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01/06

## The Bank of New York

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*BuyDIRECT*<sup>SM</sup>

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*A Direct Purchase  
and Sale Plan for*

*CBS Corporation  
Class B Common Stock*

**THE PLAN AND PARTICIPATION IN  
THE PLAN IS GOVERNED BY THIS  
PLAN BROCHURE IN ITS  
ENTIRETY.**

**PLEASE CAREFULLY REVIEW ALL  
SECTIONS PRIOR TO SENDING  
ENROLLMENT MATERIALS OR  
ANY FUNDS TO  
THE BANK OF NEW YORK.**

*BuyDIRECT* is sponsored and  
administered solely by  
The Bank of New York, not by  
CBS Corporation.

*BuyDIRECT*<sup>SM</sup> is a service mark of The Bank of New York

**BuyDIRECT<sup>SM</sup>  
IS SPONSORED AND ADMINISTERED  
SOLELY BY  
THE BANK OF NEW YORK,  
NOT BY  
CBS CORPORATION**

Shares of CBS Corporation are not insured by the FDIC or any other government agency, are not deposits or other obligations of, and are not guaranteed by, The Bank of New York or CBS Corporation, and are subject to investment risks, including possible loss of principal amount invested.

The Bank of New York and CBS Corporation provide no advice and make no recommendations with respect to purchasing or selling shares of CBS Corporation. Any decision to purchase or sell must be made by each individual Plan Participant based on his or her own research and judgment. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy shares of CBS Corporation.

**Important Note: Shares held in *BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.**

*Please retain this brochure for future reference.*

***BuyDIRECT*<sup>SM</sup>**  
**OVERVIEW**  
**A Direct Purchase & Sale Plan**  
**CBS Corporation**  
**Class B Common Stock**

The Bank of New York (the “Bank”) is pleased to offer a Direct Purchase and Sale Plan (the “Plan”) for the shares of Class B common stock (the “Class B Shares”) of CBS Corporation (“CBS”). *BuyDIRECT* provides both registered holders and interested first-time investors who enroll in the Plan (the “Participant(s)”) with an affordable alternative for buying and selling CBS Class B Shares.

***BuyDIRECT Plan Features:***

- **Convenient Purchase Option**  
New investors can make an initial stock purchase directly through The Bank as Transfer Agent for CBS and Administrator for the *BuyDIRECT* Plan. Once enrolled, Participants can make additional optional cash investments in CBS Class B Shares through the Plan.
- **Automatic Dividend Reinvestment**  
Participants may choose to purchase additional CBS Class B Shares by investing all or a portion of their cash dividends. Alternatively, you may choose to receive cash dividends on Plan shares.
- **Book-Entry Ownership**  
Shares will be held in book-entry form. You will receive statements and confirmations reflecting your transaction history.
- **Deposit of DRS Shares**  
Shares of CBS that you currently hold in Direct Registration System or “DRS” form may be deposited to your Plan account in book-entry form. You can withdraw or transfer all or a portion of your shares at any time.
- **Direct Sale**  
All or a portion of your shares of CBS that are held through the Plan may be sold directly through the Plan.

*BuyDIRECT* offers a convenient and flexible way of purchasing and selling CBS Class B Shares. There are fees associated with utilizing certain Plan features. The fees are set forth on page 15, “Costs to Participants.”

***BuyDIRECT*<sup>sm</sup>**  
**SUMMARY OF PLAN SERVICES**  
**CBS Corporation**  
**Class B Common Stock**

**Eligibility & Enrollment**

Almost everyone is eligible to enroll in ***BuyDIRECT***. Interested investors may participate in the Plan if they already own CBS Class B Shares or non-holders may make their initial purchase of shares directly through the Plan (see Page 13, “Additional Terms and Conditions,” for further information). If you have any questions or would like to receive an Enrollment Form, simply contact The Bank at the following toll-free number 1-866-595-1717 or visit our website at [www.stockbny.com](http://www.stockbny.com).

