
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **March 29, 2007**

CBS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-09553

(Commission File Number)

04-2949533

(IRS Employer Identification
Number)

51 West 52nd Street, New York, New York

(Address of principal executive offices)

10019

(zip code)

Registrant's telephone number, including area code: **(212) 975-4321**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On March 29, 2007, CBS Corporation (“the Company”) entered into a new employment agreement with Susan C. Gordon, effective as of March 1, 2007, which provides that Ms. Gordon will continue to serve as the Company’s Senior Vice President, Controller and Chief Accounting Officer through February 28, 2010.

Pursuant to the terms of the employment agreement, Ms. Gordon’s annual base salary is \$788,200, which may be increased during the employment term in the Company’s sole discretion, and her annual target bonus is 50% of her salary. Ms. Gordon is eligible to receive annual grants of long-term incentive compensation, as determined by the Compensation Committee of the Board of Directors of the Company, having a target value of \$1,100,000. Ms. Gordon’s employment agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting confidential information and the Company’s ownership of work product and requiring cooperation in litigation, as well as other covenants, during her employment and for specified periods after the termination of employment.

In the event of Ms. Gordon’s termination of employment by the Company without “cause” or for “good reason” (as these terms are defined in her employment agreement) during the employment term, Ms. Gordon is entitled to receive her salary, target bonus and certain benefits for 18 months, subject to mitigation after the first six months. Further, in such event, stock options granted to Ms. Gordon that would have vested on or before the end of an 18 month period after her termination will accelerate and vest immediately on the date of termination and will continue to be exercisable until the earlier of 18 months following the termination date or their expiration date. Stock options that had already vested by the date of such termination will be exercisable for an 18 month period after the termination date, or in the event that Ms. Gordon qualifies for “Retirement” as set forth in the Company’s Long-Term Management Incentive Plan, then for such longer period as provided therein, provided that in no event shall the exercise period extend beyond their expiration date. All restricted shares and all restricted share units subject to a performance goal granted to Ms. Gordon that would have vested on or before the end of an 18 month period following termination shall accelerate and vest immediately on the date of termination. All restricted share units that were not subject to a performance goal that would otherwise have vested on or before the 18 month period following termination shall accelerate and vest immediately on the date of termination, provided that in no event shall such restricted share units vest in less than three years.

The foregoing description of the terms of Ms. Gordon’s employment is qualified in its entirety by reference to the employment agreement, dated as of March 1, 2007, between the Company and Susan C. Gordon which is attached hereto as Exhibit 10 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following Exhibit is filed as part of this Report on Form 8-K:

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10	Employment Agreement, dated as March 1, 2007, between the Company and Susan C. Gordon

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CBS CORPORATION
(Registrant)

By: /s/ Louis J. Briskman
Name: Louis J. Briskman
Title: Executive Vice President and
General Counsel

Date: April 4, 2007

Exhibit Index

Exhibit Number

Description of Exhibit

10

Employment Agreement, dated as March 1, 2007, between the Company and Susan C. Gordon

[CBS Logo]
51 West 52nd Street
New York, NY 10019

Susan C. Gordon
c/o CBS Corporation
51 West 52nd Street
New York, NY 10019

Dear Susan:

as of March 1, 2007

CBS Corporation ("CBS"), having an address at 51 West 52nd Street, New York, New York 10019, agrees to employ you and you agree to accept such employment upon the following terms and conditions:

1. Term. The term of your employment under this Agreement shall commence on March 1, 2007 and, unless terminated by CBS or you pursuant to paragraph 8 or because of your death or Disability (as defined below), shall continue through and until February 28, 2010. The period from March 1, 2007 through February 28, 2010 is referred to as the "Term" notwithstanding any earlier termination of your employment for any reason.

2. Duties. You agree to devote your entire business time, attention and energies to the business of CBS. You will be Senior Vice President, Controller and Chief Accounting Officer, and you agree to perform all duties reasonable and consistent with that office as the President and Chief Executive Officer of CBS (the "CEO") or other individual designated by the CEO may assign to you from time to time.

3. Compensation.

(a) Salary. For all the services rendered by you in any capacity under this Agreement, CBS agrees to pay you base salary ("Salary") during the Term of this Agreement at the rate of Seven Hundred Eighty-Eight Thousand Two Hundred Dollars (\$788,200) per annum, less applicable deductions and withholding taxes, in accordance with CBS's payroll practices as they may exist from time to time. During the Term of this Agreement, your Salary may be increased, and such increase, if any, shall be made at a time, and in an amount, that CBS shall determine in its sole discretion.

