee of \$2,000, except for our Vice Chair, who received an annual retainer of \$200,000 and a per meeting attendance fee of \$4,000.

Outside Directors may elect to defer their cash compensation under the Viacom Inc. Deferred Compensation Plan for Outside Directors discussed below.

Equity Compensation

Stock Options

Under the Viacom Inc. 2011 Stock Option Plan for Outside Directors, Outside Directors automatically receive an annual grant on January 31 of each year of options to purchase a number of shares of Class B common stock equal in value to \$70,000, which grant vests in three equal annual installments on the anniversaries of the date of grant. The exercise price of the stock options is the closing price of our Class B common stock on the NYSE on the date of grant. The options are valued using the Black-Sholes valuation method.

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Prior to 2011, Outside Directors received under the Viacom Inc. 2006 Stock Option Plan for Outside Directors an initial grant of options to purchase 7,928 shares of Class B common stock on the date the director first joined the Board or became an Outside Director, which vested one year from the date of grant, plus an annual grant on January 31 of each year of options to purchase 3,171 shares of Class B common stock, which vested in three equal annual installments on the anniversaries of the date of grant.

Restricted Share Units

Under the Viacom Inc. 2011 RSU Plan for Outside Directors, Outside Directors receive an annual grant of restricted share units (RSUs) on January 31 of each year equal in value to \$70,000 based on the closing price of our Class B common stock on the NYSE on the date of grant. The RSUs vest one year from the date of grant. RSUs are payable in shares of Class B common stock upon vesting unless the Outside Director elects to defer settlement of the RSUs to a future date. Outside directors are entitled to receive dividend equivalents on the RSUs each time we pay a regular cash dividend on our Class B common stock.

Prior to 2011, Outside Directors received under the Viacom Inc. 2006 RSU Plan for Outside Directors an annual grant of RSUs on January 31 of each year equal in value to \$55,000 based on the closing price of our Class B common stock on the NYSE on the date of grant.

See Fiscal Year 2010 Director Compensation below for detail on the compensation our Outside Directors received for fiscal year 2010.

Deferred Compensation Plan

Under the Viacom Inc. Deferred Compensation Plan for Outside Directors, Outside Directors may elect to defer their Board and Committee retainers and meeting fees for the upcoming calendar year. Deferred amounts are credited during a calendar quarter to an interest-bearing income account or a stock unit account in accordance with the director's prior election. Amounts credited to an income account bear interest at the prime rate in effect at the beginning of each calendar quarter. Amounts credited to a stock unit account are deemed invested in a number of phantom stock units equal to the number of shares of Class A common stock and Class B common stock that the deferred amounts, if invested as equally as possible in the Class A and Class B common stock, would have purchased based on their respective closing market prices on the first day of the next calendar quarter. Amounts credited to a stock unit account bear interest at the prime rate in effect at the beginning of the relevant calendar quarter until they are converted to phantom stock units.

Upon a director's retirement from the Board, the amounts deferred under the Deferred Compensation Plan for Outside Directors are paid in cash in a lump sum or in three or five annual installments, based on the director's prior election, with the lump sum or initial annual installment becoming payable on the later of six months after the director leaves the Board or on January 15 of the following year. The value of a stock unit account is determined by reference to the average of the closing market prices of Class A common stock and Class B common stock on the NYSE on each trading date during the four-week period ending five business days prior to the payment date. Amounts credited to the interest account and paid in installments accrue interest until the final installment is paid.

For more information on the phantom stock units held by certain of our directors as of November 30, 2010, see footnote (1) to the Security Ownership of Certain Beneficial Owners and Management table.

Table of Contents**Fiscal Year 2010 Director Compensation**

The following table presents information on compensation for services as an Outside Director for our nine-month fiscal year 2010.

| Name | Fees Earned or Paid in Cash (\$) | Stock Awards (\$)(1) | Option Awards (\$)(1) | Non-Equity Incentive Plan Compensation (\$) | Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)(2) | All Other Compensation (\$) | Total (\$) |
|-----------------------------|---|----------------------------|-----------------------------|--|---|-----------------------------------|---------------|
| George S. Abrams(3) | \$ 55,625 | \$54,987 | \$35,547 | | \$ 47 | \$120,000 | \$266,206 |
| Philippe P. Dauman(4) | | | | | \$5,075 | | \$ 5,075 |
| Alan C. Greenberg(5) | \$ 55,625 | \$54,987 | \$35,547 | | | | \$146,159 |
| Robert K. Kraft(6) | \$ 51,625 | \$54,987 | \$35,547 | | \$ 23 | | \$142,182 |
| Blythe J. McGarvie(7) | \$116,625 | \$54,987 | \$35,547 | | \$ 2 | | \$207,161 |
| Charles E. Phillips, Jr.(8) | \$ 65,625 | \$54,987 | \$35,547 | | \$ 934 | | \$157,093 |
| Shari Redstone(9) | | | | | | | |
| <i>Vice Chair</i> | \$162,000 | \$54,987 | \$35,547 | | \$ 91 | | \$252,625 |
| Frederic V. Salerno(10) | \$116,625 | \$54,987 | \$35,547 | | \$ 344 | | \$207,503 |
| William Schwartz(11) | \$102,875 | \$54,987 | \$35,547 | | \$ 71 | | \$193,480 |

