

YOUNG, CONAWAY, STARGATT & TAYLOR

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November 29, 1993

BY HAND

The Honorable Jack B. Jacobs
Vice Chancellor
Court of Chancery
1000 King Street
Wilmington, DE 19801

Re: QVC Network, Inc., v. Paramount
Communications Inc., et al
C.A. No. 13208

Dear Vice Chancellor Jacobs:

Enclosed for Your Honor's consideration is a formal preliminary injunction order which contains the handwritten changes made in the order entered last Wednesday evening. At the conclusion of the hearing last Wednesday, I understood that the Court and the parties preferred a formal order incorporating these handwritten changes and that this formal order would be substituted for the existing order with handwritten changes. Copies of this "clean" order were provided to opposing counsel, and Mr. Sparks, on behalf of defendants, advised me that defendants oppose the entry of a "clean order" because (i) the handwritten copy already has been provided to the Supreme Court and (ii) the entry of this order supposedly would create confusion. Plaintiff continues to believe a clean order is appropriate. Obviously, Your Honor's preference will be controlling. If Your Honor's secretary could advise the parties if this

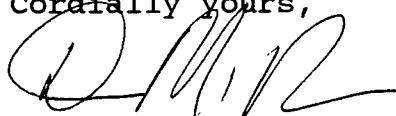
FILE COPY

YOUNG, CONAWAY, STARGATT & TAYLOR

The Honorable Jack B. Jacobs
November 29, 1993
Page 2

order has been executed and substituted for the existing
order, it would be much appreciated.

Cordially yours,



David C. McBride

DCM:cg

Enclosure

cc: Register in Chancery (w/enc. - by hand)
Charles F. Richards, Jr., Esq. (w/enc. - by hand)
A. Gilchrist Sparks, III, Esq. (w/enc. - by hand)
Irving Morris, Esq. (w/enc. - by hand)
Joseph A. Rosenthal, Esq. (w/enc. - by hand)

bcc: Theodore N. Mirvis, Esq. (By Fax)
Paul K. Rowe, Esq. (By Fax)

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

QVC NETWORK, INC.,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 13208
)	
PARAMOUNT COMMUNICATIONS INC.,)	
VIACOM INC., MARTIN S. DAVIS,)	
GRACE J. FIPPINGER, IRVING R. FISCHER,)	
BENJAMIN L. HOOKS, FRANZ J. LUTOLF,)	
JAMES A. PATTISON, IRWIN SCHLOSS,)	
SAMUEL J. SILBERMAN, LAWRENCE M. SMALL,)	
and GEORGE WEISSMAN,)	
)	
Defendants.)	
)	
IN RE PARAMOUNT COMMUNICATIONS INC.)	CONSOLIDATED
SHAREHOLDERS LITIGATION.)	C.A. No. 13117

PRELIMINARY INJUNCTION ORDER

Upon the motion of plaintiffs for a preliminary injunction, the Court having considered the motions, and having heard and considered argument of counsel, and having issued its Memorandum Opinion dated November 24, 1993:

IT IS HEREBY ORDERED, this 24th day of November, 1993, as follows:

A. Paramount Communications Inc. ("Paramount"), the individual defendants and each of their respective employees, agents, officers, directors and all persons or entities acting in concert with them or on their behalf are hereby preliminarily enjoined, absent further order of the Court, from amending or modifying the Rights Agreement dated

September 7, 1988 between Paramount and Chemical Bank (formerly Manufacturers Hanover Trust Company) (the "Rights Agreement"), redeeming the Rights under the Rights Agreement or taking any other action under the Rights Agreement to facilitate the Viacom, Inc. ("Viacom") tender offer or the proposed second-step merger or alternative merger between Viacom or a subsidiary of Viacom and Paramount; and Paramount represents that it has not heretofore taken any action which, without further action, would permit consummation of the Viacom tender offer free of the rights.

B. Paramount, Viacom, the individual defendants and each of their respective employees, agents, officers, directors and all persons or entities acting in concert with them or on their behalf, are hereby enjoined from (i) taking any action to exercise, cash-out, enforce, effectuate or consummate any term or provision of the Stock Option Agreement dated September 12, 1993, as amended October 24, 1993, or (ii) causing Paramount or any of its subsidiaries or affiliates to pay money, transfer any tangible or intangible assets or issue or deliver securities of Paramount or any of its subsidiaries or affiliates to Viacom or any of its subsidiaries or affiliates, other than in the ordinary course of business or pursuant to the termination fee provided in Section 8.05 of the Amended and Restated Agreement and Plan of Merger dated as of October 24, 1993.

C. To the extent that plaintiffs' motion for a preliminary injunction prayed for relief as to the

termination fee provided in Section 8.05 of the Amended and Restated Agreement and Plan of Merger dated as of October 24, 1993, it is denied.

D. This Order shall be effective immediately, subject to the filing or service upon opposing counsel by QVC of a cash bond or a bond with or without corporate surety, in the amount of \$1,000,000, on or before Noon (EST) on Monday, November 29, 1993.

13/ JACK B. JACOBS
Vice Chancellor

Entered: 7:50 P.M. (EST)
11/24/93

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

QVC NETWORK, INC.,

Plaintiff,

v.