(b) Bonus Compensation. You also shall be eligible to receive annual bonus compensation ("Bonus") during your employment with CBS under this Agreement, determined and payable as follows:

- (i) Your Bonus for each calendar year during your employment with CBS under this Agreement will be determined in accordance with the guidelines of the CBS Senior Executive Short-Term Incentive Program (the "STIP"), as such guidelines may be amended from time to time without notice in the sole discretion of CBS.
- (ii) Your target bonus ("Target Bonus") for each of those calendar years shall be 50% of your Salary as in effect on November 1st of such year or the last day of the Term, if earlier. Your Bonus for any of those calendar years may be subject to proration for the portion of such calendar year that you were employed by CBS.
- (iii) In exercising its negative discretion to determine the amount of Bonus that you will receive under the STIP for any calendar year or portion thereof during your employment under this Agreement (assuming the targets established for such period have been achieved), the CBS compensation Committee will take into consideration the amount of your Target Bonus for such period but only to the extent that such consideration is consistent with the terms of the STIP and Section 162(m) of the Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules and regulations promulgated thereunder.
- (iv) Your Bonus for any calendar year shall be payable, less applicable deductions and withholding taxes, by February 28th of the following year.

(c) Long-Term Incentive Compensation. You shall be eligible to receive annual grants of long-term incentive compensation under the CBS long-term management incentive plan as may be amended from time to time without notice in the sole discretion of CBS. You shall have a "Target" long-term incentive value equal to 1 Million One Hundred Thousand Dollars (\$1,100,000). The precise amount, form and timing of any such long-term incentive award, if any, shall be determined in the sole discretion of the CBS Compensation Committee.

4. Benefits. You shall participate in such vacation, medical, dental, life insurance, long-term disability insurance, retirement, long-term incentive and other plans as CBS may have or establish from time to time and in which you would be entitled to participate under the terms of the plan. This provision, however, shall not be construed to either require CBS to establish any welfare, compensation or long-term

incentive plans, or to prevent the modification or termination of any plan once established, and no action or inaction with respect to any plan shall affect this Agreement.

5. Business Expenses. During your employment under this Agreement, CBS shall reimburse you for such reasonable travel and other expenses incurred in the performance of your duties as are customarily reimbursed to CBS executives at comparable levels.

6. Non-Competition, Confidential Information, Etc.

(a) Non-Competition. You agree that your employment with CBS is on an exclusive basis and that, while you are employed by CBS, or any of its subsidiaries you will not engage in any other business activity which is in conflict with your duties and obligations (including your commitment of time) under this Agreement. You further agree that, during the Non-Compete Period (as defined below), you shall not directly or indirectly engage in or participate in (or negotiate or sign any agreement to engage in or participate in), whether as an owner, partner, stockholder, officer, employee, director, agent of or consultant for, any business which at such time competitive with any business, division, operation or other activity of CBS, or any of its subsidiaries (x) with respect to which you had any responsibility, involvement or supervision, (y) with respect to which you had access to any Confidential Information (as defined below) that could benefit such competitor's business or harm CBS' business or (z) where you would provide services of the same or similar nature as services performed by you for CBS; provided, that this provision shall not prevent you from investing as less than a one (1%) percent stockholder in the securities of any company listed on a national securities exchange or quoted on an automated quotation system. The Non-Compete Period shall cover the period during your employment with CBS and shall continue following the termination of your employment for any reason, including by expiration of this Agreement for the greater of: (i) six (6) months; or (ii) for so long as any payments are made to you pursuant to paragraph 8(d) subject to CBS's acceptance of your written request pursuant to paragraph 6(j) which relates to the opportunity to request that CBS in its sole discretion terminate your obligations under this paragraph 6(a) in exchange for waiving your right to certain compensation and benefits.

