
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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):

January 12, 2007

Cabot Corporation

(Exact name of registrant as specified in its charter)

Delaware

1-5667

04-2271897

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

Two Seaport Lane, Suite 1300, Boston,
Massachusetts

02210-2019

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

617-345-0100

Not Applicable

Former name or former address, if changed since last report

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:

- 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.

On January 12, 2007, the Board of Directors of Cabot Corporation ("Cabot") amended Cabot's Senior Management Severance Protection Plan (the "Severance Plan"), which provides benefits to members of Cabot's senior management in the event of a change in control and a subsequent termination of employment under circumstances defined in the Severance Plan. The following amendments were made:

- The severance benefit payable under the Severance Plan was decreased to one times base salary plus bonus from two times base salary plus bonus.
- The health and welfare benefit continuation period was decreased to one year from two years.
- A new provision was added requiring Cabot to make a gross-up payment to a participant in the event any payment or benefit made to the participant under the Severance Plan will be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code (the "Code"). The gross-up payment is to be in an amount sufficient to make the participant whole for all taxes (including withholding taxes) and any associated interest and penalties imposed as a result of Section 4999 of the Code.
- The definition of an "eligible employee" was amended to mean employees designated by the Compensation Committee of the Board of Directors.
- The protection period following a change in control was reduced to two years from three years.

The Compensation Committee of the Board of Directors has designated 24 employees as eligible employees under the Severance Plan.

The Severance Plan provides that any amendment to the Severance Plan that adversely affects the benefits or protections of any individual who is a participant as of the date of the amendment will not be effective if a change in control occurs within one year of the amendment. Accordingly, if a change in control of Cabot were to occur within one year from January 12, 2007, the two times salary and bonus benefit, the two year period for health and welfare benefit continuation, and the three year protection period would still be applicable to any individual who was a participant in the Severance Plan at the time of the amendment.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On January 12, 2007, Cabot's Board of Directors, upon the recommendation of the Governance and Nominating Committee of the Board, adopted the following amendments to Cabot's by-laws:

- Section 2.6 was amended to change the voting standard for the election of directors from a plurality to a majority voting standard in uncontested elections. Under the new majority voting standard, a nominee for director shall be elected to the Board if the votes properly cast for such nominee's election exceed the votes properly cast against such nominee's election. Abstentions will not count as votes cast. Directors will continue to be elected by plurality vote at any meeting of stockholders for which (i) Cabot receives a notice that a stockholder has nominated a person for election as a director in compliance with the provisions for advance notice of nominations in Section 2.12 of the by-laws and (ii) such nomination has not been withdrawn on or prior to the tenth day preceding the date on which Cabot mails notice of the meeting to the stockholders.
- The advance notice requirements for stockholder nominees for director, which had been set forth in Section 3.5 of the by-laws, were added to Section 2.12 and Section 3.5 was deleted. In addition, the advance notice requirements were amended to expand the information a stockholder must provide regarding the nominee in its notice to Cabot. Specifically, the notice must now include a statement signed by the nominee confirming that, if elected, he or she will comply with Cabot's Global Ethics and Compliance Standards, Policy on Transactions in Securities, Corporate Governance Guidelines and any other applicable rule, regulation, policy or standard of conduct applicable to Cabot's directors.
- In making these changes, a new Section 2.6 was added, and previous Sections 2.6 through 2.11 were renumbered Sections 2.7 through 2.12.

Item 8.01 Other Events.

In connection with the by-law amendments described in Item 5.03 of this Current Report on Form 8-K, the Board of Directors, upon the recommendation of the Governance and Nominating Committee of the Board, adopted the following amendments to Cabot's Corporate Governance Guidelines (the "Guidelines") on January 12, 2007:

- The Guidelines were amended to provide that the Board expects a director to tender his or her resignation if he or she fails to receive the required votes for re-election in accordance with Cabot's by-laws. In addition, the Board shall nominate for election or re-election as directors only candidates who agree to tender, prior to the annual meeting at which they are elected or re-elected as directors, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the next annual meeting at which they are nominated for re-election and (ii) board acceptance of such resignation. The Board will fill director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with the Guidelines.
- The Guidelines were also amended to provide that if an incumbent director fails to receive the required vote for re-election, the Governance and Nominating Committee will act promptly to determine whether to recommend acceptance of the director's resignation and will submit such recommendation for prompt consideration by the Board. In addition, the Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding his or her resignation. The Governance and Nominating Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

Item 9.01 Financial Statements and Exhibits.

Exhibit 3.1 Amendments to By-Laws
of
CABOT CORPORATION
Adopted January 12, 2007

SIGNATURES

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.

Cabot Corporation

January 19, 2007

By: */s/ Brian A. Berube*

Name: Brian A. Berube

Title: Vice President and General Counsel

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amendments to Cabot Corporation By-laws adopted January 12, 2007

**Amendments to By-Laws
of
CABOT CORPORATION
Adopted January 12, 2007**

1. The following new Section 2.6 was added:

“Section 2.6. Required Vote for Election of Directors. When a quorum is present at any meeting, a nominee for director shall be elected if the votes properly cast for such nominee’s election exceed the votes properly cast against such nominee’s election (abstentions shall not be considered to be votes cast); provided, however, that the directors shall be elected by a plurality of the votes properly cast at any meeting of stockholders for which (i) the corporation receives a notice that a stockholder has nominated a person for election as a director in compliance with the provisions for advance notice of nominations in Section 2.12 of these by-laws and (ii) such nomination has not been withdrawn on or prior to the tenth day preceding the date on which the corporation mails notice of the meeting to the stockholders. If nominees for director are to be elected by a plurality of the votes properly cast, stockholders shall not be permitted to vote against a nominee.”

