UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

January 14, 2026

Ning Chiu
Davis Polk & Wardwell LLP

Re: CSX Corporation (the "Company")
Incoming Letter dated January 7, 2026

Dear Ning Chiu:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by John Chevedden for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Company represents that it has a reasonable basis to exclude the Proposal. Based solely on that representation, we will not object if the Company excludes the Proposal from its proxy materials.

Copies of all of the correspondence on which this response is based will be made available on our website.

Sincerely,

Division of Corporation Finance
Office of Chief Counsel

cc: John Chevedden

Davis Polk

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
davispolk.com

January 7, 2026

VIA ELECTRONIC SUBMISSION

Office of Chief Counsel Division
of Corporation Finance
Securities and Exchange Commission 100
F Street, NE
Washington, DC 20549

Ladies and Gentlemen:

On behalf of CSX Corporation, a Virginia corporation (the "**Company**"), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), we are filing this letter with respect to the shareholder proposal (the "**Proposal**") submitted by John Chevedden (the "**Proponent**") for inclusion in the proxy materials the Company intends to distribute in connection with its 2026 Annual Meeting of Shareholders (the "**2026 Proxy Materials**").

Pursuant to the Statement Regarding the Division of Corporation Finance's Role in the Exchange Act Rule 14a-8 Process for the Current Proxy Season on November 17, 2025 (the "**Division Statement**")[1], the Company represents without qualification that it has a reasonable basis to exclude the Proposal based on the provisions of Rule 14a-8, prior published guidance and/or judicial decisions, for the reasons set forth below. We request that the Staff of the Division of Corporation Finance (the "**Staff**") respond to this letter that it will not object to the omission of the Proposal from the 2026 Proxy Materials, in accordance with the Division Statement.

In accordance with relevant Staff guidance, we are submitting this letter and its attachments to the Staff through the Staff's online Shareholder Proposal Form. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company's intent to omit the Proposal from the 2026 Proxy Materials. This letter constitutes the Company's statement of the reasons it deems the omission of the Proposal to be proper. We have been advised by the Company as to the factual matters set forth herein.

The Proposal, the full text of which is attached as Exhibit A, states:

> Shareholders request that the Board of Directors take the necessary steps to ensure that directors who fail to obtain a majority vote in a future uncontested [sic] shall leave the board as soon as possible but in no case shall such directors serve more than 9-months on the Board after such failed election.

The Proposal May be Excluded Under Rule 14a-8(i)(10) Because it Has Already been Substantially Implemented

The Company already has a majority voting standard for the election of directors in uncontested elections as described below that meets the objective of the Proposal. Since its adoption in 2007, no director or nominee has ever failed to obtain a majority vote and received below 50% of the votes cast at a meeting of shareholders.

[1] https://www.sec.gov/newsroom/speeches-statements/statement-regarding-division-corporation-finances-role-exchange-act-rule-14a-8-process-current-proxy-season

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if the company has already substantially implemented the proposal. The Staff has stated that the purpose of this rule is to "avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." *See* Exchange Act Release No. 34-20091 (Aug. 15, 1983); Exchange Act Release No. 34-12598 (July 1976). The Commission has also stated that "substantial" implementation under the rule does not require implementation in full or exactly as presented by the proponent. *See* Exchange Act Release No. 34-40018 (May 21, 1998, n.30).

In prior no-action letter requests, the Staff has permitted exclusion of proposals under Rule 14a-8(i)(10) when a company has satisfied the "essential objective" of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal. The Staff has consistently found that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices, and procedures compare favorably with the guidelines of the proposal."

The Company already has a majority voting standard for shareholders to elect directors to the Board and also has a mandatory resignation policy in place for directors who fail to receive such majority vote as follows:

- The Company Bylaws provide that in uncontested elections, "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."