**Easy, Full Investment Program**

Once enrolled in the Plan you can invest cash dividends when paid and make optional cash investments at any time. With ***BuyDIRECT***, you have the advantage of having your cash fully invested because all shares, both full and fractional, are credited to your account and earn additional dividends when paid.

**Deposit of DRS Shares**

If you already own CBS Class B Shares in DRS form, you may deposit such shares into your Plan account. The Bank will credit these shares to your Plan account in book-entry form.

**Convenient Ways To Sell or Transfer Your Shares**

Shares owned by you, whether in book-entry or DRS form, can be easily sold or transferred through the Plan. Transfers may be effected in book-entry or DRS form. You may instruct the Bank to issue a DRS Transaction Advice with information about Class B shares held in your name in the Plan at any time.

**Plan Costs**

The costs and fees associated with the Plan, including enrollment costs, administrative service fees and/or brokerage commissions, are set forth on page 15, “Costs to Participants.”

*BuyDIRECT is sponsored and administered solely by The Bank of New York, not by CBS. Please review the “Terms and Conditions” and “Costs to Participants” for specific Plan features and the fee schedule.*

***BuyDIRECT*<sup>SM</sup>**  
**FREQUENTLY ASKED**  
**QUESTIONS AND ANSWERS**  
**CBS Corporation**  
**Class B Common Stock**

**HOW DO I ENROLL IN THE PLAN?**

Registered holders and other interested first-time investors can enroll in the *BuyDIRECT* Plan simply by completing, signing and returning an Enrollment Form. Enrollment Forms and the Plan brochure can be obtained by contacting The Bank of New York (“The Bank”) at 1-866-595-1717 or by visiting the Bank’s website at [www.stockbny.com](http://www.stockbny.com). Both existing holders and new investors must complete, sign, and return an Enrollment Form to the Bank in order to participate in the Plan.

All registered holders whose name appears on the account must sign the Enrollment Form.

Once completed, the Enrollment Form and transaction instructions should be mailed to the Bank (see page 10, “How Do I Contact The Bank of New York?” for mailing instructions). Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Persons residing outside the United States should determine whether they are subject to any governmental regulation prohibiting their participation. Participation in the Plan continues until terminated by you or by the Bank.

There is a one-time Initial Enrollment Fee of \$10.00 for all non-registered holders to open a Plan account. For first-time share purchases by non-registered holders, the minimum initial investment amount is \$250.00.

**HOW CAN I PURCHASE ADDITIONAL SHARES?**

You can easily purchase additional shares at any time by making optional cash investments. Your optional cash investments, less applicable transaction fees and brokerage commissions, are used to purchase CBS Class B Shares for your account. No interest will be paid to investors on optional cash investments held by the Bank pending investment.

You can make an optional cash investment when joining the Plan by enclosing a check with the Enrollment Form. Thereafter, all optional cash investments should be accompanied by the tear-off portion of your account statement or DRS Transaction Advice.

Once you are a Plan Participant, you may make additional optional cash investments in amounts of at least \$50.00. In addition, Participants may elect to make automated monthly optional cash investments by Electronic Funds Transfer (“EFT”). If the EFT option is chosen, a minimum of \$50.00 will be deducted from the Participant’s checking or savings account on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day (see page 5, “Can I Make Automated Monthly Investments?”).

For each optional cash investment made by check, Participants will incur transaction fees of \$4.00 plus a brokerage commission \$0.10 per share. For each optional cash investment made by EFT, Participants will incur transaction fees of \$2.50 plus a brokerage commission \$0.10 per share purchased. The maximum investment amount per transaction is \$10,000.00 and the maximum annual aggregate investment is \$120,000.00 per calendar year.

Optional cash investments must be made either by EFT or check drawn on a U.S. Bank, in U.S. currency, payable to “The Bank of New York - CBS Class B Plan.” To make a payment by check, mail the tear-off portion of your account statement along with your check to the Bank using the address indicated on page 10. **Third party checks, money orders, travelers checks and checks not drawn on a U.S. bank or not in U.S. currency will not be accepted and will be returned to the sender.**

For optional cash investments, purchases are made at least once a week. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day.