2. Previous Sections 2.6 through 2.11 were renumbered Sections 2.7 through 2.12.

3. Newly numbered Section 2.7 was amended to read as follows:

“Section 2.7. Required Vote for Other Matters. When a quorum is present at any meeting, a majority of the votes properly cast shall decide the question, except as otherwise required by law, by the certificate of incorporation or by these by-laws. If the corporation issues fractional shares of stock entitled to vote, holders of such fractional shares shall be entitled to exercise voting rights.”

4. The provisions of Section 3.5 were added to newly numbered Section 2.12, and Section 3.5 was deleted. Previous Sections 3.6 through 3.16 were renumbered Sections 3.5 through 3.15. Section 2.12 currently provides as follows:

“Section 2.12. Notice of Stockholder Business and Nomination. Unless otherwise determined by the board of directors prior to a meeting of the stockholders, the officer presiding at such meeting, determined in accordance with these by-laws, shall determine the order of business and shall have the authority in his or her discretion to regulate the conduct of such meeting, including, without limitation, to impose restrictions on the persons (other than stockholders of the corporation or their duly appointed proxies) who may attend such meeting, to regulate and restrict the making of statements or asking of questions at such meeting and to cause the removal from such meeting of any person who has disrupted or appears likely to disrupt the proceedings at such meeting.

At a meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before any meeting of the stockholders held pursuant to Section 2.1 of these by-laws, business, including the nomination or election of directors, must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors, (b) otherwise properly brought before the meeting by or at the direction of the board of directors, or (c) properly brought before the meeting by a stockholder who is a stockholder of record at the time of the giving by such stockholder of the notice provided for in this Section 2.12, who shall be entitled to vote for such business at the meeting and who complies with the requirements of this Section 2.12 with respect to any business sought to be brought before the meeting, including the nomination or election of directors.

In addition to any other applicable requirements, in order for any such business or nomination to be properly brought before the meeting by a stockholder (other than a stockholder proposal included in the corporation’s proxy statement pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the stockholder must have given timely notice thereof in writing to the secretary of the corporation. To be timely, a stockholder’s notice must be received at the principal executive offices of the corporation not less than 60 days nor more than 90 days prior to the anniversary date of the immediately preceding annual meeting of stockholders of the corporation; provided, however, in the event that the meeting is called for a date (including any change in a date designated by the board of directors pursuant to Section 2.1) more than 60 days prior to such anniversary date, notice by the stockholder to be timely must be so received not later than the close of business on the 10th day following the day on which notice of the date of such meeting was mailed or public disclosure of the date of such meeting was made, whichever first occurs.

A stockholder’s notice to the secretary shall set forth as to each matter the stockholder proposes to bring before the meeting (a) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting, (b) the name and address, as they appear on the corporation’s books, of the stockholder proposing such business, (c) the class and number of shares of capital stock of the corporation held of record, owned beneficially and represented by proxy by such stockholder as of the record date for the meeting (if such date shall then have been made publicly available) and as of the date of such notice by the stockholder, (d) any material interest of the stockholder in such business and (e) all other information which would be required to be included in a proxy statement required to be filed with the Securities and Exchange Commission if, with respect to any such item of business or nomination, such stockholder were a participant in a solicitation subject to Regulation 14A under the Exchange Act (the “Proxy Rules”).

In addition, if the notice involves the nomination of a director, a stockholder’s notice to the secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address or residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the corporation, if any, which are beneficially owned by the person, (iv) any other information relating to the nominee as would be required to be included in a proxy statement or other filings required to be filed pursuant to the Proxy Rules

(including without limitation the consent of the nominee to being named in the proxy statement as a nominee and to serve as a director if elected) and (v) a statement signed by the person confirming that, if elected, he or she will comply with the corporation's Global Ethics and Compliance Standards, Policy on Transactions in Securities, Corporate Governance Guidelines and any other applicable rule, regulation, policy or standard of conduct applicable to the directors; and (b) as to the stockholder giving the notice, (i) a representation that the stockholder intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice and (ii) a description of all arrangements or understandings between such stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by such stockholder. At the request of the board of directors, any person nominated by the board of directors for election as a director shall furnish to the secretary of the corporation that information required to be set forth in a stockholder's notice of nomination which pertains to the nominee.

Notwithstanding anything in the by-laws to the contrary, no business pertaining to this Section shall be conducted at any meeting except in accordance with the procedures set forth in this Section 2.12. The officer presiding at the meeting shall, if the facts warrant, determine and declare to the meeting that any business or nomination, as the case may be, was not properly brought before the meeting in accordance with the provisions of this Section 2.12, and if the presiding officer should so determine, he or she shall so declare to the meeting and any business not properly brought before the meeting shall not be transacted and any defective nomination shall be disregarded."