(b) Confidential Information. You agree that, during the Term and at any time thereafter, (i) you shall not use for any purpose other than the duly authorized business of CBS, or disclose to any third party, any information relating to CBS, or any of CBS's affiliated companies which is non-public, confidential or proprietary to CBS or any of CBS's affiliated companies ("Confidential Information"), including any trade secret or any written (including in any electronic form) or oral communication incorporating Confidential Information in any way (except as may be required by law or in the performance of your duties under this Agreement consistent with CBS's policies);

and (ii) you will comply with any and all confidentiality obligations of CBS to a third party, whether arising under a written agreement or otherwise. Information shall not be deemed Confidential Information which (x) is or becomes generally available to the public other than as a result of a disclosure by you or at your direction or by any other person who directly or indirectly receives such information from you, or (y) is or becomes available to you on a non-confidential basis from a source which is entitled to disclose it to you.

(c) No Solicitation, Etc. You agree that, while employed by CBS and for the greater of twelve (12) months thereafter or for so long as CBS is making any payments, to you pursuant to paragraph 8(d), you shall not, directly or indirectly:

- (i) employ or solicit the employment of any person who is then or has been within twelve (12) months prior thereto, an employee of CBS, or any of CBS's affiliated companies; or
- (ii) do any act or thing to cause, bring about, or induce any interference with, disturbance to, or interruption of any of the then-existing relationships (whether or not such relationships have been reduced to formal contracts) of CBS, or any of CBS's affiliated companies with any customer, employee, consultant or supplier.

(d) CBS Ownership. The results and proceeds of your services under this Agreement, including, without limitation, any works of authorship resulting from your services during your employment with CBS, and/or any of CBS's affiliated companies and any works in progress resulting from such services, shall be works-made-for-hire and CBS shall be deemed the sole owner throughout the universe of any and all rights of every nature in such works, whether such rights are now known or hereafter defined or discovered, with the right to use the works in perpetuity in any manner CBS determines in its sole discretion without any further payment to you. If, for any reason, any of such results and proceeds are not legally deemed a work-made-for-hire and/or there are any rights in such results and proceeds which do not accrue to CBS under the preceding sentence, then you hereby irrevocably assign and agree to assign any and all of your right, title and interest thereto, including, without limitation, any and all copyrights, patents, trade secrets, trademarks and/or other rights of every nature in the work, whether now known or hereafter defined or discovered, and CBS shall have the right to use the work in perpetuity throughout the universe in any manner CBS determines in its sole discretion without any further payment to you. You shall, as may be requested by CBS from time to time, do any and all things which CBS may deem useful or desirable to establish or document CBS's rights in any such results and proceeds, including, without limitation, the execution of appropriate copyright, trademark and/or patent applications, assignments or similar documents and, if you are

unavailable or unwilling to execute such documents, you hereby irrevocably designate the President and CEO, CBS Corporation or his designee as your attorney-in-fact with the power to execute such documents on your behalf. To the extent you have any rights in the results and proceeds of your services under this Agreement that cannot be assigned as described above, you unconditionally and irrevocably waive the enforcement of such rights. This paragraph 6(d) is subject to, and does not limit, restrict, or constitute a waiver by CBS of any ownership rights to which CBS may be entitled by operation of law by virtue of being your employer.

(e) Litigation.

- (i) You agree that during the Term, and for the greater of: (i) twelve (12) months thereafter; or (ii) during the pendency of any litigation or other proceeding, (x) you shall not communicate with anyone (other than your own attorneys and tax advisors), except to the extent necessary in the performance of your duties under this Agreement, with respect to the facts or subject matter of any pending or potential litigation, or regulatory or administrative proceeding involving CBS, or any of CBS's affiliated companies, other than any litigation or other proceeding in which you are a party-in-opposition, without giving prior notice to CBS or its counsel; and (y) in the event that any other party attempts to obtain information or documents from you with respect to such matters, either through formal legal process such as a subpoena or by informal means such as interviews, you shall promptly notify CBS's counsel before providing any information or documents.
 - (ii) You agree to cooperate with CBS and its attorneys, both during and after the termination of your employment, in connection with any litigation or other proceeding arising out of or relating to matters in which you were involved prior to the termination of your employment. Your cooperation shall include, without limitation, providing assistance to CBS's counsel, experts or consultants, and providing truthful testimony in pretrial and trial or hearing proceedings. In the event that your cooperation is requested after the termination of your employment, CBS will (x) seek to minimize interruptions to your schedule to the extent consistent with its interests in the matter; and (y) reimburse you for all reasonable and appropriate out-of-pocket expenses actually incurred by you in connection with such cooperation upon reasonable substantiation of such expenses.
 - (iii) You agree that during the Term and at any time thereafter, to the fullest extent permitted by law, you will not testify voluntarily in
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any lawsuit or other proceeding which directly or indirectly involves CBS, or any of CBS's affiliated companies, or which may create the impression that such testimony is endorsed or approved by CBS, or any of CBS's affiliated companies, without advance notice (including the general nature of the testimony) to and, if such testimony is without subpoena or other compulsory legal process the approval of, the Executive Vice President and General Counsel, CBS Corporation.