Purchases are usually made through a broker affiliated with the Bank (the “Affiliated Broker”) who will receive brokerage commissions.

**In the event that a Participant’s optional cash investment check or EFT is returned unpaid for any reason, the Participant will be charged a \$35.00 return fee. Further, the Bank will immediately remove shares from the Participant’s account which were purchased in anticipation of the collection of such funds plus the return fee. These shares will be sold to recover any uncollected funds and the return fee. If the net proceeds of the sale of such shares are insufficient to recover in full the uncollected amounts plus the return fee, the Bank reserves the right to sell such additional shares from any of the Participant’s accounts maintained by the Bank as may be necessary to recover in full the uncollected balance plus the return fee. The sale of such shares may, in some cases, yield an amount greater than that required to recover in full the uncollected balance plus the return fee. If this occurs, only amounts in excess of \$1.00 will be remitted to the Participant.**

#### **CAN I MAKE AUTOMATED MONTHLY INVESTMENTS?**

Once enrolled in the Plan, Participants may contact the Bank to arrange for automated monthly investments via EFT. EFT payments are deducted monthly from the Participant’s designated account at any qualified financial institution that participates in the Automated Clearing House (“ACH”). Deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by EFT, Participants will incur transaction fees of \$2.50 plus a brokerage commission of \$0.10 per share purchased. Such payments are subject to the minimum optional cash investment of \$50.00 per transaction, a maximum investment of \$10,000.00 per transaction and a maximum annual investment of \$120,000.00 per calendar year.

It is the responsibility of the Participant to immediately notify the Bank of any changes in EFT information as it relates to the Participant’s authorized monthly deductions. Participants may call 1-866-595-1717 and request a new EFT Enrollment Form.

*Participants should be aware that the share price of the Class B Shares may fluctuate between the time your purchase request is received by the Bank and the time purchase is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.*

## **CAN I INVEST MY DIVIDENDS?**

You may invest all or a portion of the cash dividends paid to you on your CBS Class B Shares. Following your instructions on the Enrollment Form, the Bank will apply all or part of the cash dividend to the purchase of additional Class B Shares. There are service fees of 10% of the investment amount with a maximum of \$3.00 per dividend payment, plus a brokerage commission of \$0.10 per share purchased. Dividends are invested as promptly as practicable on or following the payable date. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. You may change your reinvestment option at any time by sending a new Enrollment Form to the Bank. Changes must be received by the Bank on or before the record date for that dividend.

Purchases are usually made through an Affiliated Broker who will receive brokerage commissions.

## **WHAT OPTIONS FOR DIVIDEND INVESTMENTS ARE AVAILABLE?**

**A. “Full Dividend Investment.”** If you elect this option, all your cash dividends on all shares now or subsequently registered in your name (including shares previously purchased for your account pursuant to the Plan) will be used to purchase additional shares.

**B. “Partial Dividend Investment.”** If you elect this option, cash dividends on the number of shares which you designate in the appropriate space on the Enrollment Form, and all of the cash dividends on shares purchased thereafter for your account pursuant to the Plan will be used toward the purchase of additional shares.

## **HOW ARE SHARES PURCHASED?**

The Bank aggregates all requests to purchase shares and then purchases the total shares on the open market on the exchange on which the shares are traded. The price per share cannot be determined prior to the purchase. The price per share purchased will include brokerage commissions and shall always be the average weighted price for all shares purchased for the Plan on the trade date(s) plus the per share transaction fee. Net dividend funds and optional cash investments from all Participants may be commingled to purchase shares. Purchases are usually made through an Affiliated Broker who will receive brokerage commissions.

The Bank will credit your account for all full and fractional shares (to four decimal places) purchased on your behalf. Purchases with respect to optional cash investments are made at least once a week. Purchases with respect to cash dividends are invested as promptly as practicable on or following the dividend payable date. In either case, depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. The purchase price will not be known until the purchase is complete. A DRS Transaction Advice will normally be mailed to you by first class mail within two (2) business days following the final trade settlement date showing the purchase price, transaction fees and brokerage commissions and the number of shares credited to your account.

