

**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): March 6, 2017

CSX CORPORATION

(Exact Name of Registrant as Specified in Charter)

Virginia
(State or Other Jurisdiction
of incorporation)

1-08022
(Commission File Number)

62-1051971
(IRS. Employer
Identification No.)

500 Water Street, 15th Floor, Jacksonville, Florida
(Address of Principal Executive Offices)

32202
(Zip Code)

Registrant's telephone number, including area code: (904) 359-3200
(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 1.01. Entry into a Material Definitive Agreement.

On March 6, 2017, CSX Corporation (the "Company") and MR Agent Advisor LLC ("Mantle Ridge"), on behalf of itself and its affiliated funds (such funds, together with Mantle Ridge, collectively, the "Mantle Ridge Group") entered into a letter agreement (the "Letter Agreement"). The Mantle Ridge Group owns approximately 4.9% of the outstanding shares of common stock of the Company, par value \$1.00 per share (the "Common Stock").

The Letter Agreement provides that the Board of Directors of the Company (the "Board") will accept Mr. Michael J. Ward's resignation as Chief Executive Officer of the Company, and Mr. E. Hunter Harrison will be appointed as the Chief Executive Officer of the Company, effective immediately. Under the Letter Agreement, Mr. Ward will assume the title of consultant and retire from the Company as of May 31, 2017.

The Letter Agreement also provides for the appointments of Mr. Harrison, Paul C. Hilal, Dennis H. Reilley, Linda H. Riefler and John J. Zillmer (collectively, the "New Directors") to the Board, effective immediately, and the subsequent nomination of the New Directors, together with incumbent directors Donna M. Alvarado, John B. Breaux, Pamela L. Carter, Steven T. Halverson, Edward J. Kelly, III, John D. McPherson, David M. Moffett and J. Steven Whisler, at each of the Company's 2017 annual meeting of shareholders (the "2017 Annual Meeting") and 2018 annual meeting of shareholders (the "2018 Annual Meeting"). Mr. Hilal is the managing member of Mantle Ridge GP LLC, which is the general partner of Mantle Ridge LP, which is the sole member of Mantle Ridge, and holds less than 1% economic interest in the funds of Mantle Ridge.

Pursuant to the Letter Agreement, if any of the New Directors is unable to serve as a member of the Board, the Mantle Ridge Group will have the right to have another individual appointed to the Board who is reasonably acceptable to the Governance Committee of the Board and who meets the director independence and other standards of The NASDAQ Stock Market LLC and the Securities and Exchange Commission, subject to certain other conditions. The Company has also agreed that until the conclusion of the 2018 Annual Meeting, the size of the Board will not be more than thirteen directors.

Under the Letter Agreement, the Company has agreed that Mr. Harrison will be appointed to the Executive Committee of the Board, Mr. Hilal will be appointed to the Compensation, Executive, Governance and Finance Committees of the Board, Mr. Reilley will be appointed to the Audit, Executive, Governance and Finance Committees of the Board, Ms. Riefler will be appointed to the Audit, Compensation and Public Affairs Committees of the Board and Mr. Zillmer will be appointed to the Compensation, Executive, Governance and Public Affairs Committees of the Board, in each case effective immediately.

Pursuant to the Letter Agreement, the Company will amend its Corporate Governance Guidelines to provide for the separation of the roles of Chief Executive Officer and Chairman of the Board, the existence of a non-executive Chairman of the Board and the addition of the role of Vice Chairman of the Board. The Letter Agreement also provides for the amendment of the Company's Amended and Restated Bylaws (the "Bylaws") to reflect such changes in the structure of the Board, provide that a director that has reached the retirement age of 75 years set forth in the Bylaws may continue to serve on the Board so long as he or she has not served more than five consecutive terms and provide that an amendment of the Bylaws will require a vote of two-thirds of the directors then in office.

The Letter Agreement provides that Mr. Kelly will be appointed as the Chairman of the Board and Mr. Hilal will be appointed as the Vice Chairman of the Board, in each case effective immediately, and that the Company will maintain such appointments until the conclusion of the 2018 Annual Meeting; provided that the Mantle Ridge Group will cause the resignation of Mr. Hilal from the Board in the event that the Mantle Ridge Group's beneficial ownership of outstanding shares of Common Stock is less than 2.0% (the "Minimum Ownership Requirement").

In addition, the Company has agreed to include in its proxy statement and proxy card relating to the 2017 Annual Meeting (which the Company has agreed will be held no later than June 15, 2017) a proposal concerning reimbursement arrangements with regard to certain compensation and benefits that Mr. Harrison had forfeited as a result of his separation from Canadian Pacific Railway Limited (the "Make-Whole Benefits"). The Company has also agreed to make a determination on whether it will assume the Make-Whole Benefits within 15 days of the 2017 Annual Meeting. If the Company determines to assume the Make-Whole Benefits, within five days of such determination, it will (i) pay \$55,000,000 to Mantle Ridge and (ii) agree in writing with Mr. Harrison to pay Mr. Harrison \$29,000,000 on or before March 15, 2018 and assume a tax indemnity.

The Mantle Ridge Group has agreed to cause all shares of Common Stock owned of record or beneficially by the Mantle Ridge Group to be voted in favor of all nominees of the Company in its proxy statement for the 2017 Annual Meeting.

Each of the Mantle Ridge Group and the Company have agreed, subject to certain exceptions including for factual statements, not to make or cause to be made any statement or announcement that constitutes an *ad hominem* attack on, or disparages, the other party or any of its officers, directors, advisory board members or employees.

The Letter Agreement contains various other obligations and provisions applicable to the Company and the Mantle Ridge Group.

The obligations under the Letter Agreement will terminate upon the conclusion of the 2018 Annual Meeting, subject to certain specified obligations that will terminate at a later date; provided that the Mantle Ridge Group's right to replace the New Directors will terminate upon the Mantle Ridge Group ceasing to satisfy the Minimum Ownership Requirement.

The above summary is qualified in its entirety by reference to the full text of the Letter Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated by reference herein.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The disclosure in Item 1.01 of this Current Report on Form 8-K is incorporated by reference herein. In connection with the appointment of the New Directors to the Board, the New Directors (other than Mr. Harrison) became eligible to participate in the Company's non-employee director compensation program, including receiving annual grants of shares of Common Stock with the number of such shares determined based on the average closing price of the Company's shares during December of 2016 and January and February of 2017, pro-rated to reflect their appointment to the Board in March of 2017.

On March 6, 2017, Mr. Ward resigned from his positions as the Chief Executive Officer of the Company and a director of the Company, effective immediately, and Timothy T. O'Toole resigned from his position as a director of the Company, effective immediately. There are no disagreements between either Mr. Ward or Mr. O'Toole and the Company relating to matters concerning the Company's operations, policies or practices.

On March 6, 2017, Clarence W. Gooden resigned from his position as Vice Chairman of the Company, effective immediately.

On March 6, 2017, Mr. Harrison, age 72, was appointed as Chief Executive Officer of the Company and a director of the Company, effective immediately. There are no family relationships between Mr. Harrison and any director or executive officer of the Company. Mr. Harrison served as the President and Chief Executive Officer of Canadian Pacific Railway Limited and Canadian Pacific Railway Company ("CP"), a provider of rail and intermodal freight transportation services, from 2012 to January 2017 during which time he was also a member of the board of directors of CP. CP is not a parent, subsidiary or other affiliate of the Company. In addition, Mr. Harrison served on the board of directors of Foresight Energy LP, whose business is to mine and market coal from reserves and operations located exclusively in the Illinois Basin, from 2014 to 2015. Mr. Harrison is a party to a consulting agreement with Mantle Ridge pursuant to which Mr. Harrison agreed to, among other things, serve as a Board nominee.

In connection with Mr. Harrison's appointment as Chief Executive Officer, the Company has entered into a four-year employment agreement with Mr. Harrison providing Mr. Harrison with an annual base salary of \$2,200,000 and an annual target bonus opportunity of \$2,800,000, with a guaranteed 2017 bonus no less than the target bonus opportunity. If Mr. Harrison's employment is terminated by the Company without cause or by Mr. Harrison for good reason or due to the Company's failure to assume the Make-Whole Benefits he will be entitled to severance equal to his base salary and target annual bonus, a pro rata bonus for the year of termination and specified medical benefit continuation rights. If the termination occurs in connection with, or within two years following, a future change in control of the Company, the severance will be 2.99 times Mr. Harrison's base salary and target annual bonus. If, as a result of the Company's business activities, Mr. Harrison is subject to any claims by CP under Mr. Harrison's non-competition agreement with CP, the Company will indemnify Mr. Harrison.

Mr. Harrison has been granted an option to purchase 9,000,000 shares of Common Stock at \$49.79 (the closing price as of his hire date) with a ten-year term. This option will vest in equal annual installments over his four-year employment term. Half of the option will vest based on continued service and half will vest based on achievement of performance targets. If Mr. Harrison's employment is terminated by the Company without cause or by Mr. Harrison for good reason, the option will be eligible to vest in full, subject to achievement of the applicable performance targets in the case of the performance-vesting portion of the option award. In other termination scenarios the option will be subject to partial vesting. In the event of a termination for cause, the option will be forfeited in full.

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

On March 6, 2017, the Board approved amendments to the Bylaws, effective immediately, to:

- reflect the separation of the roles of Chief Executive Officer of the Company and Chairman of the Board and the addition of the role of Vice Chairman of the Board;
- provide that a director shall be eligible for reelection to the Board even if he or she shall have reached the age of 75 years at the time of such reelection, if the reelection will not result in such director serving more than five consecutive terms; and
- provide that the Bylaws may be amended by the Board only by the vote of at least two-thirds of the directors then in office instead of by the vote of a majority of the directors present.

The above summary is qualified in its entirety by reference to the full text of the Bylaws, a copy of which is attached hereto as Exhibit 3.1 and is incorporated by reference herein.

Item 8.01. Other Events.

On March 6, 2017, the Company issued a press release regarding certain of the matters described under Item 1.01 of this Current Report on Form 8-K and the cancellation of the previously convened special meeting of shareholders. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Forward-Looking Statements

This information and other statements by CSX may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and CSX undertakes no obligation to update or revise any forward-looking statement. If CSX updates any forward-looking statement, no inference should be drawn that CSX will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others: (i) CSX's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting CSX; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

CSX Corporation ("CSX") will file a proxy statement with the U.S. Securities and Exchange Commission (the "SEC") with respect to the annual meeting of shareholders. CSX SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT, THE ACCOMPANYING PROXY CARD AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

CSX, its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from CSX shareholders in connection with the matters to be considered at the annual meeting, or any adjournment or postponement thereof. Information about certain CSX directors and executive officers, and their direct and indirect interests in CSX, is available in CSX's proxy statement, filed March 28, 2016 for its 2016 Annual Meeting. To the extent holdings of CSX's securities by such directors or executive officers have changed since the amounts included in the 2016 proxy statement, such changes have been or will be reflected on reports filed with the SEC in accordance with the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended. Additional information regarding directors and executive officers appointed since March 28, 2016 and the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with the annual meeting. Shareholders will be able to obtain any proxy statement, any amendments or supplements to any proxy statement and other documents filed by CSX with the SEC free of charge at the SEC's website at www.sec.gov. Copies also will be available free of charge at CSX's website at www.csx.com or by contacting CSX Investor Relations at (904) 359-4812.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 3.1 Amended and Restated Bylaws, effective as of March 6, 2017.
 - 10.1 Letter Agreement, dated as of March 6, 2017, between CSX Corporation and MR Argent Advisor LLC.
 - 99.1 Press Release, dated March 6, 2017.
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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.