- The Company's Corporate Governance Guidelines (the "**Guidelines**") require that any director who is not reelected in accordance with the Bylaws: shall promptly tender his or her resignation following certification of the shareholder vote. The Governance and Sustainability Committee shall consider the resignation offer and recommend to the Board whether to accept or reject it. The Board will act on the Governance and Sustainability Committee's recommendation within 90 days following certification of the shareholder vote, which far exceeds the Proposal's request of 9 months.

The Company's majority voting standard for the election of directors substantially implements the Proposal's essential objective that:

- Directors must be elected by receiving a majority of votes cast; and

- If a director fails to receive a majority of votes cast, there must be a means to ensure that such director could then ultimately leave the Board on a timely basis, consistent with the Proposal's request

The Proposal seeks to have mechanisms by which a director who fails to receive majority support for his or her election may cease serving on the Board as a result, which the Company has already implemented. The fact that under the Company's standard the Board has the ability to exercise its discretion in determining whether or not to accept the resignation is not only the predominant market standard, it is also in the best interest of the Company, compared to the entirely arbitrary requirement in the Proposal that such a director (or even the entire Board) shall leave the Board precisely within 9 months of the election regardless of the specific circumstances. In fact, under the Company's standard, a director could depart far earlier than the 9 months required in the Proposal.

The Proposal May be Excluded Under Rule 14a-8(i)(2) Because it Violates Virginia Law, the Company's State of Incorporation

Rule 14a-8(i)(2) allows the exclusion of a proposal if implementation of the proposal would "cause the company to violate any state, federal, or foreign law to which it is subject." As further discussed below and in reliance on the legal opinion provided by Hunton Andrews Kurth LLP regarding Virginia law (the "**Virginia Law Opinion**") attached as Exhibit B, the Proposal violates Virginia law.

The Proposal requires the Board to remove or accept the resignation of a director, even when doing so would cause the Board to breach their fiduciary duties and statutory standard of conduct.

Under Section 13.1-690(A) of the Virginia Stock Corporation Act (the "**VSCA**"), every director must discharge his or her duties "in accordance with his good faith business judgment of the best interests of the corporation."

Directors must use an informed decision-making process and exercise independent judgment, in order to be covered under the "safe harbor" protections under VSCA Section 13.1-690(C). The Proposal, however, mandates a predetermined outcome by requiring the Board to accept a resignation or remove a holdover director without any discretion or consideration of the Company's best interests. Forcing the Board to "rubberstamp" a director resignation as the Proposal requires would prevent the Company's directors from exercising the independent judgment required under VSCA Section 13.1-690.

The Proposal requires the Board to take a specific action without exception or discretion, overriding the Board's legal obligation to direct the management of the corporation.

Implementation of the Proposal would unlawfully interfere with the Board's statutory authority and obligation to manage the corporation. VSCA Section 13.1-673(B) requires that "all corporate powers shall be exercised by or under the authority of the board of directors" and that the corporation's business and affairs be "managed under the direction" of the Board. Decisions regarding whether to accept or reject a resignation from a director falls within the Board's managerial authority. Moreover, neither the articles of incorporation nor the bylaws may include provisions "inconsistent with law," and the VSCA only permits limitations on Board authority when they do not conflict with statutory requirements. The Company's articles of incorporation currently do not include any such limitation with regards to director resignations, and the Board lacks the power to adopt any such provision. Because the Proposal requires the Board to take all "necessary steps" to implement it and prevents the Board from exercising its judgment to retain or reject a director or in amending the Company's organizational documents, even when the Board determines retention is in the Company's best interests—including in a situation where no directors would be left on the Board—it would require the Board to violate its legal duties to the Company.

The Proposal forces the removal of a director within 9 months of a failed election under a lower voting standard than the voting standard required for shareholders to remove a director.

The Proposal would require the Board to remove a director after 9 months, violating the VSCA's minimum standards for director removal. Under VSCA Section 13.1-680(C), a director may be removed only if the votes cast by shareholders to remove the director constitute a "majority of the votes entitled to be cast" at an election of directors. Virginia law permits this threshold to be increased but not decreased. A failed election under a "majority of votes cast" voting standard does not constitute a removal under Virginia law. Yet the proposal attempts to treat a failed election as the same as a removal by requiring the Board to ensure that the director leaves the Board within 9 months.