If CBS pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you as soon as practicable following each dividend payment date. You may also request a statement at any time by calling 1-866-595-1717 or you can view your account online from our website at [www.stockbny.com](http://www.stockbny.com). You should retain these statements for your records. For your convenience, statements and DRS Transaction Advices have a tear-off portion which can be used to send instructions to the Bank for the sale or purchase of shares, the termination of participation in the Plan or the deposit of DRS shares (see page 11, “Terms and Conditions” and page 15, “Costs to Participants,” for further information).

### **DOES THE PLAN ALLOW DEPOSITING OF DRS SHARES?**

If you own CBS Class B Shares in book-entry form held through DRS, you may elect to deposit the shares into your Plan account with The Bank. The Bank will credit these shares to your Plan account in book-entry form. To deposit DRS shares, return your completed and signed Enrollment Form or the tear-off portion of your account statement with your written instructions regarding the deposit (see page 10, "How Do I Contact The Bank of New York," for mailing instructions and page 15, "Costs to Participants," for fees and costs associated with the deposit of shares).

### **HOW CAN I SELL MY SHARES?**

You may instruct the Bank to sell any or all shares held in your Plan account by one of the following methods:

#### **• *Sale Orders via Telephone***

You may instruct the Bank to sell some or all of your Plan shares by placing a sale order via the Interactive Voice Response ("IVR") system. To place a sale order, contact the Bank, toll-free, at 1-866-595-1717. Simply enter your social security number or taxpayer ID at the prompt and select the menu option for sales and follow the instructions provided. For security purposes, you will be asked to enter your account number.

#### **• *Sale Orders via Internet***

You may instruct the Bank to sell some or all of your Plan shares by placing a sale order via the Internet. To place a sale order, you will first need to request a PIN by visiting our website at [www.stockbny.com](http://www.stockbny.com) (see page 10, "How Do I Contact The Bank of New York").

#### **• *Sale Orders via Mail***

You may instruct the Bank to sell some or all of your Plan shares by completing and signing the tear-off portion of your account statement and mailing the instructions to the Bank. If there is more than one name or owner on the Plan account, all Participants must sign the tear-off portion of the account statement.

### **HOW ARE SHARES SOLD?**

As with purchases, the Bank aggregates all requests to sell shares and then sells the total shares on the open market. Sales are usually made through an Affiliated Broker who will receive brokerage commissions. Normally, the shares are sold on the exchange on which the Class B Shares of CBS trade.

Sales are made at least once a week. Depending on the number of shares being sold and current trading volume in the shares, sales may be executed in multiple transactions and may be traded on more than one day. The transaction fee in connection with the sale of shares is \$15.00 plus a brokerage commission \$.10 per share sold. The selling price will not be known until the sale is complete. The price per share sold will reflect deduction of brokerage commissions, and shall always be the average weighted price for all shares sold for the Plan on the trade date(s) less the per share transaction fee.

A check for the proceeds of the sale of shares less applicable taxes, transaction fees and brokerage commissions, will normally be mailed to you by first class mail within three (3) business days after the final trade date. If the transaction fees and commissions exceed the proceeds from the sale of the shares, you will receive a transaction advice instead of a check.

Participants should be aware that the share price may fluctuate between the time your sale request is received by the Bank and the time sale is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions

### **HOW DO I OBTAIN A STATEMENT OF SHARES HELD IN MY ACCOUNT?**

CBS Class B Shares will only be issued electronically by way of Direct Registration. Participants may request that the Bank issue a DRS Transaction Advice at any time for the shares (whole shares only) held in the Participant's account by calling the bank at 1-866-595-1717. Please note that fractional shares cannot be issued in DRS form. There is no fee for requesting a DRS Transaction Advice.