DATE: March 7, 2017

CSX CORPORATION

By: /s/ Ellen M. Fitzsimmons
Name: Ellen M. Fitzsimmons
Title: Executive Vice President, Law and Public Affairs, General
Counsel
and Corporate Secretary

Exhibit Index

Exhibit Number

Title

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|------|---|
| 3.1 | Amended and Restated Bylaws, effective as of March 6, 2017. |
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BYLAWS

OF

CSX CORPORATION

(Amended and Restated as of March 6, 2017)

ARTICLE I

Shareholders' Meeting

SECTION 1. Annual Meeting. The annual meeting of the shareholders of the Corporation shall be held on such date in March, April, May or June as the Board of Directors (hereinafter sometimes the "Board") may designate, either within or without the Commonwealth of Virginia.

SECTION 2. Special Meetings. Special meetings of the shareholders may be called from time to time by a majority of the Board of Directors or the Chairman of the Board. Special meetings of shareholders shall be promptly called by the Corporation if one or more shareholders that together hold at least 15% of all the shares of capital stock at the time outstanding and having voting power deliver or cause to be delivered to the Corporate Secretary one or more written demands for the meeting describing the purpose or purposes for which it is to be held. Special meetings shall be held solely for the purposes specified in the notice of meeting.

SECTION 3. Time and Place. The time and place of each meeting of the shareholders shall be stated in the notice of the meeting.

SECTION 4. Quorum and Voting. The holders of a majority of the votes entitled to be cast on any matter, present in person or represented by proxy, shall constitute a quorum as to that matter at any meeting of the shareholders. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned from time to time until a quorum is obtained by (a) the chairman of such meeting or (b) a majority of the shares present in person or represented by proxy. No additional notice of the meeting shall be required other than by announcement at the meeting unless a new record date is fixed pursuant to Section 8. Unless otherwise provided in the Articles of Incorporation of the Corporation, each shareholder shall be entitled to one vote in person or by proxy for each share entitled to vote then outstanding and registered in his or her name on the books of the Corporation.

SECTION 5. Written Authorization. A shareholder or a shareholder's duly authorized attorney-in-fact may execute a writing authorizing another person or persons to act for him or her as proxy. Execution may be accomplished by the shareholder or such shareholder's duly authorized attorney-in-fact or authorized officer, director, employee or agent signing such writing or causing such shareholder's signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature.

SECTION 6. Electronic Authorization. The President or the Corporate Secretary may approve procedures to enable a shareholder or a shareholder's duly authorized attorney-in-fact to authorize another person or persons to act for him or her as proxy by transmitting or authorizing the transmission of a telegram, cablegram, internet transmission, telephone transmission or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such transmission must either set forth or be submitted with information from which the inspectors of election can determine that the transmission was authorized by the shareholder or the shareholder's duly authorized attorney-in-fact. If it is determined that such transmissions are valid, the inspectors shall specify the information upon which they relied. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this Section 6 may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

SECTION 7. Notice of Meeting. (a) Except as otherwise required by the laws of the Commonwealth of Virginia, notice shall be delivered by the Corporation not less than 10 days nor more than 60 days before the date of the meeting, either personally, by mail or by any other manner permitted by law, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid, addressed to the shareholder at the shareholder's address as it appears on the stock transfer books of the Corporation. Such further notice shall be given as may be required by law. Notice of meetings may be waived in accordance with law. Any previously scheduled meeting of the shareholders may be postponed, by resolution of the Board of Directors, at any time prior to the time previously scheduled for such meeting of shareholders.

(b) Without limiting the manner by which notice otherwise may be given effectively to shareholders, any notice to shareholders given by the Corporation, under any provision of the Virginia Stock Corporation Act, the Articles of Incorporation or these Bylaws, shall be effective if given by a form of electronic transmission consented to by the shareholder to whom the notice is given. Any such consent shall be revocable by the shareholder by written notice to the Corporation. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Corporate Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given pursuant to this paragraph shall be deemed given: (1) if by facsimile telecommunication, when directed to a number at which the shareholder has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the shareholder has consented to receive notice; (3) if by a posting on an electronic network together with separate notice to the shareholder of such specific posting when such notice is directed to the record address of the shareholder or to such other address at which the shareholder has consented to receive notice, upon the later of such posting or the giving of such separate notice; and (4) if by any other form of electronic transmission, when consented to by the shareholder.

SECTION 8. Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than 70 days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notices of the meeting are mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

SECTION 9. Conduct of Meeting.

(a) The Chairman of the Board shall preside over all meetings of the shareholders. If he or she is not present, or if there is none in office, the Vice Chairman of the Board shall preside. If the Chairman of the Board and the Vice Chairman of the Board are not present, the Chief Executive Officer shall preside. If the Chairman of the Board, the Vice Chairman of the Board and the Chief Executive Officer are not present, the President shall preside. If the Chairman of the Board, the Vice Chairman of the Board, the Chief Executive Officer and the President are not present, a Vice President shall preside, or, if none be present, a chairman shall be elected by the meeting. The Corporate Secretary shall act as secretary of the meeting, if he or she is present. If he or she is not present, the chairman shall appoint a secretary of the meeting. The chairman of the meeting, at his or her discretion, may adjourn the meeting from time to time, whether or not there is a quorum, and may determine the date, time and place that a meeting so adjourned is to reconvene.

(b) The Board of Directors may adopt such rules, regulations and procedures for the conduct of any meeting of shareholders that it deems appropriate. Except to the extent inconsistent with such rules, regulations and procedures adopted by the Board of Directors, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting, including, without limitation, the establishment of an agenda or order of business, the dismissal of business not properly presented, the maintenance of order and safety, limitations on the time allotted to questions or comments on the affairs of the Corporation, restrictions on entry to such meeting after the time prescribed for the commencement thereof and the opening and closing of the voting polls.

SECTION 10. Inspectors. An appropriate number of inspectors for any meeting of shareholders may be appointed by the chairman of such meeting. Inspectors so appointed, will receive and take charge of proxies and ballots, decide all questions as to the qualifications of voters, validity of proxies and ballots, and the number of votes properly cast, and perform such other duties as required by law or requested by the chairman of the meeting.

SECTION 11. Advance Notice of Nominations and Shareholder Business.

(a) Annual Meetings of Shareholders.

(i) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the shareholders may be made at an annual meeting of shareholders only (A) pursuant to the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (B) otherwise properly made at the annual meeting by or at the direction of the Board of Directors or (C) by any shareholder of the Corporation who (1) was a shareholder of record of the Corporation at the time the notice provided for in this Section 11 is delivered to the Corporate Secretary of the Corporation and at the time of the meeting, (2) is entitled to vote at the meeting and (3) complies with the procedures set forth in this Section 11. Clause (C) of the immediately preceding sentence shall be the exclusive means for a shareholder to make a nomination or propose business before an annual meeting of shareholders.

(ii) For nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to clause (C) of paragraph (a)(i) of this Section 11, the shareholder must have given timely notice thereof in writing to the Corporate Secretary of the Corporation and any such proposed business other than the nominations of persons for election to the Board of Directors must constitute a proper matter for shareholder action. To be timely, a shareholder's notice must be delivered to the Corporate Secretary at the principal office of the Corporation (x) in the case of nominations or other business to be properly brought before the 2017 annual meeting of shareholders, not later than the close of business on March 10, 2017 nor earlier than the close of business on the one hundred twentieth day prior to the first anniversary of the preceding year's annual meeting and (y) in the case of nominations or other business to be properly brought before any other annual meeting of shareholders, not later than the close of business on the ninetieth day nor earlier than the close of business on the one hundred twentieth day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the shareholder must be so delivered not earlier than the close of business on the one hundred twentieth day prior to such annual meeting and not later than the close of business on the later of the ninetieth day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period, or extend any time period, for the giving of a shareholder's notice as described above. Such shareholder's notice shall set forth: (A) as to each person whom the shareholder proposes to nominate for election as a director, (1) all information relating to such person that would be required to be disclosed in solicitations of proxies for election of directors in an election contest or otherwise required pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), regardless of the application of the Exchange Act to such nomination, (2) the information and agreement required under paragraph (b) of Section 3 of Article II, and (3) such person's written consent to being named in the proxy statement as a nominee and to serving as such a director if elected; (B) as to any other business that the shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such shareholder and of the beneficial owner, if any, on whose behalf the proposal is made; and (C) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made, (1) the name and address of such shareholder, as they appear on the Corporation's books, and of such beneficial owner, (2) the class and number of shares of capital stock of the Corporation that are, directly or indirectly, owned beneficially and of record by such shareholder and such beneficial owner as well as any derivative or synthetic instrument, convertible security, put, option, stock appreciation right, swap or similar contract, agreement, arrangement or understanding the value of or return on which is based on or linked to the value of or return on any of shares of capital stock of the Corporation, (3) any proxy (other than a revocable proxy given in response to a solicitation statement filed pursuant to, and in accordance with, Section 14(a) of the Exchange Act), voting trust, voting agreement or similar contract, arrangement, agreement or understanding pursuant to which the shareholder or beneficial owner on whose behalf the nomination or proposal is being made has a right to vote or direct the voting of any shares of the Corporation's capital stock, (4) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination, and (5) a representation whether the shareholder or the beneficial owner, if any, intends or is part of a group that intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies from shareholders in support of such proposal or nomination. In addition, to be timely, a shareholder's notice shall further be updated and supplemented, if necessary, (1) as of the voting record date for the meeting and (2) as of the date that is 10 days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Corporate Secretary at the principal office of the Corporation. With respect to any proposal of business, the notice requirements of this Section 11(a)(ii) shall be deemed satisfied by a shareholder if the shareholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) promulgated under the Exchange Act and such shareholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(iii) Notwithstanding anything in the second sentence of paragraph (a)(ii) of this Section 11 to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least 100 days prior to the first anniversary of the preceding year's annual meeting, a shareholder's notice required by this Section 11 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Corporate Secretary at the principal office of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

(b) Special Meetings of Shareholders. Only such business shall be conducted at a special meeting of shareholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of shareholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any shareholder of the Corporation who is a shareholder of record at the time the notice provided for in this Section 11 is delivered to the Corporate Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 11. In the event a special meeting of shareholders is called pursuant to these Bylaws for the purpose of electing one or more directors to the Board of Directors, any such shareholder entitled to vote in such election of directors may nominate a person or persons, as the case may be, for election to such position(s) as specified in the Corporation's notice of meeting, if the shareholder's notice required by paragraph (a)(ii) of this Section 11 is delivered to the Corporate Secretary at the principal office of the Corporation not earlier than the close of business on the one hundred twentieth day prior to such special meeting, and not later than the close of business on the later of the ninetieth day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed to be elected at such meeting, if any. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period, or extend any time period, for giving of a shareholder's notice as described above.

(c) General.