Consistent with Prior Staff Decisions.

Prior Staff no-action letter decisions permitted the exclusion of a shareholder proposal on the grounds that the proposal violated state law, where the proposal requested that a company take action to require directors to submit irrevocable conditional resignations that would become effective within a specified time period if the directors failed to receive the affirmative vote of a majority of shareholders in their election. See *Verizon Communications Inc.* (Mar. 15, 2024), where the proposal requested that the company "take the necessary action to amend its director election resignation bylaw that requires each director nominee to submit an irrevocable conditional resignation to the Company…upon the director's failure to receive the required shareholder majority vote support in an uncontested election." *See also Amgen* (Apr. 3, 2024), *MetLife Inc.* (Apr. 22, 2024), and *Ingersoll Rand Inc.* (Apr. 17, 2024).

The Staff has previously concurred with the exclusion of proposals that violate Virginia law, including a proposal requesting that a company liquidate its entire investment portfolio given that action is reserved to the discretionary authority of the Board, not to management or shareholders. *See Arlington Asset Investment Corp.* (Feb. 5, 2021). See also *Dominion Energy, Inc.* (Mar. 23, 2025) regarding a proposal requiring that the company "appoint at least one expert independent director" upon the expiration of current directors' terms, given that only shareholders have that right. The Proposal is distinguishable from *Altria Group, Inc.* (Mar. 25, 2024) where the proposal allowed the Board to reject a director's resignation for a "compelling reason." Here, the Proposal mandates a predetermined outcome by the Board without any exception for the Board's exercise of its fiduciary duties.

Engagement with Proponent

The Company discussed the Proposal with the Proponent, noting the issues as explained above, and requested that he withdraw the Proposal, and the Proponent declined.

Respectfully yours,

Ning Chiu

Attachment

cc w/ att: Michael Burns, CSX Corporation
John Chevedden

Exhibit A

Proposal 4 - Directors Who Fail To Obtain A Majority Vote

Shareholders request that the Board of Directors take the necessary steps to ensure that directors who fail to obtain a majority vote in a future uncontested shall leave the board as soon as possible but in no case shall such directors serve more than 9-months on the Board after such failed election.

A vote of rejection by CSX shareholders needs to be respected. CSX shareholders often only vote on 3 Company items a year. The least that CSX can do is to respect all shareholder votes. If CSX accepts shareholder approval of its executive pay then CSX should be prepared to accept shareholder rejection of a director.

9-months is adequate time for CSX to find a highly qualified replacement director. This proposal will give CSX directors more of an incentive to perform.

Now is a good time to improve shareholder oversight of CSX. CSX stock was at $37 in 2021 and was only at $34 in late 2025 despite a robust stock market.

CSX faces challenges and CSX shareholders may believe that board refreshment is a way to address challenges. CSX shareholder efforts at board refreshment could be thwarted if CSX can ignore CSX shareholders when shareholders reject a director.

These are some of the challenges facing CSX:

CSX reported year-over-year declines in revenue and net earnings in QI, Q2, and Q3 2025. CSX consistently missed analyst revenue forecasts in all three quarters. A significant factor was an II% to 27% drop in coal revenue and lower volumes, primarily due to reduced production, mine outages, and softer market fundamentals.

Operating expenses increased due to severance costs, network disruptions and inflation, which eroded operating margins. CSX's current ratio, a measure of liquidity, steadily declined over several years and remained below the preferred threshold of1.0 in Q1 2025, signaling mounting liquidity pressures.

The stock's price performance was dim relative to the industry, and analysts revised earnings expectations downward for the year, with some assigning a "Sell" rank to the stock.

CSX faced challenges, including temporary rail network issues, crew shortages, and service disruptions, which reduced operating efficiency.