### **HOW CAN I TRANSFER SHARES?**

Transfers can be made at any time. In order to transfer shares, you will need to complete a Transfer Instruction Package. Simply visit The Bank's Stock Transfer website at [www.stockbny.com](http://www.stockbny.com) to download the form or call 1-866-595-1717 to request one. Remember you must obtain a Medallion Guarantee for any transfer of shares.

A Medallion Guarantee insures that the individual signing the request for transfer is the owner or authorized representative. It can be obtained from financial institutions (including many banks and brokerage firms) participating in one or more of the Medallion Guarantee programs. Book-to-book transfers, which involve transferring shares from an existing Plan account to a new Plan account, should follow the steps listed below.

- Call the Bank's toll-free telephone number 1-866-595-1717 to request a Plan brochure and Enrollment Application for each new Participant's account. Complete the form(s), providing the full registration name, address and social security number or tax ID of each new Participant. Each new participant must sign the Enrollment Application.
- The completed Enrollment Application should be sent along with a written request indicating the number of shares (full and fractional) which should be transferred to the new Participant's account. All existing Participants in the current Plan account should sign the instructions and their signatures should be Medallion Guaranteed as discussed above.
- Unless otherwise instructed on the Enrollment Application, the dividends for the shares in the new Participant's account will be automatically reinvested. A *BuyDIRECT* brochure and a confirmation advice of the transfer will be sent to new Participants. There is no fee for the transfer of shares.

**HOW CAN I WITHDRAW MY PARTICIPATION IN THE PLAN?**

You may withdraw from the Plan at any time. To withdraw from the Plan, simply complete the tear-off portion of the account statement or transaction advice and mail it to the Bank. Upon receipt of your instructions, a DRS Transaction Advice will be issued/mailed and any fractional shares held in the Plan account will be sold. You will receive a check for the net proceeds, less applicable taxes transaction fees and brokerage commissions from the sale of any fractional shares. If the transaction fees and commissions exceed the proceeds from the sale of the shares, you will receive a transaction advice instead of a check.

**WHAT HAPPENS IF CBS ANNOUNCES A RIGHTS OFFERING?**

In the event that CBS makes available to its shareholders any rights to subscribe for additional Class B Shares, the right to subscribe will be based on the total number of shares owned, both inside and outside the Plan. Any new shares distributed by CBS resulting from the exercise of the rights will be issued directly to the Participant.

**WHAT HAPPENS IF CBS ISSUES A DIVIDEND PAYABLE IN SHARES OR DECLARES A SHARE SPLIT?**

Any share dividends or split shares distributed by CBS on shares that are held in the Plan account will be added to the Participant's existing Plan account. This will include all whole and fractional shares. Any share dividends or split shares distributed on shares that are not held in the Plan account but are registered in the name of the Participant will be mailed directly to the Participant in the same manner as to holders of shares who are not participating in the Plan. Processing of purchases, sales and transfers may be temporarily suspended during such distributions.

**WHO WILL VOTE THE SHARES HELD IN THE PLAN AT SHAREHOLDERS' MEETING?**

Participants in the Plan holding Class B Shares will receive proxy materials; however, since Class B common stock is non-voting stock, a proxy voting card will not be included with these materials.

## **HOW DO I CONTACT THE BANK OF NEW YORK?**

**BuyDIRECT** is administered by The Bank of New York. The Bank is transfer agent for the CBS Class B Shares.

For information regarding the Plan, you may contact The Bank several ways:

### **BY TELEPHONE:**

Toll-free number: 1-866-595-1717  
For International calls: 1-212-815-3700  
TTY: 1-888-269-5221

### **BY MAIL:**

The Bank of New York  
Church Street Station  
P.O. Box 11258  
New York, New York 10286-1258

### **BY INTERNET:**

*To access the Bank's website, please follow these steps:*

Log onto [www.stockbny.com](http://www.stockbny.com)

Choose Individual "Account Access"

First-time users will have to enter their social security number or taxpayer ID when prompted in order to establish a temporary Personal Identification Number (PIN).

First-time users without a social security number or taxpayer ID will receive their PIN by mail within 10 business days of the request.