(i) Only such persons who are nominated in accordance with the procedures set forth in this Section 11 shall be eligible at an annual or special meeting of shareholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 11. Except as otherwise provided by law, the chairman of the meeting shall have the power and duty (A) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 11 (including whether the shareholder or beneficial owner, if any, on whose behalf the nomination or proposal is made or solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such shareholder's nominee or proposal in compliance with such shareholder's representation as required by clause (a)(ii)(C) of this Section 11) and (B) to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 11, if the shareholder (or a duly authorized proxy of the shareholder) does not appear at the annual or special meeting of shareholders of the Corporation to present a nomination or business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

(ii) For purposes of this Section 11, “public announcement” shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 11, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 11. Nothing in this Section 11 shall be deemed to affect any rights (A) of shareholders to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a-8 under the Exchange Act or (B) of the holders of any class or series of preferred stock to elect directors pursuant to any applicable provisions of the Articles of Incorporation.

(d) Proxy Access for Director Nominations. The Corporation shall include in its proxy statement for any annual meeting of shareholders the name, together with the Required Information (as defined below), of any person nominated for election to the Board of Directors (a “Shareholder Nominee”) identified in a timely notice (the “Notice”) that satisfies this Section 11 delivered to the principal executive office of the Corporation, addressed to the Corporate Secretary, by one or more shareholders who at the time the request is delivered satisfy the ownership and other requirements of both subsections (a) and (d) of this Section 11 (such shareholder or shareholders, and any Associated Person (as defined below) of such shareholder or shareholders, the “Eligible Shareholder”), and who expressly elects to have its nominee included in the Corporation’s proxy materials pursuant to this subsection (d). To be timely, the Notice must be received by the Corporate Secretary not less than one hundred twenty (120) calendar days prior to the anniversary date of the immediately preceding mailing date for the notice of annual meeting of shareholders.

(i) For purposes of this subsection (d), the “Required Information” that the Corporation will include in its proxy statement is (A) the information concerning the Shareholder Nominee and the Eligible Shareholder that, as determined by the Corporation, is required to be disclosed in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, and (B) if the Eligible Shareholder so elects, a Statement (as defined below). For purposes of this subsection (d), “Associated Person” means any affiliate, associate of, or any other party acting in concert with or on behalf of, (A) a shareholder nominating a Shareholder Nominee or (B) any beneficial owner on whose behalf the shareholder is acting.

(ii) The Corporation shall not be required to include a Shareholder Nominee in its proxy materials for any special meeting of shareholders or for any annual meeting of shareholders for which (A) the Corporate Secretary of the Corporation receives a notice that the Eligible Shareholder has nominated a person for election to the Board of Directors pursuant to the notice requirements set forth in subsection (a) of this Section 11 and (B) the Eligible Shareholder does not expressly elect as part of providing the notice to have its nominee included in the Corporation’s proxy materials pursuant to this subsection (d).

(iii) The number of Shareholder Nominees (including any Shareholder Nominees elected to the Board of Directors at either of the two preceding annual meetings who are standing for reelection and any Shareholder Nominees that were submitted by an Eligible Shareholder for inclusion in the Corporation’s proxy materials pursuant to this subsection (d) but either are subsequently withdrawn or that the Board of Directors or any committee designated by the Board of Directors decides to nominate for election to the Board of Directors (a “Board Nominee”)) appearing in the Corporation’s proxy materials with respect to a meeting of shareholders shall not exceed the greater of (A) two Shareholder Nominees and (B) 20% of the number of directors in office as of the last day on the Notice may be delivered, or if such amount is not a whole number, the closest whole number below 20%. In the event that the number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this subsection (d) exceeds this maximum number, each Eligible Shareholder shall select one Shareholder Nominee for inclusion in the Corporation’s proxy materials until the maximum number is reached, going in the order of the amount (largest to smallest) of shares of the Corporation’s stock eligible to vote in the election of directors each Eligible Shareholder disclosed as owned in the written notice of the nomination submitted to the Corporation. If the maximum number is not reached after each Eligible Shareholder has selected one Shareholder Nominee, this selection process shall continue as many times as necessary, following the same order each time, until the maximum number is reached.

(iv) An Eligible Shareholder must have owned (as defined below) 3% or more of the outstanding shares of the Corporation's stock eligible to vote in the election of directors continuously for at least three years (the "Required Shares") as of both the date the Notice is delivered to the Corporation and the record date for determining shareholders entitled to vote at the meeting and must continue to own the Required Shares through the meeting date. For purposes of satisfying the foregoing ownership requirement under this subsection (d), (A) the shares of stock of the Corporation owned by one or more shareholders, or by the person or persons who own shares of the Corporation's stock and on whose behalf any shareholder is acting, may be aggregated, provided that the number of shareholders and other persons whose ownership of shares is aggregated for such purpose shall not exceed 20, and further provided that the group of shareholders shall have provided to the Corporate Secretary of the Corporation as a part of providing the Notice a written agreement executed by each of its members designating one of the members as the exclusive member to interact with the Corporation for purposes of this Section 11 on behalf of all members, and (B) a group of funds under common management and investment control shall be treated as one shareholder or person for this purpose. Within the time period specified for providing the Notice, an Eligible Shareholder must provide the following information in writing to the Corporate Secretary of the Corporation (in addition to the information required to be provided by subsection (a) of this Section 11): (A) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period) verifying that, as of a date within seven calendar days prior to the date the Notice is delivered to or mailed and received by the Corporation, the Eligible Shareholder owns, and has owned continuously for the preceding three years, the Required Shares, and the Eligible Shareholder's agreement to provide, within five business days after the record date for the meeting, written statements from the record holder and intermediaries verifying the Eligible Shareholder's continuous ownership of the Required Shares through the record date, (B) the written consent of each Shareholder Nominee to be named in the proxy statement as a nominee and to serve as a director if elected, (C) a copy of the Schedule 14N that has been filed with the Securities and Exchange Commission as required by Rule 14a-18 under the Exchange Act, (D) a representation that the Eligible Shareholder (1) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have such intent, (2) has not nominated and will not nominate for election to the Board of Directors at the meeting any person other than the Shareholder Nominee(s) being nominated pursuant to this subsection (d), (3) has not engaged and will not engage in, and has not and will not be, a "participant" in another person's "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the meeting other than its Shareholder Nominee(s) or a Board Nominee, (4) will not distribute to any shareholder any form of proxy for the meeting other than the form distributed by the Corporation, (5) intends to continue to own the Required Shares through the date of the meeting, and (6) will provide facts, statements and other information in all communications with the Corporation and its shareholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, (E) an undertaking that the Eligible Shareholder agrees to (1) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Shareholder's communications with the Corporation's shareholders or out of the information that the Eligible Shareholder provided to the Corporation, (2) indemnify and hold harmless the Corporation and each of its directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of any nomination submitted by the Eligible Shareholder pursuant to this subsection (d), (3) file with the Securities and Exchange Commission all soliciting and other materials as required under subdivision (x) of this subsection (d), and (4) comply with all other applicable laws, rules, regulations and listing standards with respect to any solicitation in connection with the meeting, and (F) if the Eligible Shareholder did not submit the name(s) of the Shareholder Nominee(s) to the Governance Committee of the Board of Directors for consideration as Board Nominee(s), a brief explanation why the Eligible Shareholder elected not to do so. The inspectors of elections shall not give effect to the Eligible Shareholder's votes with respect to the election of directors if the Eligible Shareholder does not comply with each of the representations in clause (D) above.

(v) For purposes of this subsection (d), an Eligible Shareholder shall be deemed to “own” only those outstanding shares of the Corporation’s stock as to which a shareholder who is the Eligible Shareholder or is included in the group that constitutes the Eligible Shareholder possesses both (A) the full voting and investment rights pertaining to the shares and (B) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (A) and (B) shall not include any shares (1) sold by or on behalf of such shareholder in any transaction that has not been settled or closed, (2) borrowed by or on behalf of such shareholder for any purpose or purchased by such shareholder pursuant to an agreement to resell or (3) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by or on behalf of such shareholder whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of outstanding shares of the Corporation’s stock, in any such case which instrument or agreement has, or is intended to have, the purpose or effect of (x) reducing in any manner, to any extent or at any time in the future, such shareholder’s full right to vote or direct the voting of any such shares, and/or (y) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such shareholder. A shareholder shall “own” shares held in the name of a nominee or other intermediary so long as the shareholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A shareholder’s ownership of shares shall be deemed to continue during (A) any period in which the shareholder has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement that is revocable at any time by the shareholder, or (B) has loaned such shares, provided that the person has the power to recall such loaned shares on not more than three business days’ notice. Whether outstanding shares of the Corporation’s stock are “owned” for these purposes shall be determined by the Board of Directors, which determination shall be conclusive and binding on the Corporation and its shareholders.

(vi) The Eligible Shareholder may provide to the Corporate Secretary of the Corporation, within the time period specified for providing the Notice, a written statement for inclusion in the Corporation’s proxy statement for the meeting, not to exceed 500 words, in support of the Shareholder Nominee’s candidacy (the “Statement”). Notwithstanding anything to the contrary contained in this Section 11, the Corporation may omit from its proxy materials any information or statement that it believes would violate any applicable law, rule, regulation or listing standard.

(vii) The Corporation shall not be required to include, pursuant to this subsection (d), a Shareholder Nominee in its proxy materials (A) for any meeting for which the Corporate Secretary of the Corporation receives a notice that the Eligible Shareholder or any other shareholder has nominated a Shareholder Nominee for election to the Board of Directors pursuant to the requirements of subsection (a) of this Section 11 and does not expressly elect at the time of providing the notice to have its nominee included in the Corporation’s proxy materials pursuant to this subsection (d), (B) if the Eligible Shareholder who has nominated such Shareholder Nominee has engaged in or is currently engaged in, or has been or is a “participant” in another person’s, “solicitation” within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the meeting other than its Shareholder Nominee(s) or a Board Nominee, (C) who is not independent under the listing standards of the principal exchange upon which the Corporation’s stock is traded, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Corporation’s directors, as determined by the Board of Directors, (D) whose election as a member of the Board of Directors would cause the Corporation to be in violation of these By-Laws, the Corporation’s Articles of Incorporation, the listing standards of the principal exchange upon which the Corporation’s stock is traded, or any applicable state or federal law, rule or regulation, (E) who is or has been, within the past three years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, (F) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past 10 years, (G) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended, (H) if such Shareholder Nominee or the applicable Eligible Shareholder shall have provided information to the Corporation in respect to such nomination that was untrue in any material respect or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, as determined by the Board of Directors, or (I) if the Eligible Shareholder or applicable Shareholder Nominee otherwise breaches any of its or their obligations, agreements or representations under this Section 11.

(viii) Notwithstanding anything to the contrary set forth herein, the chairman of at the meeting shall declare a nomination by an Eligible Shareholder to be invalid, and such nomination shall be disregarded notwithstanding that proxies in respect of such vote may have been received by the Corporation, if the Shareholder Nominee(s) and/or the applicable Eligible Shareholder shall have breached its or their obligations, agreements or representations under this Section 11, as determined by the Board of Directors or the chairman of the meeting.