(f) No Right to Give Interviews or Write Books, Articles, Etc. During the Term, except as authorized by CBS, you shall not (i) give any interviews or speeches, or (ii) prepare or assist any person or entity in the preparation of any books, articles, television or motion picture productions or other creations, in either case, concerning CBS, or any of CBS's affiliated companies or any of their respective officers, directors, agents, employees, suppliers or customers.

(g) Return of Property. All documents, data, recordings, or other property, whether tangible or intangible, including all information stored in electronic form, obtained or prepared by or for you and utilized by you in the course of your employment with CBS shall remain the exclusive property of CBS. In the event of the termination of your employment for any reason, CBS reserves the right, to the extent permitted by law and in addition to any other remedy CBS may have, to deduct from any monies otherwise payable to you the following: (i) all amounts you may owe to CBS, or any of CBS's affiliated companies at the time of or subsequent to the termination of your employment with CBS; and (ii) the value of the CBS property which you retain in your possession after the termination of your employment with CBS. In the event that the law of any state or other jurisdiction requires the consent of an employee for such deductions, this Agreement shall serve as such consent.

(h) Non-Disparagement. You agree that, during the Term and for twelve (12) months thereafter, you shall not, in any communications with the press or other media or any customer, client or supplier of CBS, or any of CBS's affiliated companies, criticize, ridicule or make any statement which disparages or is derogatory of CBS, or any of CBS's affiliated companies or any of their respective directors or senior officers.

(i) Injunctive Relief. CBS has entered into this Agreement in order to obtain the benefit of your unique skills, talent, and experience. You acknowledge and agree that any violation of paragraphs 6(a) through (h) of this Agreement will result in irreparable damage to CBS, and, accordingly, CBS may obtain injunctive and other equitable relief for any breach or threatened breach of such paragraphs, in addition to any other remedies available to CBS.

(j) Survival; Modification of Terms. Your obligations under paragraphs 6(a) through (i) shall remain in full force and effect for the entire period provided therein notwithstanding the termination of your employment under this Agreement for any reason or the expiration of the Term; provided, however, that your obligations under paragraph 6(a) (but not under any other provision of this Agreement) shall cease if: (x) CBS terminates your employment without Cause and (y) you provide CBS a written notice indicating your desire to waive your right to receive, or to continue to receive, termination payments and benefits under paragraph 8(d)(i) through (iii), and (z) CBS notifies you that it has, in its sole discretion, accepted your request. You and CBS agree that the restrictions and remedies contained in paragraphs 6(a) through (i) are reasonable and that it is your intention and the intention of CBS that such restrictions and remedies shall be enforceable to the fullest extent permissible by law. If a court of competent jurisdiction shall find that any such restriction or remedy is unenforceable but would be enforceable if some part were deleted or the period or area of application reduced, then such restriction or remedy shall apply with the modification necessary to make it enforceable. You acknowledge that CBS conducts its business operations around the world and has invested considerable time and effort to develop the international brand and goodwill associated with the "CBS" name. To that end, you further acknowledge that the obligations set forth in this paragraph 6 are by necessity international in scope and necessary to protect the international operations and goodwill of CBS and its affiliated companies.

7. Disability. In the event that you become "disabled" within the meaning of such term under CBS's Short-Term Disability ("STD") program and its Long-Term Disability ("LTD") program while employed during the Term (such condition is referred to as a "Disability"), you will receive compensation under the STD program in accordance with its terms. Thereafter, you will be eligible to receive benefits under the LTD program in accordance with its terms. If you have not returned to work by December 31st of a calendar year during the Term, you will receive bonus compensation for the calendar year(s) during the Term in which you receive compensation under the STD program, determined as follows:

- (i) for the portion of the calendar year from January 1st until the date on which you first receive compensation under the STD program, bonus compensation shall be determined in accordance with the STIP (i.e., based upon CBS's achievement of its goals and CBS's good faith estimate of your achievement of your personal goals) and prorated for such period; and
 - (ii) for any subsequent portion of that calendar year and any portion of the following calendar year in which you receive compensation under the STD program, bonus compensation shall be in an amount equal to your Target Bonus and prorated for such period(s).
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Subject to paragraph 19 hereof, bonus compensation under this paragraph 7 shall be paid, less applicable deductions and withholding taxes, by February 28th of the year(s) following the year as to which such bonus compensation is payable. You will not receive bonus compensation for any portion of the calendar year(s) during the Term while you receive benefits under the LTD program. For the periods that you receive compensation and benefits under the STD and LTD programs, such compensation and benefits and the bonus compensation provided under this paragraph 7 are in lieu of Salary and Bonus under paragraphs 3(a) and (b).

8. Termination.

(a) Termination for Cause. CBS may, at its option, terminate your employment under this Agreement forthwith for Cause and thereafter shall have no further obligations under this Agreement, including, without limitation, any obligation to pay Salary or Bonus or provide benefits. Cause shall mean: (i) dishonesty; (ii) embezzlement, fraud or other conduct which would constitute a felony or a misdemeanor involving fraud or perjury; (iii) willful unauthorized disclosure of Confidential Information; (iv) your failure to obey a material lawful directive that is appropriate to your position from an executive(s) in your reporting line; (v) your failure to comply with the written policies of CBS, including the CBS Business Conduct Statement or successor conduct statement as they apply from time to time; (vi) your material breach of this Agreement (including any representations herein); (vii) your failure (except in the event of your Disability) or refusal to substantially perform your material obligations under this Agreement; (viii) willful failure to cooperate with a bona fide internal investigation or investigation by regulatory or law enforcement authorities or the destruction or failure to preserve documents or other material reasonably likely to be relevant to such an investigation, or the inducement of others to fail to cooperate or to destroy or fail to produce documents or other material; or (ix) conduct which is considered an offense involving moral turpitude under federal, state or local laws, or which might bring you to public disrepute, scandal or ridicule or reflect unfavorably upon any of CBS's businesses or those who conduct business with CBS and its affiliated entities. CBS will give you written notice prior to terminating your employment pursuant to (iv), (v), (vi), (vii), (viii) or (ix) of this paragraph 8(a), setting forth the nature of any alleged failure, breach or refusal in reasonable detail and the conduct required to cure. Except for a failure, breach or refusal which, by its nature, cannot reasonably be expected to be cured, you shall have ten (10) business days from the giving of such notice within which to cure any failure, breach or refusal under (iv), (v), (vi), (vii), (viii) or (ix) of this paragraph 8(a); provided, however, that, if CBS reasonably expects irreparable injury from a delay of ten (10) business days, CBS may give you notice of such shorter period within which to cure as is reasonable under the circumstances.

(b) Good Reason Termination. You may terminate your employment under this Agreement for Good Reason at any time during the Term by written notice to

CBS no more than thirty (30) days after the occurrence of the event constituting Good Reason. Such notice shall state an effective date no earlier than thirty (30) business days after the date it is given, provided, that CBS may set an earlier effective date for your resignation at any time after receipt of your notice. CBS shall have ten (10) business days from the receipt of your notice within which to cure and, in the event of such cure, your notice shall be of no further force or effect. Good Reason shall mean without your consent (other than in connection with the termination or suspension of your employment or duties for Cause or in connection with your Disability): (i) the requirement that you report to an executive at a level lower than the level of the executive to whom you currently report; (ii) the material breach by CBS of its obligations under this Agreement, including a material reduction in the scope of your responsibilities, a reduction in title, or a reduction in your base compensation; or (iii) the requirement that you relocate outside of the metropolitan area you currently are employed in.

(c) Termination Without Cause. CBS may terminate your employment under this Agreement without Cause at any time during the Term by written notice to you.