Management projected a high capital expenditure of$2.5 billion for 2025, adding to financial pressure.

A persistently soft trucking market made it difficult for CSX to raise prices and retain market share for certain commodities.

The potential merger of competitors Union Pacific and Norfolk Southern raised concerns about increased competition, which could put pressure on CSX to find its own merger partner to remain competitive.

Please vote for Proposal 4

Exhibit B

Virginia Law Opinion

HUNTON

HUNTON ANDREWS KURTH LLP
RIVERFRONT PLAZA, EAST TOWER
951 EAST BYRD STREET
RICHMOND, VA 23219-4074
FILE NO: 034253.0000233

January 7, 2026

Board of Directors
CSX Corporation
500 Water Street, 15th Floor
Jacksonville, Florida 32202

Re: Shareholder Proposal on Behalf of John Chevedden

To the Addressees:

We have served as Virginia counsel for CSX Corporation, a Virginia corporation (the "**Corporation**"), in connection with the following shareholder proposal (the "**Proposal**") received from John Chevedden (the "**Proponent**"), dated November 20, 2025, for the Corporation's 2026 annual meeting of shareholders (the "**Annual Meeting**"):

> Shareholders request that the Board of Directors take the necessary steps to ensure that directors who fail to obtain a majority vote in a future uncontested [sic] shall leave the board as soon as possible but in no case shall such directors serve more than 9-months on the Board after such failed election.

We have been advised that the Corporation is considering excluding the Proposal from the Corporation's proxy statement for the Annual Meeting pursuant to, among other reasons, Rule 14a-8(i)(2) promulgated under the Securities Exchange Act of 1934, as amended. Rule 14a-8(i)(2) provides, in relevant part, that a registrant may omit a proposal from its proxy statement when "the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject." In connection with the Corporation's intent to exclude the Proposal on these grounds, the Corporation has requested that we issue an opinion letter as to whether the implementation of the Proposal, if adopted by the Corporation's shareholders, would violate Virginia law.

In connection with this opinion letter, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents and records of the Corporation and such other documents, certificates and records as we have deemed necessary to render the opinions set forth herein, including, among other things:

(i) the Amended and Restated Articles of Incorporation of the Corporation, as amended through the date hereof (the "**Articles of Incorporation**");

(ii) the Amended and Restated Bylaws of the Corporation, as amended through the date hereof (the "**Bylaws**"); and

(iii) the Proposal.

For purposes of the opinions expressed below, we have assumed: (a) the authenticity of all documents submitted to us as originals; (b) the conformity to authentic original documents of all documents submitted to us as certified, electronic or photostatic copies; (c) the legal capacity of all natural persons; (d) the genuineness of all signatures and the completion of all deliveries not witnessed by us; (e) the due authorization, execution and delivery of all documents by all parties and the validity, binding effect and enforceability of thereof on such parties; and (f) the accuracy, completeness and authenticity of all corporate records and other information made available to us by the Corporation. As to factual matters, we have relied upon, and assumed the accuracy of, the documents submitted to us without independent verification of their accuracy.

Based upon the foregoing and such other information and documents as we have considered necessary for the purposes hereof, and subject to the assumptions, qualifications and limitations stated herein, for the reasons set forth below we are of the opinion that the Proposal, if implemented, would violate Virginia law to the extent it: (1) requires the Board to take necessary steps to effect the Proposal, including accepting a director's resignation or causing the removal of a director in circumstances where doing so would cause the directors to breach their fiduciary duties and violate their statutory standard of conduct; (2) requires the Board to take action, without exception or discretion, to accept a director's resignation or cause a director's removal, which supersedes the Board's legal obligation to direct the management of the Corporation; and (3) effects a forced removal of any holdover, incumbent director within nine months following a failed election in contravention of the statutorily prescribed minimum voting threshold for shareholders to remove a director.