(ix) In addition to the information required to be provided by the Eligible Shareholder by subsections (a) and (d) of this Section 11, each Shareholder Nominee and each Board Nominee shall provide to the Corporate Secretary of the Corporation, within two weeks of receipt of the Corporate Secretary's written request therefore, the following information: (A) a completed copy of the Corporation's form of director's questionnaire and a written consent of the Shareholder Nominee or the Board Nominee to the Corporation following such processes for evaluation of such Nominee as the Corporation follows in evaluating any other potential Board Nominee, as provided by the Corporate Secretary; (B) the Shareholder Nominee's or the Board Nominee's agreement to comply with the Corporation's corporate governance, conflict of interest, confidentiality, share ownership and share trading policies, as provided by the Corporate Secretary; (C) written confirmation that the Shareholder Nominee or the Board Nominee (1) does not have, and will not have, any agreement or understanding as to how he or she will vote on any matter and (2) is not a party to, and will not become a party to, any outside compensation arrangement relating to service as a director of the Corporation that has not been disclosed to the Corporate Secretary of the Corporation; and (D) written disclosure of any transactions between the Eligible Shareholder and the Shareholder Nominee or the Board Nominee within the preceding five years.

(x) The Eligible Shareholder shall file with the Securities and Exchange Commission any solicitation or other communication with the Corporation's shareholders relating to the meeting at which the Shareholder Nominee will be nominated, regardless of whether any such filing is required under Regulation 14A of the Exchange Act, or whether any exemption from filing is available for such solicitation or other communication under Regulation 14A of the Exchange Act.

(xi) No person may be a member of more than one group of persons constituting an Eligible Shareholder under this subsection (d).

(xii) Any Shareholder Nominee who is included in the Corporation's proxy materials for a particular meeting of shareholders but either (A) withdraws from or becomes ineligible or unavailable for election at the meeting, or (B) does not receive at least 25% of the votes cast in favor of the Shareholder Nominee's election, shall be ineligible to be a Shareholder Nominee pursuant to this subsection (d) for the next two annual meetings of shareholders following the meeting for which the Shareholder Nominee has been nominated for election.

ARTICLE II

Board of Directors

SECTION 1. General Powers. The property, affairs and business of the Corporation shall be managed under the direction of the Board of Directors, and, except as otherwise expressly provided by law, the Articles of Incorporation or these Bylaws, all of the powers of the Corporation shall be vested in such Board.

SECTION 2. Chairman of the Board; Vice Chairman of the Board. There shall be a Chairman of the Board and a Vice Chairman of the Board, who shall each be chosen by the Board from among the directors. The Chairman of the Board and the Vice Chairman of the Board shall have the respective powers and duties set forth below, and shall also have such other powers and duties as from time to time may be conferred by the Board.

(a) Chairman. The Chairman of the Board shall preside at all meetings of the shareholders and of the Board of Directors. The Chairman of the Board shall, in consultation with the Vice Chairman of the Board, determine the agenda, schedule and meeting materials for meetings of the Board of Directors; guide discussions of the Board of Directors and facilitate discussions between the Board of Directors and management; and interact with analysts, investors, employees and other key constituents. The Chairman of the Board shall keep the Vice Chairman of the Board informed, and shall consult with the Vice Chairman of the Board, as to material internal and external discussions the Chairman of the Board has, and material developments the Chairman of the Board learns, about the Company and the Board of Directors.

(b) Vice Chairman. The Vice Chairman of the Board shall consult with, advise and assist the Chairman of the Board in the performance of the duties of the Chairman of the Board. The Vice Chairman of the Board shall provide input on the agenda, schedules and meeting materials for meetings of the Board of Directors; assist in guiding board discussions and facilitating communication between the Board of Directors and management; and interact with analysts, investors, employees and other key constituents. The Vice Chairman of the Board shall perform the duties of the Chairman of the Board in the absence or at the request of the Chairman of the Board. The Vice Chairman of the Board shall keep the Chairman of the Board informed, and shall consult with the Chairman of the Board, as to material internal and external discussions the Vice Chairman of the Board has, and material developments the Vice Chairman of the Board learns, about the Company and the Board of Directors.

SECTION 3. Number and Election.

(a) Number and Qualifications. The number of Directors shall be fixed from time to time by the Board of Directors. No person shall be eligible for election as a Director, nor shall any Director be eligible for reelection, if he or she shall have reached the age of 75 years at the time of such election or reelection, except that (i) the Board, in its sole discretion, may waive such ineligibility for a period not to exceed one year and (ii) a Director shall be eligible for reelection, even if he or she shall have reached the age of 75 years at the time of such reelection, if the reelection will not result in such Director serving more than five consecutive terms.

(b) Qualifications. Each Director and nominee for election as a Director of the Corporation must deliver to the Corporate Secretary of the Corporation at the principal office of the Corporation a written questionnaire with respect to the background and qualifications of such person (which questionnaire shall be provided by the Corporate Secretary of the Corporation upon written request and approved from time to time by the Board or Governance Committee) and a written representation and agreement (in the form provided by the Corporate Secretary of the Corporation upon written request) (the "Agreement"), which Agreement (i) shall provide that such person (A) is not and will not become a party to (1) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if such person is at the time a Director or is subsequently elected as a Director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (2) any Voting Commitment that could limit or interfere with such person's ability to comply, if such person is at the time a Director or is subsequently elected as a Director of the Corporation, with such person's duties as a Director under applicable law, (B) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a Director that has not been disclosed therein, and (C) would be in compliance, if elected as a Director of the Corporation, and will, if such person is at the time a Director or is subsequently elected as a Director of the Corporation, comply with all applicable corporate governance, conflict of interest, confidentiality and securities ownership and trading policies and guidelines of the Corporation (copies of which shall be provided by the Corporate Secretary of the Corporation upon written request) and (ii) if such person is at the time a Director or is subsequently elected as a Director of the Corporation, shall include such person's irrevocable resignation as a Director if such person is found by a court of competent jurisdiction to have breached the Agreement in any material respect.

(c) Election of Directors.

(i) The Board of Directors shall be elected at the annual meeting of the shareholders or at any special meeting held in lieu thereof.

(ii) Except as provided in the following clause (c)(iii), each Director shall be elected by a vote of the majority of the votes cast with respect to that Director nominee's election at a meeting for the election of Directors at which a quorum is present. For purposes of this clause (c)(ii), a majority of the votes cast means that the number of shares voted "for" a Director must exceed the number of shares voted "against" that Director.

(iii) In lieu of clause (c)(ii) of this Section 3, this clause shall apply to any election of Directors if there are more nominees for election than the number of Directors to be elected, one or more of whom are properly proposed by shareholders. A nominee for Director in an election to which this clause applies shall be elected by a plurality of the votes cast in such election.

SECTION 4. Quorum. A majority of the Directors shall constitute a quorum. Less than a quorum may adjourn the meeting to a fixed time and place, no further notice of any adjourned meeting being required.

SECTION 5. Removal and Vacancies. The shareholders at any meeting called for such purpose, by a vote of the holders of a majority of all the shares of capital stock at the time outstanding and having voting power, may remove any Director, with or without cause, and fill any vacancy. Vacancies arising among the Directors, including a vacancy resulting from an increase by the Board of Directors in the number of directors may be filled by the remaining Directors, though less than a quorum of the Board, unless sooner filled by the shareholders. The term of office of any Director so elected by the Board of Directors shall expire at the next shareholders' meeting at which Directors are elected.

SECTION 6. Meetings and Notices. (a) Regular meetings of the Board of Directors shall be held on such dates, at such places and at such times as the Board of Directors may from time to time designate. Special meetings of the Board of Directors may be held at any place and at any time upon the call of the Chairman of the Board, of the Vice Chairman of the Board or of any three members of the Board of Directors.

(b) Notice of any meetings shall be given by mailing or delivering such notice to each Director at the Director's residence or business address or by telephone or electronic transmission as set forth in this Section 6(b) not less than 24 hours before the meeting. Notice of the date, time, place or purpose of a regular or special meeting of the Board of Directors may be given by a form of electronic transmission consented to by the Director to whom the notice is given. Any such consent of a Director shall be revocable by the Director by written notice to the Corporation. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Corporate Secretary or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given by electronic transmission shall be deemed given: (a) if by facsimile telecommunication, when directed to a number at which the Director has consented to receive notice; (b) if by electronic mail, when directed to an electronic mail address at which the Director has consented to receive notice; (c) if by a posting on an electronic network together with separate notice to the Director of such specific posting when such notice is directed to an address at which the Director has consented to receive notice, upon the later of such posting or the giving of such separate notice; and (d) if by any other form of electronic transmission, when consented to by the Director. Any notice shall state the time and place of the meeting. Meetings may be held without notice if all of the Directors are present or those not present waive notice before or after the meeting.

(c) Any action required to be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action to be taken, shall be signed by all the Directors in counterpart or otherwise and filed with the Corporate Secretary. Such consent shall have the same force and effect as a unanimous vote. For purposes of this Section 6(c), such written consent and the signing thereof may be accomplished by one or more electronic transmissions.

(d) Any action required to be taken at a meeting of the Board may be taken by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

SECTION 7. Compensation. By resolution of the Board, Directors may be compensated for services as Directors. Nothing herein shall preclude Directors from serving the Corporation in other capacities and receiving compensation for such other services.

ARTICLE III

Committees

SECTION 1. Executive Committee. The Board of Directors may designate an Executive Committee for the purpose of acting on behalf of the full Board of Directors between regularly scheduled meetings of the Board of Directors, when time is of the essence. The Chief Executive Officer shall be the Chairman of the Executive Committee, which shall consist of three or more Directors, including the Chairman of the Board and the Vice Chairman of the Board. The Executive Committee shall have and may exercise all the authority of the Board of Directors, except as may be prohibited by Section 13.1-689 of the Virginia Stock Corporation Act, as it may from time to time be amended. The Executive Committee shall keep a full and accurate record of its proceedings at each meeting and report the same at the next meeting of the Board. In the absence of the Chairman of the Executive Committee, an acting chairman shall be designated by the Executive Committee to preside at such meeting.

SECTION 2. Compensation Committee. The Board of Directors, at its regular annual meeting, shall designate a Compensation Committee, which shall consist of three or more Directors each of whom shall satisfy the independence requirements of the NASDAQ Stock Market ("NASDAQ") and the Securities and Exchange Commission ("SEC") as then in effect and applicable to the Corporation. The responsibilities of the Compensation Committee shall be set forth in the Committee's Charter as approved by the Board of Directors.

The Compensation Committee shall fix its own rules of procedure. The Committee shall keep minutes of its meetings, and all action taken by it shall be reported to the Board of Directors.

SECTION 3. Audit Committee. The Board of Directors, at its regular annual meeting, shall designate an Audit Committee, which shall consist of three or more Directors each of whom shall satisfy the independence requirements of NASDAQ and the SEC, as then in effect and applicable to the Corporation. The responsibilities of the Audit Committee shall be set forth in the Committee's Charter as approved by the Board of Directors.

The Committee shall fix its own rules of procedure. The Committee shall keep minutes of all of its meetings and all action taken by it shall be reported to the Board of Directors.

SECTION 4. Governance Committee. The Board of Directors, at its regular annual meeting, shall designate a Governance Committee, which shall consist of three or more Directors each of whom shall satisfy the independence requirements of NASDAQ and the SEC, as then in effect and applicable to the Corporation. The responsibilities of the Governance Committee shall be set forth in the Committee's Charter as approved by the Board of Directors.

The Committee shall fix its own rules of procedure. The Committee shall keep minutes of all of its meetings and all action taken by it shall be reported to the Board of Directors.