- (1) Reflects the grant date fair value of the awards calculated in accordance with FASB ASC Topic 718 – Stock Compensation. Grant date fair value assumptions are consistent with those disclosed in the *Equity-Based Compensation* Note to our Consolidated Financial Statements in our Transition Report on Form 10-K for the nine months ended September 30, 2010.
- (2) Interest accrues on the amounts deferred under our Deferred Compensation Plan for Outside Directors at the prime rate in effect at Citibank N.A. at the beginning of each calendar quarter. The prime rate generally represents an interest rate that is more than 120% of the applicable Federal Reserve Board's long-term interest rate and therefore is deemed to be preferential for purposes of this table. Accordingly, we have indicated above the difference in the amount of interest accrued for each director in fiscal year 2010 compared to the interest that would have been accrued at the applicable Federal Reserve Board's long-term interest rate.
- (3) Mr. Abrams did not defer receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Abrams held a total of 29,331 stock options for shares of Class B common stock and 1,887 RSUs for shares of Class B common stock. The amount under All Other Compensation reflects amounts paid in connection with Mr. Abrams' consulting agreement discussed under Related Person Transactions.
- (4) Mr. Dauman was compensated as an Outside Director prior to becoming our President and Chief Executive Officer on September 5, 2006. The amount presented in this table relates to compensation previously deferred by Mr. Dauman when he was an Outside Director.
- (5) Mr. Greenberg did not defer receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Greenberg held a total of 29,068 stock options for shares of Class B common stock and 1,887 RSUs for shares of Class B common stock.
- (6) Mr. Kraft deferred receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Kraft held a total of 23,783 stock options for shares of Class B common stock and 1,887 RSUs for shares of Class B common stock.
- (7) Ms. McGarvie did not defer receipt of her cash director fees in fiscal year 2010. As of September 30, 2010, Ms. McGarvie held a total of 17,441 stock options for shares of Class B common stock and 1,887 RSUs for shares of Class B common stock.
- (8) Mr. Phillips deferred receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Phillips held a total of 26,954 stock options for shares of Class B common stock and 6,863 RSUs (including deferred RSUs) for shares of Class B common stock.
- (9) Ms. Redstone deferred receipt of her cash director fees in fiscal year 2010. As of September 30, 2010, Ms. Redstone held a total of 20,741 stock options for shares of Class B common stock and 9,713 RSUs (including deferred RSUs) for shares of Class B common stock.
- (10) Mr. Salerno deferred receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Salerno held a total of 29,331 stock options for shares of Class B common stock and 10,961 RSUs (including deferred RSUs) for shares of Class B common stock.
- (11) Mr. Schwartz did not defer receipt of his cash director fees in fiscal year 2010. As of September 30, 2010, Mr. Schwartz held a total of 29,331 stock options for shares of Class B common stock and 10,961 RSUs (including deferred RSUs) for shares of Class B common stock.

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Director Perquisites

We generally do not provide perquisites to our directors. Occasionally, a director's spouse may accompany him or her to Viacom events at our request. For example, spouses are invited to some of the Board dinners we hold during the year in connection with Board meetings. This policy involves a de minimis or no incremental cost to us, and we believe it serves a legitimate business purpose.

Director Attendance at Certain Viacom Events

We believe it is in our best interest for directors to participate in certain events throughout the year, and the Board has established a policy under which directors are allocated tickets without charge to attend specific events that have been designated as having a business purpose. Travel expenses to such events are reimbursed by us in accordance with our normal travel policies. The Governance and Nominating Committee is responsible for oversight of this policy.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The table below presents as of November 30, 2010, unless otherwise indicated, information concerning the beneficial ownership of our Class A and Class B common stock by (i) each director and director nominee, (ii) each NEO and (iii) our directors, NEOs and executive officers as a group. Option Shares reflects stock options to purchase shares which were unexercised but exercisable, either currently or within a period of 60 days from November 30, 2010, and are excluded from the column Number of Equity Shares. Each person has sole voting and investment power over the shares reported, except as noted. The table also includes information concerning the beneficial ownership by each person, or group of affiliated persons, who is known by us to beneficially own 5% or more of our Class A common stock.

As of November 30, 2010, there were 51,972,966 shares of our Class A common stock outstanding and 549,828,055 shares of our Class B common stock outstanding.

| Name | Title of Equity Security | Beneficial Ownership of Equity Securities | | Percentage of Class |
|---------------------|--------------------------|---|---------------|---------------------|
| | | Number of Equity Shares | Option Shares | |
| George S. Abrams | Class A common stock | (1) | | * |
| | Class B common stock | 24,552(1)(2) | 22,989 | * |
| Philippe P. Dauman | Class A common stock | | | * |
| | Class B common stock | 354,017(3)(4) | 2,372,647 | * |
| Thomas E. Dooley | Class A common stock | 1,720 | | * |
| | Class B common stock | 296,696(4)(5) | 1,900,038 | * |
| Michael D. Fricklas | Class A common stock | 23(3)(4) | | * |
| | Class B common stock | 34,281(3)(4)(5) | 800,815 | * |
| Alan C. Greenberg | Class A common stock | | | |
| | Class B common stock | 34,074 | | |