### **OPTIONAL CASH INVESTMENTS & OTHER TRANSACTIONS:**

For optional cash investments, sales, transfers, deposits or withdrawals, mail the tear-off portion of your account statement or DRS Transaction Advice:

The Bank of New York  
Investment Services Department/CBS  
P.O. Box 1958  
Newark, New Jersey 07101-1958

***BuyDIRECT*<sup>sm</sup>**  
**TERMS AND CONDITIONS OF THE PLAN**  
**CBS Corporation**  
**Class B Common Stock**

**1. Introduction**

The purpose of *BuyDIRECT*'s, Direct Purchase and Sale Plan (the "Plan") for the shares of Class B common stock ("Class B Shares") of CBS Corporation ("CBS") is to provide registered holders and other interested first-time investors who enroll in the Plan (the "Participant(s)") with a simple, economical and convenient method of investing in CBS Class B Shares. The Plan is sponsored and administered solely by The Bank of New York (the "Bank").

Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Persons residing outside the United States should determine whether they are subject to any governmental regulation prohibiting their participation.

**2. Share Purchases / Optional Cash Investments / Investing Dividends**

All purchases of shares will be made in the open market on the exchange on which the shares are traded. Purchases are usually made through a broker affiliated with the Bank ("Affiliated Broker") who will receive brokerage commissions. The price per share cannot be determined prior to the purchase. The price per share purchased shall always be the average weighted price of all CBS Class B shares purchased for the Plan on the trade date(s) plus brokerage commission and the transaction fee. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. The purchase price will not be known until the purchase is complete. For optional cash investments, purchases are made at least once a week.

A transaction advice will normally be mailed to you by first class mail within two (2) business days following the final trade settlement date showing the purchase price, transaction fees and brokerage commissions and the number of shares credited to your account. Optional cash investments must be made either by Electronic Funds Transfer ("EFT") or check drawn on a U.S. Bank, in U.S. currency, payable to "The Bank of New York - CBS Class B Plan." **Cash, third party checks, money orders or traveler's checks will not be accepted.** EFT deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by check, Participants will incur transaction fees of \$4.00 plus a brokerage commission of \$0.10 per share purchased. For each optional cash investment made by EFT, Participants will incur a transaction fee of \$2.50 plus a brokerage commission of \$0.10 per share purchased. Such investments are subject to the minimum of \$50.00 per transaction, a maximum of \$10,000.00 per transaction and a maximum annual investment of \$120,000.00 per calendar year.

Optional cash investments may be rejected by the Bank if a Participant imposes any restrictions with respect to the number of shares to be purchased, the price at which the shares are to be purchased or the timing of when the purchase is to be made. When CBS pays a dividend, the Bank, in accordance with your chosen dividend investment option, will use all or part of the cash dividend to the purchase of additional Class B Shares. Dividends and other cash distributions are paid in U.S. dollars and the dividend payable date is the date on which

shareholders are paid. Dividend purchases are invested as promptly as practicable following the dividend payable date and may be commingled with the optional cash investments on that trade date. There is a transaction fee of 10% of the investment amount with a maximum of \$3.00 per dividend payment plus a brokerage commission of \$0.10 per share purchased. Shares purchased will be credited to each Participant's account in book-entry form (computed to four decimal places). Dividend investment options can be changed at any time by sending a new Enrollment Form to the Bank. Changes must be received by the Bank on or before the record date for that dividend (see page 10, "How Do I Contact The Bank of New York").

### **3. Share Sales**

All sales of shares will be made in the open market on the exchange on which the shares are traded. Sales are usually made through an Affiliated Broker who will receive brokerage commissions. The transaction fee in connection with the sale of shares is \$15.00 plus a brokerage commission of \$.10 per share sold. The price per share cannot be determined prior to the sale. The price per share sold will reflect the brokerage commission and shall always be the average weighted price for all shares sold for the Plan on the trade date or dates less the per share transaction fee. Sales are made at least once a week. Depending on the number of shares being sold and current trading volume in the shares, sales may be executed in multiple transactions and may be traded on more than one day. The selling price will not be known until the sale is complete. A check for the proceeds of the sale of shares less applicable taxes, transaction fees and brokerage commissions, will normally be mailed to you by first class mail within three (3) business days after the final trade date. If the transaction fees and commissions exceed the proceeds from the sale of the shares, you will receive a transaction advice instead of a check.