SECTION 5. Other Committees. The Board of Directors may establish such other committees as it deems appropriate, each committee consisting of at least two Directors whose designation and terms of office shall be by resolution of the Board.

SECTION 6. Committee Meetings. Meetings of a committee may be called at any time by the chairman of such committee or by a majority of the members of such committee. Notice of any meeting shall be given in the manner provided by Section 6 of Article II. Meetings may be held without notice if all of the members of the committee are present or those not present waive notice before or after the meeting. Action may be taken by a committee without a meeting or at a meeting established by means of conference telephone or similar communications equipment in the manner provided by Section 6 of Article II.

SECTION 7. Quorum. A majority of the members of any committee shall constitute a quorum for the transaction of business, and the affirmative vote of the majority of those present shall be necessary for any action by a committee. In the absence of the chairman of a committee, the acting chairman shall be designated by the remaining members of the committee to preside at such meeting.

SECTION 8. Term of Office. Members of any committee shall be designated as above provided and shall hold office until their successors are designated by the Board of Directors or until such committee is dissolved by the Board of Directors.

SECTION 9. Resignation and Removal. Any member of a committee may resign at any time by giving written notice of his intention to do so to the Chairman of the Board or the Corporate Secretary, or may be removed, with or without cause, at any time by the Board of Directors.

SECTION 10. Vacancies. Any vacancy occurring in a committee resulting from any cause whatever shall be filled by a majority of the number of Directors fixed by these Bylaws.

ARTICLE IV

Officers

SECTION 1. Elected Officers. The elected officers of the Corporation shall be a Chief Executive Officer, a President, one or more Vice Presidents, a Corporate Secretary, a Treasurer, and such other officers (including, without limitation, a Chief Financial Officer and a Chief Legal Officer) as the Board of Directors from time to time may deem proper. All officers elected by the Board shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article IV. Such officers shall also have such powers and duties as from time to time may be conferred by the Board or by any committee thereof or the Chief Executive Officer. The Board may from time to time elect, or the Chief Executive Officer may appoint, such other officers (including, without limitation, one or more Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers, and Assistant Controllers) and such agents, as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers and agents shall have such duties and shall hold their offices for such terms as shall be provided in these Bylaws or as may be prescribed by the Board or such committee or by the Chief Executive Officer, as the case may be. Any person may be elected to more than one office.

SECTION 2. Election and Term of Office. The elected officers of the Corporation shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after the annual meeting of the shareholders. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, but any officer may be removed from office with or without cause at any time by the Board of Directors or, except in the case of any officer or agent elected by the Board, by the Chief Executive Officer. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create contract rights.

SECTION 3. Duties. The officers of the Corporation shall have such duties as generally pertain to their offices, respectively, as well as such powers and duties as are prescribed by law or are hereinafter provided or as from time to time shall be conferred by the Board of Directors, a committee of the Board or the Chief Executive Officer. The Chief Executive Officer, the President, any Vice President and the Treasurer may sign and execute in the name of the Corporation representations, securities, deeds, mortgages, leases, licenses, releases, bonds, powers of attorney, contracts or other instruments, and any officer may sign and execute in the name of the Corporation such instruments as are incidental to such officer's duties in the ordinary course of business, except in either case where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. The Board of Directors may require any officer to give such bond for the faithful performance of his or her duties as the Board may see fit.

SECTION 4. Chief Executive Officer. Subject to the direction and control of the Board of Directors, the Chief Executive Officer shall be responsible for the general management and control of the business and affairs of the Corporation, shall be primarily responsible for the implementation of the policies of the Board of Directors and shall have such authority and perform such duties as are commonly incident to his or her office and all such other duties as are properly required of him or her by the Board of Directors or as are provided elsewhere in these Bylaws. He or she shall make reports to the Board of Directors and the shareholders from time to time, and shall see that all orders and resolutions of the Board of Directors and of any committee thereof are carried into effect. The Chief Executive Officer may hire, appoint and discharge such employees and agents of the Corporation as he or she shall deem necessary for the proper management of the business and affairs of the Corporation and may fix the compensation of such employees and agents, other than himself/herself and senior executives.

SECTION 5. President. The President shall have such authority and perform such duties as are commonly incident to his or her office and all such other duties as are properly required of him or her by the Board of Directors or the Chief Executive Officer or as are provided elsewhere in these Bylaws, and shall assist the Chief Executive Officer in the administration and operation of the Corporation's business and general supervision of its policies and affairs.

SECTION 6. Vice Presidents. Each Vice President shall have such powers and shall perform such duties as shall be assigned to him or her by the Chief Executive Officer, or the Board of Directors.

SECTION 7. Treasurer. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall be responsible for the performance of all duties incident to the office of Treasurer. The Treasurer shall have such further powers and duties and shall be subject to such directions as may be granted or imposed upon him or her from time to time by the Board of Directors, the Chief Executive Officer or the Chief Financial Officer (if any).

SECTION 8. Corporate Secretary. The Corporate Secretary shall attend all meetings of the shareholders, the Board of Directors, and the Executive Committee and record their proceedings in permanent books kept for that purpose, unless a temporary secretary be appointed. When requested, the Corporate Secretary shall also act as secretary of the meetings of the other Committees of the Board. He or she shall give, or cause to be given, due notice as required of all meetings of the shareholders, Directors, the Executive Committee and the other Committees of the Board, and all other notices as required by law or by these Bylaws. He or she shall keep or cause to be kept at a place or places required by law a record of the shareholders of the Corporation, giving the names and addresses of all shareholders and the number, class, and series of the shares held by each. He or she shall be custodian of the seal of the Corporation, and of all records, contracts, leases, and other papers and documents of the Corporation, unless otherwise directed by the Board of Directors, and shall in general perform all the duties incident to the office of Secretary and such other duties as may be assigned to him or her by the Board of Directors or the Chief Executive Officer. The Corporate Secretary shall have the power to affix or cause to be affixed the seal of the Corporation to all instruments, the execution of which is authorized by these Bylaws or by the Board of Directors, and to sign with another authorized officer certificates for shares of the Corporation, the issuance of which is authorized by these Bylaws or by the Board of Directors. In case of the Corporate Secretary's absence or incapacity, the Board of Directors or the Chief Executive Officer may designate an Assistant Secretary or other appropriate officer to perform the duties of the Secretary.

SECTION 9. Voting Securities of Other Corporations. Unless otherwise provided by the Board of Directors, the Chief Executive Officer, in the name and on behalf of the Corporation, may appoint from time to time himself or herself or any other person proxy, attorney or agent for the Corporation to cast the votes which the Corporation may be entitled to cast as a shareholder, member or otherwise in any other corporation, partnership or other legal entity, domestic or foreign, whose stock, interests or other securities are held by the Corporation, or to consent in writing to any action by such other entity, or to exercise any or all other powers of this Corporation as the holder of the stock, interests or other securities of such other entity. The Chief Executive Officer may instruct the person so appointed as to the manner of casting such votes or giving such consent and may execute or cause to be executed on behalf of the Corporation and under its corporate seal such written proxies, consents, waivers or other instruments as may be deemed necessary or proper. The Chief Executive Officer may attend any meeting of the holders of stock, interests or other securities of any such other entity and vote or exercise any and all other powers of this Corporation as the holder of the stock, interest or other securities of such other entity.

SECTION 10. Contracts and Expenditures. Except as otherwise directed by the Board of Directors, expenditures chargeable to operating expenses, including without limitation contracts for work, labor and services and materials and supplies, may be made by or under the direction of the head of the department or office of the Corporation in which they are required, without explicit or further authority from the Board of Directors, subject to direction, restriction or prohibition by the Chief Executive Officer.

SECTION 11. Removal. Any officer elected, or agent appointed, by the Board of Directors may be removed by the Board of Directors at any time, with or without cause. Any officer or agent appointed by the Chief Executive Officer may be removed by him or her at any time, with or without cause. No elected officer shall have any contractual rights against the Corporation for compensation by virtue of such election beyond the date of the election of his or her successor, his or her death, his or her resignation or his or her removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

SECTION 12. Vacancies. A newly created elected office and a vacancy in any elected office because of death, resignation or removal may be filled by the Board of Directors or the Chief Executive Officer for the unexpired portion of the term; provided that any vacancy in an office appointed by the Chief Executive Officer because of death, resignation, or removal may be filled by the Chief Executive Officer.

ARTICLE V

Depositaries

The money and negotiable instruments of the Corporation shall be kept in such bank or banks as the Treasurer or Chief Financial Officer shall from time to time direct or approve. All checks and other instruments for the disbursement of funds shall be executed manually or by facsimile by such officers or agents of the Corporation as may be authorized by the Board of Directors.

ARTICLE VI

Seal

The seal of the Corporation, of which there may be any number of counterparts, shall be circular in form and shall have inscribed thereon the name of the Corporation, the year of its organization and the words, "Corporate Seal Virginia." The Board may also authorize to be used, as the seal of the Corporation, any facsimile thereof.

ARTICLE VII

Fiscal Year

The fiscal year of the Corporation shall begin immediately after midnight of the last Friday of December, and shall end at midnight on the last Friday of December of each calendar year.

ARTICLE VIII

Amendments to Bylaws

(a) Except as specified in clause (b) below, these Bylaws may be amended or repealed at any regular or special meeting of the Board of Directors by the vote of at least two-thirds of the Directors then in office. These Bylaws may also be repealed or changed, and new Bylaws made, by the shareholders, provided notice of the proposal to take such action shall have been given in the notice of the meeting.

(b) Article I, Sections 2 and 11(b) of these Bylaws, and this clause (b), may only be amended or repealed with the approval of the shareholders.

ARTICLE IX

Control Share Acquisitions

Article 14.1 of the Virginia Stock Corporation Act ("Control Share Acquisitions") shall not apply to acquisitions of shares of stock of the Corporation.

* * * * *

March 6, 2017

MR Argent Advisor LLC
900 3rd Avenue, 11th Floor
New York, New York 10022
Attn: Paul C. Hilal

Ladies and Gentlemen:

CSX Corporation (the "Company"), on the one hand, and MR Argent Advisor LLC ("Mantle Ridge"), on behalf of itself and its affiliated funds (such funds, together with Mantle Ridge, collectively, the "Mantle Ridge Group"), on the other hand, have mutually agreed to the terms contained in this letter agreement (this "Letter Agreement"). For purposes of this Letter Agreement, we refer to each of the Company and the Mantle Ridge Group as a "Party" and, collectively, as the "Parties."

1. Board Matters.

(a) As of the date of this Letter Agreement, the Board of Directors of the Company (the "Board") has taken the following actions:

(i) the Board has received and accepted the resignation from the Board of Michael Ward;

(ii) the Board has duly adopted a resolution, effective as of the date hereof, to increase the size of the Board to sixteen directors;

(iii) the Board has duly appointed Paul C. Hilal, E. Hunter Harrison, Dennis H. Reilley, Linda H. Riefler, and John J. Zillmer (the "New Directors") as directors of the Company with terms expiring at the Company's next annual meeting of shareholders (including any adjournments or postponements thereof, the "2017 Annual Meeting") to fill the vacancies resulting from the foregoing resignation of Mr. Ward and the increase in the size of the Board;

(iv) the Board has duly amended and restated the Bylaws of the Company (the "Bylaws") so that they now read in full as set forth in Exhibit A; and

(v) the Board has duly appointed Edward J. Kelly, III as Chairman of the Board and Mr. Hilal as Vice Chairman of the Board and the Company agrees to maintain such positions until the conclusion of the 2018 annual meeting of the Company's shareholders (including any adjournments or postponements thereof, the "2018 Annual Meeting").