1. **Implementation of the Proposal would cause the Corporation to violate Virginia law because it requires directors to breach their fiduciary duties and violate their required statutory standard of conduct.**

The Proposal, if implemented, would require the Board to take the necessary steps to eliminate the lawful authority of current and future directors of the Corporation to reject an incumbent, "holdover" director's resignation if such director is not re-elected by a majority vote, or to otherwise remove such director from the Board within nine months of the failed vote, without exception or consideration. Faced with no other choice but to "take the necessary steps to ensure" that incumbent directors resign or are removed following a failed re-election vote, implementing the Proposal requires directors to ignore their fiduciary duties

and the best interests of the Corporation in favor of satisfying the singular goal of achieving the Proponent's desired results.

Section 13.1-690A of the Virginia Stock Corporation Act (as amended, the "**VSCA**") sets forth Virginia's statutory standard of conduct for directors and provides that "[a] director shall, discharge his duties as a director… in accordance with his good faith business judgment of the best interests of the corporation." Virginia courts have consistently recognized the standard of conduct in Section 13.1-690 as statutorily prescribed by the Virginia General Assembly and view it as the standard by which all board action must be evaluated. (See Malon v. Franklin Financial Corp., 2014 WL 6791611, at *4 (E.D. Va. 2014) ("The standard by which a director is to discharge his or her duties is delineated in Virginia Code § 13.1–690(A).").) The Virginia Supreme Court has further held that Section 13.1-690A does not abrogate the common law fiduciary duties of directors. (Willard ex rel. Moneta Bldg. Supply, Inc. v. Moneta Bldg. Supply, Inc., 258 Va. 140, 151 (1999).) If a director acts in accordance with the statutory standard of conduct, however, Section 13.1-690C provides a "safe harbor" that "shields a director from liability for any action taken as a director, and for failure to take action." (Id.; see also Commonwealth Transp. Com'r v. Matyiko, 481 S.E.2d 468, 470 (Va. 1997)).

In evaluating directors' conduct, the U.S. District Court for the Western District of Virginia has explained that "good faith is to be measured by the directors' resort to an informed decision-making process, not by the rationality of the decision ultimately taken." (WLR Foods, Inc. v. Tyson Foods, Inc., 869 F. Supp. 419, 420 (W.D. Va. 1994).) Virginia courts are consistent in emphasizing that "a director may use an informed decision-making process in discharging the duties of the office as long as the director does so in good faith," and "[w]hen a director resorts to such a process, the ultimate decision must still reflect the director's 'good faith business judgment of the best interests of the corporation' in order to receive the benefit of the 'safe harbor' afforded in Code § 13.1-690(C)." (Willard ex rel. Moneta Bldg. Supply, Inc. v. Moneta Bldg. Supply, Inc., 258 Va. 140, 152 (1999) (citing WLR Foods, Inc. v. Tyson Foods, Inc., 65 F.3d 1172, 1185 (4th Cir. 1995).) The Proposal mandates a particular result without qualification or exception and renders it impossible for the Corporation's directors to "use an informed decision-making process in discharging the duties of the office" in violation of Virginia law. As a result, if the Board implements the Proposal and complies with its unqualified mandate to act without considering the directors' "good faith business judgement of the best interests of the corporation," the Corporation's directors will not only be violating Virginia law, but will be doing so without the protection of the safe harbor provided in Section 13.1-690C.

A Virginia court has reaffirmed that the business judgment rule "appl[ies] only when the directors actually exercise their good faith business judgment," noting that directors are not entitled to statutory protection where they "did not engage in an informed decision-making process, exercised no independent judgment, and 'merely rubberstamped everything placed before them.'" (Colgate v. Disthene Group, 85 Va. Cir. 286 (2012) (citing Sandberg v. Virginia Bankshares, Inc., 891 F.2d 1112, 1123 (4th Cir. 1989), rev'd on other grounds, 501 U.S. 1083 (1991) (affirming jury's finding of lack of good faith where "the directors exercised no independent judgment" and "rubberstamped" the matters placed before them)).) This Proposal would explicitly require the Corporation's directors to "rubberstamp" a director's resignation following a failed majority vote without exercising "independent judgement," causing the Corporation's directors to breach their fiduciary duties and violate the standard of conduct unambiguously required under Section 13.1-690 of the VSCA and consistently emphasized and enforced by Virginia courts.