### **4. Requests for DRS Transaction Advice or Transfer of Shares**

CBS Corporation common stock will only be issued electronically by way of Direct Registration. Participants may request that the Bank issue a Direct Registration System ("DRS") Transaction Advice for some or all of the shares (whole shares only) held in the Participant's account at any time by calling the Bank at 1-866-595-1717. Please note that fractional shares cannot be issued in DRS form. In addition, Participants may always request the transfer of Plan shares by contacting the Bank. Transfers can be made in book-entry or DRS form at any time.

In order to transfer shares, you will need to complete a Transfer Instruction Package. Simply visit the Bank's Stock Transfer website at [www.stockbny.com](http://www.stockbny.com) to download the form or call 1-866-595-1717 to request one. A Medallion Guarantee will be required for any transfer of shares and can be obtained from any financial institution (including many banks and brokerage firms) participating in one or more of the Medallion Guarantee programs. Participants can also request book-to-book transfers, which involve transferring shares from an existing Plan account to a new Plan account (see page 8, "How Can I Transfer Shares?").

### **5. Deposit of DRS Shares**

If you own CBS Class B Shares in DRS form, you may elect to deposit these shares into your Plan account with the Bank. The Bank will credit these shares to your Plan account in book-entry form.

To deposit DRS shares, return your completed, signed Enrollment Form or, the tear-off portion of your account statement with your written instructions regarding the deposit to the bank (see page 10, "How Do I Contact The Bank of New York," for mailing instructions and page 15, "Costs to Participants," for fees and costs associated with the deposit of DRS shares).

## **6. Account Statements**

If CBS pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you, as soon as practicable following each dividend payment date. You may also request a statement at any time by calling 1-866-595-1717 or you can view your account online by visiting our website at [www.stockbny.com](http://www.stockbny.com). You should retain these statements for your records.

## **ADDITIONAL TERMS AND CONDITIONS**

Affiliates of CBS, including directors and certain officers of CBS, are not eligible to participate in the Plan. The Plan is not intended for use by institutional investors or financial intermediaries. Initiation of a transaction(s), including optional cash investments, dividend investment, depositing DRS shares into the Plan and/or selling or purchasing shares, shall establish an agency relationship by the Participant with the Bank.

### **Distribution of Rights / Rights Proceeds**

In the event that CBS makes available to its shareholders any rights to subscribe for additional common shares, the rights to subscribe will be based on the total number of shares owned, both inside and outside the Plan. Any new shares distributed by CBS resulting from the exercise of the rights will be issued directly to the Participant.

### **Distribution of Stock Dividends / Stock Splits**

Any stock dividends or stock-split shares distributed by CBS will be credited directly into the Participant's Plan account. This includes distributions calculated from shares held in the Plan in book-entry form as well as any shares registered in the Participants' names. Any rights or shares to be distributed as a result of any rights agreement or similar arrangement will be distributed in a like manner. Transaction processing may be temporarily suspended during the latter type of extraordinary distributions including purchases, sales and transfers.

**Tax refunds resulting from reciprocal tax treaties are not eligible for investment. The Bank of New York will remit cash proceeds for the tax refunds directly to the shareholders.**

### **Voting/Annual Meetings**

Participants in the Plan holding Class B Shares will receive proxy materials; however, since Class B common stock is non-voting stock, a proxy voting card will not be included with these materials.

## **Tax Reporting**

Generally, the Bank is required to report to both the Participant(s) and the U.S. Internal Revenue Service information regarding dividend amounts paid by CBS as well as any proceeds the Participant(s) received from the sale of the shares, rights or other securities. The tax consequences of participating in the Plan can vary depending on each Participant's tax situation. Accordingly, each Participant is responsible for determining the tax effect of Plan participation and should consult with tax and legal advisors with respect to current and proposed federal, state, local, foreign and other tax laws.