(b) The Company agrees to promptly amend the Company's Corporate Governance Guidelines (the "Corporate Governance Guidelines") to reflect the separation of the roles of Chief Executive Officer and Chairman of the Board, the existence of a non-executive Chairman of the Board and the addition of the role of Vice Chairman of the Board.

(c) At all times prior to the date of the 2017 Annual Meeting, the size of the Board will be not more than sixteen directors. Effective at the 2017 Annual Meeting and until the 2018 Annual Meeting, the size of the Board will be not more than thirteen directors.

(d) The Company agrees that the slate of nominees recommended by the Board in the Company's proxy statement and on its proxy card relating to the 2017 Annual Meeting shall consist of the New Directors and Donna M. Alvarado, John B. Breaux, Pamela L. Carter, Steven T. Halverson, Edward J. Kelly, III, John D. McPherson, David M. Moffett and J. Steven Whisler, and that the slate of nominees recommended by the Board in the Company's proxy statement and on its proxy card relating to the 2018 Annual Meeting will include the New Directors and Donna M. Alvarado, John B. Breaux, Pamela L. Carter, Steven T. Halverson, Edward J. Kelly, III, John D. McPherson, David M. Moffett and J. Steven Whisler, subject in each case to such nominees (i) promptly providing to the Company all information that the Company is entitled to receive from all directors regarding each of them and is required to be or is customarily disclosed for directors, candidates for directors, and their affiliates and representatives in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission (the "SEC") or any other filings under applicable law or stock exchange rules or listing standards, including consents to be named in the Company's proxy statement and to serve as a director of the Company if elected, information in connection with assessing eligibility, independence and other criteria applicable to directors or satisfying compliance and legal obligations and (ii) executing all documents required to be executed by directors nominated for election, such documents to be in substantially the same form as documents executed and provided by directors in connection with the prior year's annual meeting of shareholders and provided by the Company to Mantle Ridge prior to the date hereof, subject to Section 4 (such conditions, the "Director Nomination Conditions"). Subject to the Director Nomination Conditions, the Company shall use its reasonable best efforts to cause the election of the New Directors at the 2017 Annual Meeting and the 2018 Annual Meeting (including listing such persons in the proxy statement and proxy card prepared, filed and delivered in connection with such meeting and advocating that the Company's shareholders vote in favor of the election of such individuals along with all other Company nominees (and otherwise supporting each of them for election in a manner no less rigorous and favorable than the manner in which the Company supports its other nominees)). Except as set forth in Section 4, the Mantle Ridge Group acknowledges that the policies, procedures, processes, codes, rules, standards and guidelines applicable to other directors of the Company, including the Corporate Governance Guidelines, Code of Ethics and Insider Trading Policy, (as may be amended from time to time, collectively, "Company Policies") will be applicable to the New Directors as well during their respective terms of service. The Company represents and warrants that all Company Policies currently in effect are publicly available on the Company's website or have been provided to the Mantle Ridge Group. Except as required by applicable law or stock exchange rules or listing standards, the Company will not alter or adopt any Company Policies or amend its Bylaws in a manner that would materially interfere with the purpose of this Letter Agreement.

(e) The Company agrees that the Company's proxy statement and proxy card relating to the 2017 Annual Meeting (i) shall include the proposal and related disclosure set forth on Exhibit B (the "Proposal") and (ii) shall not include any statement inconsistent with disclosure set forth on Exhibit B. The Company further agrees that the Mantle Ridge Group will have the opportunity to review the Company's proxy statement and proxy card and any additional solicitation materials relating to the 2017 Annual Meeting in advance of filing or first use and that the Company will consider in good faith any comments provided by the Mantle Ridge Group. Although the Company does not plan to solicit shareholders on the advisory vote for the Proposal (and will make no solicitation inconsistent with the disclosure set forth on Exhibit B in connection with the 2017 Annual Meeting), the Company will provide information in connection with the Mantle Ridge Group's efforts to do so upon reasonable request from the Mantle Ridge Group. The Company further agrees that within 15 days following the 2017 Annual Meeting it will make a determination on the Reimbursement (as defined in Exhibit B) and (A) whether to pay \$55,000,000 to Mantle Ridge (such payment to be made without deduction or withholding for any taxes and paid in a lump sum within five days of such determination if the determination is to make such payment) and (B) whether to pay Mr. Harrison \$29,000,000 and assume the tax indemnities set forth in Sections 4(c) and 14(b) of the Consulting Agreement entered into between Mr. Harrison and Mantle Ridge, effective January 18, 2017 (and the Company will agree with Mr. Harrison in writing to pay Mr. Harrison such \$29,000,000 in a lump sum on or before March 15, 2018 and assume such tax indemnity within five days of such determination if the determination is to make such payment and assume such indemnity).

(f) Immediately following the 2017 Annual Meeting, the leadership and composition of committees of the Board shall be as set forth on Exhibit C, and the Company shall maintain such committee leadership and composition until at least the conclusion of the 2018 Annual Meeting. Each director will have access to all Board committee materials and be entitled to attend any and all Board committee meetings at his or her discretion.

(g) If prior to the Termination Date, any of the New Directors is unable to serve or to continue to serve as a member of the Board, the Mantle Ridge Group shall be entitled to have another individual appointed to the Board (a "Successor Director") who (i) is reasonably acceptable to the Governance Committee, acting in good faith, (ii) meets all director independence and other standards of The Nasdaq Stock Market LLC or any successor thereto and the SEC, to serve as a director of the Company in place of such New Director, (iii) is not an advisory board member, partner (other than solely a limited partner), director, officer or employee of the Mantle Ridge Group (other than if filling a vacancy resulting from Mr. Hilal ceasing to serve on the Board) and (iv) has met the Director Nomination Conditions (with it being understood that (A) the appointment of any individual satisfying the criteria set forth above shall not be unreasonably denied and (B) if a proposed replacement is not appointed to the Board, the Mantle Ridge Group shall be entitled to continue proposing replacements for consideration by the Board) and all references to such New Director, for purposes of this Letter Agreement, shall be deemed references to such Successor Director.

(h) If at any time prior to the 2017 Annual Meeting the Mantle Ridge Group's beneficial ownership of shares of the Company's common stock, par value \$1.00 per share ("Common Stock"), is less than 2.0% (the "Minimum Ownership Requirement") of the outstanding Common Stock (other than as a result of an issuance of shares by the Company or similar transaction that increases the number of outstanding shares of Common Stock), the Mantle Ridge Group shall (i) promptly notify the Company that the Mantle Ridge Group ceases to satisfy the Minimum Ownership Requirement and (ii) cause Mr. Hilal to tender his resignation from the Board, any committee thereof and any other position at the Company or any of its subsidiaries. Upon the request of the Company, the Mantle Ridge Group will apprise the Company of its beneficial ownership with respect to the Company's securities.

(i) The Company shall hold the 2017 Annual Meeting as promptly as reasonably practicable but in no event later than June 15, 2017, and shall cooperate with Mantle Ridge in setting a record date with a view to setting a record date, consistent with applicable law and regulation, that seeks to provide shareholders ample time for consideration while also minimizing the number of "empty" shares (i.e., shares that are transferred following the record date and therefore unlikely to be voted). Through the 2017 Annual Meeting, each member of the Mantle Ridge Group will i) cause, in the case of all shares of Common Stock owned of record, such shares and ii) cause the record owner, in the case of all shares of Common Stock beneficially owned but not owned of record, in each case directly or indirectly, by any member of the Mantle Ridge Group and any of its or their affiliates and associates (such terms are defined for purposes of this Letter Agreement as they are defined in Rule 12b-2 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (collectively, the "Mantle Ridge Affiliates"), as of the record date for the 2017 Annual Meeting to cause such shares, (x) to be present for quorum purposes and (y) to be voted in favor of all nominees of the Company in its proxy statement for the 2017 Annual Meeting for election to the Board that are nominated in accordance with and as required by this Letter Agreement. Except as required by applicable law, the Company shall not call or hold any interim special meeting of stockholders prior to the 2017 Annual Meeting.

(j) The Company agrees to select five or, to the extent necessary, more of the sets of dates set forth on Exhibit D as the dates of the meetings of the Board in 2017. The Company will seek to minimize conflicts of the Board members in setting the other meetings of the Board through December 31, 2019.

2. Chief Executive Officer. As of the date of this Letter Agreement, the Board (a) has received and accepted, effective upon the execution of this Letter Agreement, the resignation of Mr. Ward as Chief Executive Officer of the Company and (b) has duly appointed Mr. Harrison as Chief Executive Officer of the Company. Mr. Ward shall assume the title of consultant and retire from the Company as of May 31, 2017.

3. Registration Rights. Promptly following the execution of this Letter Agreement (but in no event later than thirty days following the date hereof), the Company and the Mantle Ridge Group shall enter into a registration rights agreement granting to the Mantle Ridge Group customary and reasonable registration rights with respect to shares of Common Stock beneficially owned by the Mantle Ridge Group, which shall include customary and reasonable limitations on such registration rights.

4. Company Policies. The Company acknowledges and agrees that none of the confidentiality provisions contained in the Company Policies or any other provision contained in any other document, agreement or policy of the Company shall be deemed to restrict Mr. Hilal from sharing any “confidential information” (as such term is defined in the Corporate Governance Guidelines, and such information and any notes, analyses, reports, models, compilations, studies, interpretations, documents, records or extracts thereof containing or based upon such information, in whole or in part, “Company Information”) with any of the Mantle Ridge Group’s employees or advisors who need to know such Company Information for the purpose of assisting the Mantle Ridge Group in evaluating and monitoring its investment in the Company, and Mr. Hilal is hereby expressly permitted to share Company Information only with such employees and advisors; provided, that, such employees or advisors agree to maintain the confidentiality of Company Information to the same extent as required by Mr. Hilal as a director of the Company or are otherwise bound (by fiduciary or other professional duty) to maintain the confidentiality of Company Information; provided, further, that if such employees or advisors fail to maintain the confidentiality of Company Information, Mantle Ridge shall be responsible for any non-compliance by such employees or advisors. The Mantle Ridge Group shall maintain the confidentiality of the Company Information to the same extent as required by Mr. Hilal as a director of the Company and shall only use, and shall cause its employees and advisors to only use, Company Information for purposes of the Mantle Ridge Group’s investment in the Company. To the same extent as required by Mr. Hilal as a director of the Company, Mantle Ridge will, promptly following the Company’s written request, return to the Company or destroy, at the Company’s option, all hard copies of Company Information and use commercially reasonable efforts to permanently erase or delete all electronic copies of the Company Information in the Mantle Ridge Group’s or any of its employees’ or advisors’ possession or control (and, upon the request of the Company, the Mantle Ridge Group shall promptly certify to the Company that such Company Information has been erased or deleted, as the case may be); provided, however, that neither the Mantle Ridge Group nor any of its employees or advisors shall be required to destroy any computer records or files containing any Company Information that have been created pursuant to automatic electronic archiving and back-up procedures in the ordinary course of business where it would be unduly burdensome to do so or would be contrary to applicable law or applicable rules or regulations of any national securities exchange. The Company further acknowledges and agrees that, except for restrictions prohibiting insider trading and, subject to the preceding sentence, confidentiality, none of the restrictions contained in the Company Policies applicable to Mr. Hilal (as director) shall be deemed to apply to the Mantle Ridge Group. Notwithstanding anything to the contrary set forth in this Letter Agreement, nothing herein shall restrict or limit the ability of the Mantle Ridge Group from engaging in a proxy contest, it being agreed that the Mantle Ridge Group and its representatives shall be entitled to disclose that portion of (and only such portion of) Company Information required to be disclosed by applicable law in order to engage in such a proxy contest.