2. Implementing the Proposal would supersede the discretion of the Board and interfere with its legal obligation under Virgina law to direct the management of the Corporation.

Section 13.1-673B of the VSCA establishes the fundamental principle of director primacy under Virginia law by mandating that "[a]ll corporate powers shall be exercised by or under the authority of the board of directors, and the business and affairs of the corporation managed under the direction, and subject to the oversight, of the board of directors, subject to any limitation set forth in the articles of incorporation permitted by subdivision B 3 of § 13.1-619." This statutory language creates a two-tier system of director control, allowing directors to either exercise corporate powers directly or authorize others to act under their authority while maintaining ultimate oversight responsibility. The statutory framework acknowledges only narrow exceptions where director authority may be modified through a corporation's articles of incorporation or authorized shareholder agreements not applicable here, but these exceptions do not undermine the fundamental principle of director primacy. Virginia courts have long reinforced this foundational concept that "the board of directors have the widest powers" and that "all the various acts and contracts which a corporation may enter into are entered into by and through the board of directors." (Sterling v. Trust Co. of Norfolk, 149 Va. 867, 878 (1928).)

The decision to reject or accept the resignation of a director is a business decision that falls squarely within the Board's broad managerial authority and legal obligations pursuant to Section 13.1-673B of the VSCA. Such a decision requires the Board to exercise its business judgment consistent with Section 13.1-690 and its common law fiduciary duties. The Board's decision to accept or reject a director's resignation after a failed re-election vote should

involve careful consideration of a variety of potentially competing factors, including the tenure, qualifications and expertise of the director, the expected future contributions of the director and the impact of the director's retention or exclusion on the overall function of the Board and the Corporation, in addition to the results of the re-election vote. Here, the Proposal seeks to supersede and infringe upon the Board's judgement with respect to its decision whether to reject a director's resignation and would preclude a rejection even if the Board determines in the exercise of its good faith business judgment that a resignation is not in the best interests of the Corporation. Section 13.1-673B requires the Board to direct the management of the business and affairs of the Corporation, and the Proposal's limitation of the Board's management authority is inconsistent with the VSCA and the longstanding support of board primacy by Virginia courts, which have declared that "[a] board of directors whose every act must be endorsed by every stockholder is no board at all." (Kaplan v. Block, 183 Va. 327 (1944).) Virginia law does not permit shareholders to deprive directors of the ability to exercise their full managerial power in circumstances where their legal duties would otherwise require them to exercise their judgment.

Section 13.1-673B does provide for the possibility of certain limitations on a board's authority if they are set forth in a provision in the corporation's articles of incorporation. The Corporation's Articles of Incorporation, however, do not include any such limitation, and the Board lacks the power to unilaterally adopt any such provision. Moreover, Section 13.1-619B3 provides that any such provision must not be "inconsistent with law." Here, the reference to "law" includes the other provisions of the VSCA. Virginia courts have long held that "[s]tatutes, charters, by-laws, [and] contracts all must pass under this test: Is it lawful to do those things which they purport to permit?" (Kaplan v. Block, 183 Va. 327, 337 (1944).) As established above, by requiring the Board to take all necessary action to accept a holdover director's resignation or otherwise remove such director from the Board after nine months without an exception that permits a director to comply with his or her fiduciary duties, the Proposal would require the Board to violate Sections 13.1-690 and 13.1-673B of the VSCA. In fact, the Proposal requires the Board to take all necessary steps that would result in there being no directors on the Board if each director failed to be reelected and remained on the Board for nine months after the shareholder meeting, an action which would be inconsistent with Section 13.1-690 and leave no persons on the Board to discharge the Board's responsibility under Section 13.1-673B. Even if the Proposal's requirement that the Board "take necessary the steps" was construed to require the Board to use its power to amend the Bylaws, such a bylaw would also violate Virginia law. Section 13.1-624B of the VSCA provides that "[t]he bylaws of a corporation may contain any provision that is not inconsistent with law or the articles of incorporation." A bylaw provision requiring the Board to implement the Proposal would be "inconsistent with law" because it would be inconsistent with Section 13.1-673B and Section 13.1-690 of the VSCA.