## **Liability**

Neither CBS nor the Bank will be liable for any losses or liability howsoever incurred by Participants arising from, related to or in connection with the administration of the Plan or the Bank's actions or non-actions with respect to the Plan (including by way of example and not by way of limitation any losses or claim of liability arising from (i) the failure to terminate a Participant's account, sell shares in the Plan or invest optional cash investments or dividends without prior receipt of proper documentation and instructions; (ii) the prices at which shares are purchased or sold for the Participant's account, the timing of such purchases and sales, and the fluctuation of prices of the shares (a) between the receipt of cash or dividends for investment and such investment, (b) between the receipt of instructions to sell and such sale and (c) after the purchase and sale of shares, and (iii) the transfer of shares from a Participant's account to a broker pursuant to the Profile Program of The Depository Trust Company) except for such losses and liabilities caused by the negligence or willful misconduct of the Bank; and Participant shall indemnify and hold harmless the Bank from all losses and liabilities incurred by the Bank (including losses and liabilities arising from disputes with Participant) other than those caused by the Bank's negligence and willful misconduct. In no event shall the Bank be liable for special, consequential or punitive damages or losses due to forces beyond its control (including by way of example and not by way of limitation strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services).

**These Terms and Conditions and the administration of the Plan and the Bank's duties and responsibilities under the Plan shall be governed by the substantive laws (and not the choice of law rules) of the State of New York; all proceedings relating to the Plan shall be brought by Participants only in courts located in the City of New York; and Participants waive their right to trial by jury.**

The Bank reserves the right to modify the Plan including the right to terminate the Plan upon notice to Plan Participants. In addition, the Bank reserves the right to interpret and regulate the Plan as it deems necessary or desirable in connection with its operation.

**Shares are not insured by the FDIC or any other government agency, are not deposits or other obligations of, and are not guaranteed by, the Bank or CBS, and are subject to investment risks, including possible loss of principal amount invested. The Bank and CBS provide no advice and make no recommendations with respect to purchasing or selling shares of CBS. Any decision to purchase or sell must be made by each individual Plan Participant based on his or her own research and judgement. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy shares of CBS.**

**Important Note: Shares held in *BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.**

**BuyDIRECT<sup>SM</sup>**  
**COSTS TO PARTICIPANTS**  
**A Direct Purchase & Sale Plan**  
**CBS Corporation**  
**Class B Common Stock**

Listed below are the costs incurred by Participants of *BuyDIRECT*. The fees are subject to change at any time. This is considered part of the “Terms and Conditions” of the Plan.

**Initial Enrollment Fee** .....\$10.00 (one time charge, per account,  
for first time investors)

**Optional Cash Investment by Check**

Transaction Fee .....\$4.00 per investment  
 Brokerage Commission .....\$0.10 per share purchased

**Optional Cash Investment by EFT**

Transaction Fee by Check .....\$2.50 per occurrence plus  
 Brokerage Commission .....\$0.10 per share purchased

**Reinvestment of Dividends**

Transaction Fee .....10% up to a maximum of \$3.00  
 (of the dividend payment)  
 Brokerage Commission .....\$0.10 per share purchased

**Sale of Shares**

Transaction Fee .....\$15.00 per transaction  
 Brokerage Commission .....\$0.10 per share sold

**Deposit of DRS Shares** .....No Charge

**Withdrawal of Shares** .....No Charge

**Book to Book Transfer** .....No Charge

**Minimum Optional Cash Investment**

Minimum initial investment by non-registered holder .....\$250.00  
 Minimum investment by existing registered holder .....\$50.00

**Maximum Optional Cash Investment**

Maximum amount per investment by holder  
 (first time non-registered and existing registered holder) .....\$ 10,000.00

**Maximum Aggregate Investment Per Calendar Year** .....\$120,000.00