(d) Termination Payments/Benefits. In the event that your employment terminates under paragraph 8(b) or 8(c) during the Term hereof, subject to paragraph 19 and to the conditions set forth in paragraph 8(h) below, you shall thereafter receive, less applicable withholding taxes:

- (i) an amount equal to eighteen (18) months of your then current base salary plus eighteen (18) months of your then current Target Bonus, paid in accordance with CBS's then effective payroll practices;
 - (ii) medical and dental insurance coverage provided under company paid COBRA benefits at no cost to you (except as hereafter described) pursuant to benefit plans determined by CBS for a period of eighteen (18) months, or if earlier, the date on which you become eligible for medical and dental coverage from a third party; provided, that, during the period that CBS provides you with this coverage, an amount equal to the applicable COBRA premiums (or such other amounts as may be required by law) will be included in your income for tax purposes to the extent required by law and CBS may withhold taxes from your compensation for this purpose; provided, further, that you may elect to continue your medical and dental insurance coverage under COBRA at your own expense for the balance, if any, of the period required by law; provided, further, to the extent that CBS is unable to continue such benefits because of underwriting on the plan term
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or if such continuation would violate Code Section 105(h), CBS shall provide you with economically equivalent benefits determined on an after-tax basis (to the extent such benefit was non-taxable); and

- (iii) The following with respect to long-term incentive awards granted to you under the CBS 2004 Long-Term Management Incentive Plan and any predecessor or successor CBS Corporation Long-Term Management Incentive Plans (the "LTMIP"):
- a. All awards of stock options that have not vested and become exercisable on the date of such termination but that would otherwise vest on or before the end of an eighteen (18) month period thereafter shall accelerate and vest immediately on the date of termination, and will continue to be exercisable until the earliest of:
(i) eighteen (18) months following the termination date, (ii) their expiration date; or (iii) the latest date permitted to avoid implementation of tax or penalties under the provisions of Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively, "Code Section 409A").
 - b. All awards of stock options that have previously vested and become exercisable by the date of such termination shall remain exercisable for the later of:
(i) eighteen (18) months after the termination date; or (ii) in the event that you qualify for "Retirement" as set forth in the LTMIP, then for such longer period as provided therein; provided, however, that in no event shall the exercise period extend beyond the earlier of: (x) their expiration date; or (y) the latest date permitted to avoid implementation of tax or penalties under the provisions of Code Section 409A.
 - c. All awards of restricted shares and performance-based restricted share units ("RSUs") that would otherwise vest on or before the end of an eighteen (18) month period thereafter shall accelerate and vest immediately on the date of termination.
 - d. All awards of RSUs that were not subject to performance-based vesting criteria that would otherwise vest on or before the eighteen (18) month period thereafter shall accelerate and vest immediately on the date of the termination, provided, that, in no event shall any RSUs fully vest in less than three (3) years.
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You shall be required to mitigate the amount of any payment provided for in (i) of this paragraph 8(d) by seeking other employment, and the amount of such payments shall be reduced by any compensation earned by you from any source, including, without limitation, salary, sign-on or annual bonus compensation, consulting fees, and commission payments, provided, that mitigation shall not be required, and no reduction for other compensation shall be made, during the first six (6) months after the termination of your employment. You agree to advise CBS immediately and in writing of any employment for which you are receiving such payments and to provide documentation of as requested by CBS with respect to such employment. The payments provided for in (i) above are in lieu of any other severance or income continuation or protection under any CBS plan that may now or hereafter exist.

(e) Renewal Notice / Non-Renewal. CBS shall notify you six (6) months prior to the expiration of this Agreement in writing if it intends to continue your employment beyond the expiration of the Term. If you are notified that CBS does intend to continue your employment, then you agree that you shall negotiate exclusively with CBS for the first 90 days following such notification. Nothing contained herein shall obligate CBS to provide an increase to your compensation hereunder upon such renewal. If you remain employed beyond the end of the Term but have not entered into a new contractual relationship with CBS, or any of CBS's affiliated companies, your continued employment shall be "at will" and on such terms and conditions as CBS may at the time establish, and either party, during such period, may terminate your employment at any time, provided, that if CBS terminates your employment during such period without cause, you shall become eligible to receive severance under the then current CBS severance policy applicable to executives at your level subject to the terms of such severance policy including your execution of a release in favor of CBS.

(f) Termination of Benefits. Notwithstanding anything in this Agreement to the contrary (except as otherwise provided in paragraph 8(d) with respect to medical and dental benefits), participation in all CBS benefit plans and programs (including, without limitation, vacation accrual, all retirement and related excess plans and LTD) will terminate upon the termination of your employment except to the extent otherwise expressly provided in such plans or programs and subject to any vested rights you may have under the terms of such plans or programs. The foregoing shall not apply to the LTMIP and, after the termination of your employment, your rights under the LTMIP shall be governed by the terms of the LTMIP award agreements or certificates and the applicable LTMIP plans.

