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RESOLUTION NO. 753

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, APPROVING THE TRANSFER OF CONTROL OF VIACOM
INTERNATIONAL, INC.

WHEREAS, Vista Television Cable, a wholly-owned subsidiary of
Viacom International, Inc. ("Viacom"), is franchised to provide
cable television service in Redmond, and

WHEREAS, Viacom has entered into a merger agreement with a
subsidiary of National Amusements, Inc., as fully explained in the
letter dated March 13, 1987, attached hereto, and

WHEREAS, Vista Television Cable, Inc., has agreed to continue
to be bound by all applicable cable television franchise terms and
conditions in Redmond, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON HEREBY
RESOLVES AS FOLLOWS:

Section 1. The transfer of control of Viacom to National
Amusements, Inc., is hereby approved.

Section 2. This resolution shall become effective immediately
upon passage.

RESOLVED this 7th day of April, 1987.

CITY OF REDMOND:


MAYOR, DOREEN MARCHIONE

ATTEST/AUTHENTICATED:


CITY CLERK, DORIS SCHAIBLE

FILED WITH THE CITY CLERK: 4-2-87
PASSED BY THE CITY COUNCIL: 4-7-87
RESOLUTION NO. 753

RECEIVED

MAR 16 1987

CITIZENS SERVICE BUREAU
CITY OF REDMOND

March 13, 1987

Ms. Kathie Murray
Director, City Services Bureau
15670 N.E. 85th
Redmond, WA 98052

Dear Ms. Murray:

I am pleased to inform you that Viacom International Inc. ("Viacom"), the ultimate parent company of Vista Television Cable, Inc., the cable franchisee in Redmond, has agreed to merge with a subsidiary of National Amusements, Inc. National Amusements is a major corporation engaged in the local motion-picture theatre business and is currently the largest single shareholder of Viacom. Viacom will be the surviving corporation of this merger, and this transaction will not cause any changes in the operations or management of the cable system. Vista Television Cable, Inc. will continue to be the franchisee and, as indicated in the attached certificate (Attachment A), will continue to be bound by the terms and conditions of the existing franchise.

As you know, another group, MCV Acquiring Corp., previously sought to acquire Viacom. We sincerely appreciate your diligent efforts in handling our request to you in connection with that proposal. However, since then, Viacom's board of directors has accepted an offer from National Amusements and has terminated the prior MCV agreement which was never consummated.

The National Amusements transaction has solid financial support. As documented by the attached letter from National Amusements' President Sumner M. Redstone (Attachment B), National Amusements has agreed to contribute \$500 million in common equity to this transaction. In addition, \$175 million will be provided by Merrill Lynch, Pierce, Fenner & Smith and \$2.315 billion will be provided by a consortium of bank lenders, led by the Bank of America.


National Amusements, headquartered in Dedham, Massachusetts, is engaged in the business of developing, owning and managing commercial income-producing entertainment properties, such as single and multi-screen movie theatres, drive-in movie theatres and parking facilities adjacent to movie theatres. The company is a substantial and financially solid operation with theatres in

14 states and 1986 revenues in excess of \$150 million. See Attachment C. Sumner M. Redstone is the President and Chairman of the Board of National Amusements and votes all of the company's voting stock. As demonstrated by the attached biographical material (Attachment D), Mr. Redstone has had a distinguished career which, in addition to his success in business, includes valued service to the nation in World War II, as well as very extensive activities on behalf of civic and charitable organizations. Further information concerning Mr. Redstone's and National Amusements' character, legal and technical qualifications is set forth in Attachment E. |

The purpose of this letter is to advise you of the details of the transaction and to give you an opportunity to approve the transfer of control of Viacom if you deem such approval to be necessary under the terms of the franchise. I am enclosing a draft resolution which may be of assistance to you. Because the parties anticipate completing this transaction in early spring, it would be most helpful if any required action could be taken by April 30, 1987.

Your prompt attention to this matter will be greatly appreciated and will assist us in minimizing the transition period and promoting the stability and continuity of Viacom's local cable operations. The National Amusements transaction will ensure the continued strength of Viacom's financial position, will provide for stability and continuity of ownership of the company, and will guarantee Viacom's future as a major and secure force in the communications field. We are enthusiastic about Viacom's future in conjunction with National Amusements, and I look forward to working with you to complete this transaction expeditiously.

Very truly yours,



Arden Tyler
Vice President and General
Manager