PARAMOUNT COMMUNICATIONS INC.,
VIACOM INC., MARTIN S. DAVIS,
GRACE J. FIPPINGER, IRVING R. FISCHER,
BENJAMIN L. HOOKS, FRANZ J. LUTOLF,
JAMES A. PATTISON, IRWIN SCHLOSS,
SAMUEL J. SILBERMAN, LAWRENCE M. SMALL,
and GEORGE WEISSMAN,

Defendants.

IN RE PARAMOUNT COMMUNICATIONS INC.
SHAREHOLDERS LITIGATION.

C.A. No. 13208

CONSOLIDATED
C.A. No. 13117

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IT IS HEREBY ORDERED, this 24th day of November, 1993, as follows:

A. Paramount Communications Inc. ("Paramount"), the individual defendants and each of their respective employees, agents, officers, directors and all persons or entities acting in concert with them or on their behalf are hereby:

Preliminary absent further order of the Court,
(1) enjoined from amending or modifying the Rights Agreement dated September 7, 1988 between Paramount and Chemical Bank (formerly Manufacturers Hanover Trust Company) (the "Rights Agreement"), redeeming the Rights under the Rights Agreement or taking any other action under the Rights Agreement to

Restated Agreement and Plan of Merger dated as of October 24, 1993.

~~C. Prior to the expiration of the QVC tender offer, Viacom is enjoined from taking any steps to consummate its tender offer for Paramount shares or the Amended and Restated Agreement and Plan of Merger between Viacom and Paramount or otherwise acquiring any shares of Paramount, including, without limitation, accepting for payment or purchasing any shares of the outstanding common stock of Paramount pursuant to that offer or otherwise to acquire any such shares and preventing the withdrawal of any shares tendered to the Viacom tender offer;~~

D. To the extent that plaintiffs' motion for a preliminary injunction prayed for relief as to the termination fee provided in Section 8.05 of the Amended and Restated Agreement and Plan of Merger dated as of October 24, 1993, is denied.

E. This Order shall be effective immediately, subject to the filing or service upon opposing counsel, ^{by QVC} of a cash bond or a bond with or without corporate surety, in the amount of \$1,000,000, on or before Noon (EST) on Monday, November 29, 1993.

John B. Javelis
Vice Chancellor

Entered: 7:50 p.m.
11/24/93

Paramount represents that it has not heretofore taken any action which, without further action, would, permit consummation of the Viacom tender offer free of the rights,
facilitate the Viacom, Inc. ("Viacom") tender offer or the proposed second-step merger or alternative merger between Viacom or a subsidiary of Viacom and Paramount, ~~in each case, prior to the expiration of the tender offer of QVC Network, Inc. ("QVC"), and also further ordered to rescind any such amendment, modification, redemption or action under the Rights Agreement previously adopted or approved, and~~

~~(ii) ordered to amend or modify the Rights Agreement or otherwise redeem the Rights under such Rights Agreement with respect to QVC's tender offer and proposed second-step merger and to take any and all action necessary pursuant to 8 Del. C. § 203 and Article XI of Paramount's Certificate of Incorporation to approve QVC's tender offer and proposed second-step merger so that neither the Rights, 8 Del. C. § 203 nor Article XI shall impede or preclude the Paramount shareholders from having the opportunity to accept QVC's tender offer upon its expiration and QVC's proposed second-step merger.~~

B. Paramount, Viacom, the individual defendants and each of their respective employees, agents, officers, directors and all persons or entities acting in concert with them or on their behalf, are hereby enjoined from (i) taking any action to exercise, cash-out, enforce, effectuate or consummate any term or provision of the Stock Option Agreement dated September 12, 1993, as amended October 24, 1993, or (ii) causing Paramount or any of its subsidiaries or affiliates to pay money, transfer any tangible or intangible assets or issue or deliver securities of Paramount or any of its subsidiaries or affiliates to Viacom or any of its subsidiaries or affiliates, other than pursuant to the termination fee provided in Section 8.05 of the Amended and

*in the
ordinary
course
of
business
OR*

ORIGINAL

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

FILED
11-24-93
Register In Chancery

QVC NETWORK, INC.,)
)
Plaintiff,)
)
v.)
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PARAMOUNT COMMUNICATIONS INC.,)
VIACOM INC., MARTIN S. DAVIS,)
GRACE J. FIPPINGER, IRVING R. FISCHER,)
BENJAMIN L. HOOKS, FRANZ J. LUTOLF,)
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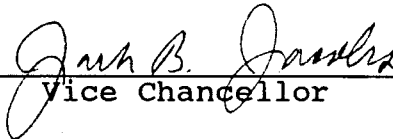
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C. To the extent that plaintiffs' motion for a preliminary injunction prayed for relief as to the

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D. This Order shall be effective immediately, subject to the filing or service upon opposing counsel by QVC of a cash bond or a bond with or without corporate surety, in the amount of \$1,000,000, on or before Noon (EST) on Monday, November 29, 1993.



Vice Chancellor

Entered: 7:50 P.M. (EST)
11/24/93