(g) Resignation from Official Positions. If your employment with CBS terminates for any reason, you shall be deemed to have resigned at that time from any and all officer or director positions that you may have held with CBS, or any of CBS's affiliated companies and all board seats or other positions in other entities you held on behalf of CBS. If, for any reason, this paragraph 8(g) is deemed insufficient to effectuate such resignation, you agree to execute, upon the request of CBS, any

documents or instruments which CBS may deem necessary or desirable to effectuate such resignation or resignations, and you hereby authorize the Secretary and any Assistant Secretary of CBS to execute any such documents or instruments as your attorney-in-fact.

(h) Release and Compliance with Paragraph 6. Notwithstanding any provision herein to the contrary, CBS shall require that, prior to payment of any amount or provision of any benefit pursuant to paragraph 8(d), you shall have executed a general release in favor of CBS and its affiliated companies in a form satisfactory to CBS. In addition, the payments and benefits described in paragraph 8(d) shall immediately cease, and CBS shall have no further obligations to you with respect thereto, in the event that you materially breach any provision of paragraph 6 hereof.

9. Death. In the event of your death prior to the end of the Term while actively employed, your beneficiary or estate shall receive (i) your Salary up to the date on which the death occurs; (ii) any Bonus earned in the prior year but not yet paid; and (iii) bonus compensation for the calendar year in which the death occurs, determined in accordance with the STIP (i.e., based upon CBS's achievement of its goals and CBS's good faith estimate of your achievement of your personal goals) and pro-rated for the portion of the year through the date of death, payable, less applicable deductions and withholding taxes, by February 28th of the following year. In the event of your death after the termination of your employment while you are entitled to receive compensation under paragraph 8(d), your beneficiary or estate shall receive (x) any Salary payable under paragraph 8(d)(i) up to the date on which the death occurs; and (y) bonus compensation for the calendar year in which the death occurs in an amount equal to your Target Bonus and pro-rated for the portion of the year through the date of death, payable, less applicable deductions and withholding taxes, by February 28th of the following year.

10. No Acceptance of Payments. You represent that you have not accepted or given nor will you accept or give, directly or indirectly, any money, services or other valuable consideration from or to anyone other than CBS for the inclusion of any matter as part of any film, television program or other production produced, distributed and/or developed by CBS, or any of CBS's affiliated companies.

11. Equal Opportunity Employer; Employee Statement of Business Conduct. You recognize that CBS is an equal opportunity employer. You agree that you will comply with CBS policies regarding employment practices and with applicable federal, state and local laws prohibiting discrimination on the basis of race, color, sex, religion, national origin, citizenship, age, marital status, sexual orientation, disability or veteran status. In addition, you agree that you will comply with the CBS Business Conduct Statement.

12. Notices. All notices under this Agreement must be given in writing, by personal delivery or by mail, at the parties' respective addresses shown on this Agreement (or any other address designated in writing by either party), with a copy, in the case of CBS, to the attention of the Executive Vice President, General Counsel, CBS. Any notice given by mail shall be deemed to have been given three days following such mailing.

13. Assignment. This is an Agreement for the performance of personal services by you and may not be assigned by you or CBS except that CBS may assign this Agreement to any affiliated company of or any successor in interest to CBS.

14. New York Law, Etc. **You acknowledge that this Agreement has been executed, in whole or in part, in New York, and your employment duties are primarily performed in New York. Accordingly, you agree that this Agreement and all matters or issues arising out of or relating to your CBS employment shall be governed by the laws of the State of New York applicable to contracts entered into and performed entirely therein.**

15. No Implied Contract. Nothing contained in this Agreement shall be construed to impose any obligation on CBS or you to renew this Agreement or any portion thereof. The parties intend to be bound only upon execution of a written agreement and no negotiation, exchange of draft or partial performance shall be deemed to imply an agreement. Neither the continuation of employment nor any other conduct shall be deemed to imply a continuing agreement upon the expiration of the Term.

16. Entire Understanding. This Agreement contains the entire understanding of the parties hereto relating to the subject matter contained in this Agreement, and can be changed only by a writing signed by both parties.