5 . Certain Actions. The Board and each director of the Board (including each New Director) will not utilize committees of the Board for the purpose of discriminating against any director of the Board in order to limit any of their participation in substantive deliberations of the Board.

6 . Non-Disparagement. (a) The Mantle Ridge Group agrees that it will not, and will cause its controlled affiliates, managing members, advisory board members, partners (other than partners who are solely limited partners), directors, officers and employees not to, and will direct its agents and representatives in their capacity as such not to, make, or cause to be made, any statement or announcement (including social media or in any written communication to the Company or in any document or report filed with or furnished to the SEC or through the press, media, analysts or other persons) that constitutes an *ad hominem* attack on, or disparages, the Company, its officers, directors, advisory board members, or employees or any person who has served as an officer, director or employee of the Company on or following the date hereof in any public communication or in any communication that would reasonably be expected to enter the public domain and (b) the Company agrees that it will not, and will cause its controlled affiliates, directors, officers and employees (but only to the extent acting at the direction of a Company director or officer) not to, and will direct its agents and representatives in their capacity as such not to, make, or cause to be made, any statement or announcement (including social media or in any written communication to any member of the Mantle Ridge Group or in any document or report filed with or furnished to the SEC or through the press, media, analysts or other persons) that constitutes an *ad hominem* attack on, or disparages, any member of the Mantle Ridge Group, their respective officers, directors, advisory board members, partners or employees, or any person who has served as an officer, director, advisory board member, partner or employee of any member of the Mantle Ridge Group on or following the date hereof in any public communication or in any communication that would reasonably be expected to enter the public domain. The foregoing shall not prevent (i) the making of any factual statement in the event that either Party or any of its representatives are required to make that statement by applicable subpoena, legal process, other legal requirement or the rules of any securities exchange to which it is subject or (ii) a response by a Party to any statement made by the other Party or any of its controlled affiliates, managing members, directors, officers, partners (other than partners who are solely limited partners), employees, agents or representatives which is in violation of this Section 6. For the avoidance of doubt, nothing in this Section 6 shall be deemed to restrict either Party from making any true statement relating to the other Party in connection with the solicitation of proxies from the Company's shareholders at any annual or special meeting of stockholders following the 2017 Annual Meeting.

7 . Press Release. The Parties agree that the Company will issue the press release attached to this Letter Agreement as Exhibit E promptly following the execution and delivery of this Letter Agreement by the Parties. On the date of the announcement of this Letter Agreement, the Parties agree not to (i) issue a press release in connection with this Letter Agreement or the actions contemplated hereby (other than the press release in Exhibit E) or (ii) make any other public statement, disclosure or announcement with respect to this Letter Agreement or the actions contemplated hereby, other than, in each case of (i) and (ii), as mutually agreed to by the Company and Mantle Ridge.

8 . Power and Authority of the Company. The Company represents and warrants to the Mantle Ridge Group that (a) the Company has the corporate power and authority to execute and deliver this Letter Agreement and to bind it hereto, (b) this Letter Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company, and is enforceable against the Company in accordance with its terms, and (c) the execution, delivery and performance of this Letter Agreement by the Company does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to the Company, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which the Company is a party or by which it is bound.

9 . Power and Authority of the Mantle Ridge Group. Each member of the Mantle Ridge Group represents and warrants to the Company that (a) Mantle Ridge, as the authorized signatory of such member of the Mantle Ridge Group, has the power and authority to execute and deliver this Letter Agreement and to bind such member of the Mantle Ridge Group hereto, (b) this Letter Agreement has been duly authorized, executed and delivered by such member of the Mantle Ridge Group, constitutes a valid and binding obligation of such member of the Mantle Ridge Group, and is enforceable against each such member of the Mantle Ridge Group in accordance with its terms, (c) the execution of this Letter Agreement by such member of the Mantle Ridge Group does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to such member of the Mantle Ridge Group, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which such member is a party or by which it is bound and (d) the Mantle Ridge Group beneficially owns in the aggregate approximately 44,352,702 shares of Common Stock and has additional economic exposure to 570,600 shares of Common Stock under certain cash settled total return swaps. Other than as set forth in this Letter Agreement, the Mantle Ridge Group does not have any economic exposure to or voting power with respect to the Company.

10. Termination. Each Party's obligations under this Letter Agreement will extend until, and terminate upon the conclusion of, the 2018 Annual Meeting (such date, the "Termination Date"); provided, that (x) Section 4 shall continue in full force and effect until the date that is 12 months after the date Mr. Hilal ceases to serve as a director of the Company and (y) the Mantle Ridge Group's rights under Section 1(g) and the Company's obligation to include Mr. Hilal on its proxy card relating to the 2017 Annual Meeting shall each cease upon the earlier of the Termination Date and the date that the Mantle Ridge Group ceases to satisfy the Minimum Ownership Requirement.

11. Fiduciary Duties; New Directors.

(a) Nothing in this Letter Agreement will be deemed to require the violation of the fiduciary duties of any director of the Company under Virginia law in the director's capacity as such.

(b) Mantle Ridge acknowledges that the New Directors shall have all of the rights and obligations, including fiduciary duties to the Company and its shareholders, of a director under applicable law and the Company's organizational documents while such New Directors are serving on the Board.

12. Trading in Company Securities. Each member of the Mantle Ridge Group acknowledges that it, and its employees and advisors, may have access to information concerning the Company constituting material non-public information under applicable federal and state securities laws, and each member of the Mantle Ridge Group agrees that neither it nor any of its employees or advisors shall trade or engage in any derivative or other transaction on the basis of such information in violation of such laws.

13. Counterparts. This Letter Agreement may be executed in two or more counterparts, each of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the Parties and delivered to the other Party (including by means of electronic delivery or facsimile).

14. Specific Performance. Each Party acknowledges and agrees that irreparable injury to the other Party would occur in the event that any of the provisions of this Letter Agreement were not performed in accordance with their specific terms or were otherwise breached and that money damages are not an adequate remedy for such a breach. It is accordingly agreed that each Party may be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms hereof. Each Party agrees to waive any bonding requirement under any applicable law in the case any other Party seeks to enforce the terms by way of equitable relief.

15. APPLICABLE LAW AND JURISDICTION. THIS LETTER AGREEMENT WILL BE GOVERNED BY, AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO CONFLICTS OF LAWS PRINCIPLES. EACH OF THE PARTIES IRREVOCABLY AGREES THAT ANY LEGAL ACTION OR PROCEEDING BASED ON OR ARISING OUT OF THIS LETTER AGREEMENT WILL BE BROUGHT EXCLUSIVELY IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK (OR, IF SUCH COURT DECLINES TO ACCEPT JURISDICTION, ANY STATE OR FEDERAL COURT SITTING IN THE CITY OF NEW YORK, NEW YORK COUNTY). EACH OF THE PARTIES IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY SUCH ACTION OR PROCEEDING. EACH OF THE PARTIES HEREBY IRREVOCABLY SUBMITS TO THE PERSONAL JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY WAIVES ANY ARGUMENT THAT SUCH COURTS ARE AN INCONVENIENT OR IMPROPER FORUM. EACH PARTY CONSENTS TO SERVICE OF PROCESS BY A REPUTABLE OVERNIGHT DELIVERY SERVICE, SIGNATURE REQUESTED, TO THE ADDRESS OF SUCH PARTY'S PRINCIPAL PLACE OF BUSINESS OR AS OTHERWISE PROVIDED BY APPLICABLE LAW.

16. Notice. All notices, consents, requests, instructions, approvals and other communications provided for herein and all legal process in regard hereto shall be in writing and shall be deemed validly given, made or served, (a) if given by telecopy, when such telecopy is transmitted to the telecopy number set forth below, and the appropriate confirmation is received or (b) if given by any other means, when actually received during normal business hours at the address specified in this Section:

If to the Company:

CSX Corporation
500 Water Street, 15th Floor
Jacksonville, FL 32202
Attention: Ellen M. Fitzsimmons, Executive Vice President of Law and Public Affairs,
General Counsel and Corporate Secretary
Facsimile: (904) 359-1216

With a copy to (which shall not constitute notice):

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attention: George R. Bason, Jr. and Marc O. Williams
Facsimile: (212) 701-5340; (212) 701-5843

If to Mantle Ridge:

MR Argent Advisor LLC
c/o Mantle Ridge, LP
900 Third Avenue, 11th Floor
New York, NY 10022
Attention: Paul C. Hilal
Facsimile: (646) 762-8541

With a copy to (which shall not constitute notice):

Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, New York 10281
Attention: Richard M. Brand; William P. Mills
Facsimile: (212) 504-6666

17. Entire Agreement; Amendment. This Letter Agreement, including exhibits and schedules attached to this Letter Agreement, contains the entire understanding of the Parties with respect to the subject matter hereof. This Letter Agreement may be amended only by an agreement in writing executed by the Parties, and no waiver of compliance with any provision or condition of this Letter Agreement and no consent provided for in this Letter Agreement shall be effective unless evidenced by a written instrument executed by the Party against whom such waiver or consent is to be effective. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

18. Severability. If at any time subsequent to the date hereof, any provision of this Letter Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon the legality or enforceability of any other provision of this Letter Agreement.

19. No Third Party Beneficiaries; Assignment. This Letter Agreement is solely for the benefit of the Parties and is not binding upon or enforceable by any other persons. No Party may assign its rights or delegate its obligations under this Letter Agreement, whether by operation of law or otherwise, and any assignment in contravention hereof shall be null and void. Nothing in this Letter Agreement, whether express or implied, is intended to or shall confer any rights, benefits or remedies under or by reason of this Letter Agreement on any persons other than the Parties, nor is anything in this Letter Agreement intended to relieve or discharge the obligation or liability of any third persons to any party.

20. Interpretation and Construction. When a reference is made in this Letter Agreement to a Section, such reference shall be to a Section of this Letter Agreement, unless otherwise indicated. The headings contained in this Letter Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Letter Agreement. Whenever the words “include,” “includes” and “including” are used in this Letter Agreement, they shall be deemed to be followed by the words “without limitation.” The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Letter Agreement shall refer to this Letter Agreement as a whole and not to any particular provision of this Letter Agreement. The word “will” shall be construed to have the same meaning as the word “shall.” The words “dates hereof” will refer to the date of this Letter Agreement. The word “or” is not exclusive. The definitions contained in this Letter Agreement are applicable to the singular as well as the plural forms of such terms. Any agreement, instrument, law, rule or statute defined or referred to herein means, unless otherwise indicated, such agreement, instrument, law, rule or statute as from time to time amended, modified or supplemented. For purposes of this Letter Agreement the terms “person” or “persons” shall mean any individual, corporation (including not-for-profit), general or limited partnership, limited liability or unlimited liability company, joint venture, estate, trust, association, organization or other entity of any kind or nature. Each of the Parties acknowledges that it has been represented by counsel of its choice throughout all negotiations that have preceded the execution of this Letter Agreement, and that it has executed the same with the advice of said independent counsel. Each Party cooperated and participated in the drafting and preparation of this Letter Agreement and the documents referred to herein, and any and all drafts relating thereto exchanged among the Parties shall be deemed the work product of all of the Parties and may not be construed against any Party by reason of its drafting or preparation. Accordingly, any rule of law or any legal decision that would require interpretation of any ambiguities in this Letter Agreement against any Party that drafted or prepared it is of no application and is hereby expressly waived by each of the Parties, and any controversy over interpretations of this Letter Agreement shall be decided without regards to events of drafting or preparation.