17. Void Provisions. If any provision of this Agreement, as applied to either party or to any circumstances, shall be found by a court of competent jurisdiction to be unenforceable but would be enforceable if some part were deleted or the period or area of application were reduced, then such provision shall apply with the modification necessary to make it enforceable, and shall in no way affect any other provision of this Agreement or the validity or enforceability of this Agreement.

18. Supersedes Prior Agreements. With respect to the period covered by the Term, this Agreement supersedes and cancels all prior agreements relating to your employment by CBS, or any of CBS's affiliated companies.

19. Deductions and Withholdings, Payment of Deferred Compensation – 409A.

(a) The intent of the parties is that payments and benefits under this Agreement comply with Code Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If you notify CBS (with specificity as to the reason therefor) that you believe that any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause you to incur any additional tax or interest under Code Section 409A and CBS concurs, or CBS (without any obligation whatsoever to do so) independently makes such determination, CBS shall, after consulting with you, use reasonable efforts to reform such provision to the extent possible to comply with Code Section 409A; provided that such modification shall, to the maximum extent practicable, maintain the original intent and economic benefit to you and CBS of the applicable provision without violating the provisions of Code Section 409A; and further provided that if CBS, in its sole discretion, determines that reformation or modification is not practical, CBS is under no obligation whatsoever to make such reformation or modification.

(b) Notwithstanding any provision to the contrary in this Agreement and subject to (c) below, if you are deemed on the date of termination to be a “specified employee” within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is required to be delayed in compliance with Code Section 409A(a)(2)(B) such payment or benefit shall not be made or provided (subject to the last sentence hereof) prior to the earlier of (i) the expiration of the six (6)-month period measured from the date of your “separation from service” (as such term is defined under Code Section 409A) or (ii) the date of your death (the “Delay Period”). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to you immediately in a lump sum less applicable withholding, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. Notwithstanding the foregoing, to the extent that the foregoing applies to the provision of any ongoing welfare benefits to you that would not be required to be delayed if the premiums therefore were paid by you, you shall pay the full cost of premiums for such welfare benefits during the Delay Period and CBS shall pay you an amount equal to the amount of such premiums paid by you during the Delay Period promptly after its conclusion.

(c) In no event whatsoever (including, but not limited to as a result of paragraph (a) or paragraph (b) above or otherwise) shall CBS be liable for any tax, interest or penalties that may be imposed on you by Code Section 409A or any damages for failing to comply with Section 409A or (a) or (b) above. You acknowledge that you

have been advised to obtain independent legal, tax or other counsel in connection with Code Section 409A.

20. Arbitration. If any disagreement or dispute whatsoever shall arise between the parties concerning this Agreement (including the documents referenced herein) or your employment with CBS, the parties hereto agree that such disagreement or dispute shall be submitted to arbitration before the American Arbitration Association (“AAA”), and that a neutral arbitrator will be selected in a manner consistent with its Employment Arbitration Rules and Mediation Procedures (“Rules”). Such arbitration shall be confidential and private and conducted in accordance with the Rules. Any such arbitration proceeding shall take place in New York City before a single arbitrator (rather than a panel of arbitrators). The parties agree that the arbitrator shall have no authority to award any punitive or exemplary damages and waive, to the full extent permitted by law, any right to recover such damages in such arbitration. Each party shall bear its respective costs (including attorney’s fees, and there shall be no award of attorney’s fees). Judgment upon the final award rendered by such arbitrator, after giving effect to the AAA internal appeals process, may be entered in any court having jurisdiction thereof. Notwithstanding anything herein to the contrary, CBS shall be entitled to seek injunctive, provisional and equitable relief in a court proceeding as a result of your alleged violation of the terms of Section 6 of this Agreement, and you hereby consent and agree to exclusive personal jurisdiction in any state or federal court located in the City of New York, Borough of Manhattan.

[signature page to follow]

If the foregoing correctly sets forth our understanding, please sign, date and return all four (4) copies of this Agreement to the undersigned for execution on behalf of CBS; after this Agreement has been executed by CBS and a fully-executed copy returned to you, it shall constitute a binding agreement between us.

Very truly yours,

CBS CORPORATION

By: /s/ Anthony G. Ambrosio

Name: Anthony G. Ambrosio

Title: Executive Vice President,
Human Resources and
Administration

ACCEPTED AND AGREED:

/s/ Susan C. Gordon

Susan C. Gordon

Dated: March 29, 2007