[Signature Page Follows]

If the terms of this Letter Agreement are in accordance with your understanding, please sign below and this Letter Agreement will constitute a binding agreement among us.

CSX CORPORATION

By: /s/ Ellen M. Fitzsimmons
Name: Ellen M. Fitzsimmons
Title: Executive Vice President of Law and Public Affairs,
General Counsel and Corporate Secretary

Acknowledged and agreed to as of the date
first written above:

MR ARGENT ADVISOR LLC, on behalf of itself and its affiliated funds

By: Mantle Ridge LP, its managing member

By: Mantle Ridge GP LLC, its managing member

By: PCH MR Advisor Holdings LLC, its managing member

By: /s/ Paul C. Hilal
Name: Paul C. Hilal
Title: Sole Member

[Signature Page to Letter Agreement]



FOR IMMEDIATE RELEASE

CSX NAMES E. HUNTER HARRISON AS CHIEF EXECUTIVE OFFICER

Company Announces Agreement With Mantle Ridge to Reconstitute its Board

CSX Shareholders to Vote on Proposed Reimbursement in Respect of Foregone Compensation of E. Hunter Harrison at Upcoming Annual Meeting of Shareholders

JACKSONVILLE, Fla. – March 6, 2017 – CSX Corporation (NASDAQ: CSX) today announced the Company has named E. Hunter Harrison, a proven railroad executive with a well-regarded track record of producing market-leading operating results, as chief executive officer, effective immediately. Mr. Harrison replaces Michael Ward, who announced his decision to retire as Chairman and CEO on February 21, 2017 and will become a consultant to CSX, effective immediately.

The Company also announced that it has reached an agreement with Mantle Ridge LP, an investment firm formed by Paul Hilal, to reconstitute the Company's Board of Directors. Under the terms of the agreement, CSX has appointed five new directors to its Board of Directors, mutually agreed upon by CSX and Mantle Ridge and effective immediately – Mr. Harrison, Mr. Hilal, Dennis Reilley, Linda Riefler and John Zillmer. In addition, three incumbent CSX directors intend to complete their service for the Board at or before the conclusion of the 2017 annual meeting. As a result, the size of the Board will be 13 members. CSX's current Presiding Director, Edward J. Kelly, III, will become Chairman of the Board and Mr. Hilal will become Vice Chairman.

Hunter Harrison, said, "I am proud to join the dedicated and talented railroaders at CSX. Together, we will implement Precision Scheduled Railroading – a model proven to improve safety, create better service for customers, produce a proud and winning culture for employees, and generate exceptional, lasting value for shareholders."

Paul Hilal, said, "I thank every CSX director, including those leaving the Board, for their constructive and skillful engagement that enabled this terrific outcome for CSX. The Board is united behind a shared goal – creating value for shareholders and all stakeholders by implementing the Precision Scheduled Railroading model at CSX. Together, we have created the conditions for success. Now the real work begins."

As part of his compensation, Mr. Harrison will receive an award of incentive options to purchase nine million shares of CSX stock at its current trading price, eight million of which will be granted as an inducement award under the Nasdaq listing rules. The options will vest over four years with half of the options vesting based on service and half vesting based on the achievement of designated performance goals over the four year period.

While CSX, Mr. Harrison and Mantle Ridge have agreed on the aforementioned conditions, the CSX Board continues to believe that it is appropriate to seek shareholder input with respect to certain proposals:

- The requested payment of the \$84 million of the amount of compensation and benefits forfeited by Mr. Harrison as a result of his separation from Canadian Pacific Railway Limited. To facilitate Mr. Harrison's separation from CP on terms that would permit him to work at CSX, Mantle Ridge agreed to protect Mr. Harrison on an interim basis with respect to this \$84 million.
- The requested assumption of a related tax indemnity.

Mr. Harrison has informed CSX that his acceptance of the CEO position was subject to CSX ultimately providing this replacement protection initially offered by Mantle Ridge upon his departure from CP. Mr. Harrison has indicated that he will resign after the 2017 annual meeting if the reimbursement and tax indemnity are not provided by CSX, and return to Mantle Ridge to protect his reimbursements.

CSX will submit these matters to CSX shareholders for an advisory vote at the 2017 Annual Meeting of Shareholders. The proxy statement relating to the Annual Meeting will contain further details. Because these matters will now be considered at the Annual Meeting, the previously convened Special Meeting of Shareholders will not be held. The CSX Board does not intend to make a recommendation to shareholders on the matters being put forward for a vote, but does intend to act promptly following the meeting based on the outcome of the vote.

Biographies of new CSX Board members follow:

E. HUNTER HARRISON

E. Hunter Harrison is the most effective and successful railroad leader of our times, having successfully led the turnaround of three major railroads over the last 25 years. In his last two undertakings at Canadian National and Canadian Pacific, he delivered 321% and 350% total shareholder return, respectively.

Mr. Harrison created and refined Precision Scheduled Railroad over the recent decades, and is the acknowledged leader in implementing it at Class I railroads. He has been recognized by every major railroading publication, and he has twice been honored as Railroader of the Year.

PAUL HILAL

Paul Hilal is the founder and CEO of Mantle Ridge LP. Mr. Hilal is a leading engaged or activist investor, as well as a well-respected expert on value investing and corporate governance. Mr. Hilal played a leading role in the historic 2012 proxy campaign at Canadian Pacific, which resulted in a reconfigured board and the hiring of Hunter Harrison as CEO.

Mr. Hilal currently serves on the Board of Overseers of Columbia Business School and served until 2016 on the Board of the Grameen Foundation – an umbrella organization that helps microlending and microfranchise institutions empower the world's poorest through financial inclusion and entrepreneurship. He is also a Trustee of the Supreme Court Historical Society, a non-profit organization dedicated to the collection and preservation of the history of the Supreme Court of the United States.

DENNIS H. REILLEY

Dennis Reilley is an experienced executive with a demonstrated track record of driving improvements in operations, financial results and shareholder value as Chairman, President and Chief Executive Officer of Praxair, Inc. He was named one of the best CEOs in America in 2004, 2005, and 2007 by Institutional Investor.

Since retiring as CEO of Praxair, he has brought his expertise in finance, operations and leadership to the boards of leading Fortune 500 companies. Mr. Reilley currently serves as Non-Executive Chairman of Marathon Oil Corporation, and as a director of Dow Chemical Company. Mr. Reilley is a founding member and partner of Trian Advisory Partners (an advisory group for Trian Fund Management, L.P.).

LINDA H. RIEFLER

Linda Riefler is a 25-year veteran of Morgan Stanley where she served on the Executive and Management Committees. She is an expert on talent management, having served as Chief Talent Officer for the bank. She also served as Chairman and Global Head of Morgan Stanley's Research franchise as well as Chairman of MS where she oversaw the commercialization of Modelware, a knowledge management platform she had incubated as Head of Morgan Stanley's renowned Global Research Strategy Team.

Ms. Riefler currently serves as a director of MSCI, and as a strategic advisor to numerous start-ups, for-profits and non-profits, with an expertise in building adaptive capacity to help them navigate rapidly changing environments.

JOHN J. ZILLMER

John Zillmer has led successful transformations at large, complex enterprises. He is the former chief executive of Univar, a Fortune 500 company, where he doubled EBITDA over three years. He is an expert in strategies for business optimization and process improvement. His operational transformation of Allied Waste Industries became an industry benchmark. Mr. Zillmer has deep expertise in labor relations, environmental safety, logistics, corporate governance and talent management.

Mr. Zillmer was named to National Association of Corporate Directors Directorship 100 in 2016 in recognition of his outstanding contributions to corporate governance. He currently serves as a director of Reynolds American, Inc., Ecolab Inc., Veritiv Corporation, and Performance Food Group. Mr. Zillmer has also served as a director of Liberty Capital Partners, a private equity and venture capital firm specializing in start-ups, early stage, growth equity, buyouts, and acquisitions, since June 2004. Mr. Zillmer also serves on the North American advisory board of CVC Capital Partners.

Goldman, Sachs & Co. and UBS Securities LLC are serving as financial advisors to CSX, and Davis Polk & Wardwell LLP and Hunton & Williams LLP are serving as legal advisors. Cadwalader, Wickersham & Taft LLP is serving as legal advisor to Mantle Ridge.

About CSX and Its Disclosures

CSX, based in Jacksonville, Florida, is a premier transportation company. It provides rail, intermodal and rail-to-truck transload services and solutions to customers across a broad array of markets, including energy, industrial, construction, agricultural, and consumer products. For nearly 190 years, CSX has played a critical role in the nation's economic expansion and industrial development. Its network connects every major metropolitan area in the eastern United States, where nearly two-thirds of the nation's population resides. It also links more than 240 short-line railroads and more than 70 ocean, river and lake ports with major population centers and farming towns alike.

This announcement, as well as additional financial information, is available on the company's website at <http://investors.csx.com>. CSX also uses social media channels to communicate information about the company. Although social media channels are not intended to be the primary method of disclosure for material information, it is possible that certain information CSX posts on social media could be deemed to be material. Therefore, we encourage investors, the media, and others interested in the company to review the information we post on Twitter (<http://twitter.com/CSX>) and on SlideShare (<http://www.slideshare.net/HowTomorrowMoves>). The social media channels used by CSX may be updated from time to time.

More information about CSX Corporation and its subsidiaries is available at www.csx.com and on Facebook (<http://www.facebook.com/OfficialCSX>).

Forward-Looking Statements

This information and other statements by CSX may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and CSX undertakes no obligation to update or revise any forward-looking statement. If CSX updates any forward-looking statement, no inference should be drawn that CSX will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others; (i) CSX's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting CSX; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

CSX Corporation ("CSX") will file a proxy statement with the U.S. Securities and Exchange Commission (the "SEC") with respect to the annual meeting of shareholders. CSX SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT, THE ACCOMPANYING PROXY CARD AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

CSX, its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from CSX shareholders in connection with the matters to be considered at the annual meeting, or any adjournment or postponement thereof. Information about CSX's directors and executive officers, and their direct and indirect interests in CSX, is available in CSX's proxy statement, filed March 28, 2016 for its 2016 Annual Meeting. To the extent holdings of CSX's securities by such directors or executive officers have changed since the amounts included in the 2016 proxy statement, such changes have been or will be reflected on reports filed with the SEC in accordance with the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with the annual meeting. Shareholders will be able to obtain any proxy statement, any amendments or supplements to any proxy statement and other documents filed by CSX with the SEC free of charge at the SEC's website at www.sec.gov. Copies also will be available free of charge at CSX's website at www.csx.com or by contacting CSX Investor Relations at (904) 359-4812.

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