3. Implementing the Proposal effects a forced removal of an incumbent, holdover director after nine months in contravention of the VSCA's minimum standards for director removal.

The Proposal effectively seeks the mandatory removal of a holdover director after nine months following a failed majority vote at the Corporation's annual meeting. Section 13.1-680C of the VSCA sets forth the minimum voting threshold for shareholders to remove a director under Virginia law. "[U]nless the articles of incorporation or bylaws require a greater vote, a director may be removed if the number of votes cast to remove the director constitutes a majority of the votes entitled to be cast at an election of directors of the voting group or voting groups by which the director was elected." Deviations from this removal threshold apply to corporations with a classified board or cumulative voting, neither of which are applicable to the Corporation. Notably, the VSCA only provides a corporation with the ability to ***increase*** the vote required for shareholders to remove directors in the articles of incorporation or bylaws and provides no method by which a corporation may decrease the threshold. Virginia law is clear that shareholders may remove directors with no fewer votes than "a majority of the votes entitled to be cast at an election of directors."

This standard is intentionally different than the standard to elect directors, which is the voting threshold by which a director subject to the Proposal may fail to be re-elected. Section 13.1-669 of the VSCA states that a corporation's articles of incorporation or bylaws may provide the voting standard for electing directors. In compliance with the VSCA, Article 2, Section 3(c)(ii) of the Corporation's Bylaws provides that in uncontested elections, each of the Corporation's directors "shall be elected by a vote of the majority of the votes cast" for such director, which is a common standard in Virginia and a lower threshold than required to remove directors under Section 13.1-680C. The Proposal effectively seeks to circumvent the "majority of the votes entitled to be cast" standard for removing directors by incorrectly attaching a shareholder's right to remove a director to the intentionally lower standard for electing directors. The Proponent's supporting statement is even careful not to refer to a failed "majority of the votes cast" election as a "removal" and rather refers to it as a "rejection" of the director. Under Virginia law, "rejecting" a director through a failed vote for re-election does not remove that director, and shareholders may only remove a director by the affirmative vote of a majority of the votes entitled to be cast. Implementing the Proposal would effectively provide shareholders with the ability to remove the Corporation's directors with a voting threshold lower than required by the VSCA in violation of Section 13.1-680C, which only allows the statutory threshold to be increased, not decreased.

Furthermore, Section 13.1-677E of the VSCA provides that, "[e]xcept to the extent otherwise provided in the articles of incorporation, despite the expiration of a director's term, the director continues to serve until the director's successor is elected and qualifies or until there is a decrease in the number of directors." The Proposal requires that an incumbent director who fails to receive the affirmative vote of the majority of votes cast for re-election be removed from the Board within nine months of such vote. This forced removal of incumbent directors is not permissible under the VSCA because there is no action that the Corporation or the Board could lawfully take to effect the immediate removal of a director under Virginia law. Virginia law balances the Board's broad authority to manage a corporation by giving shareholders the right to remove directors with or without cause, but exercising this right requires the vote of a majority of the votes entitled to be cast. This Proposal has the effect of unlawfully lowering the threshold for shareholders to remove directors of the Corporation and, if implemented, would violate Virginia law.

This opinion letter is rendered as of the date hereof, and we disclaim any obligation to advise you of facts, circumstances, events or developments that hereafter may be brought to our attention and that may alter, affect or modify the opinion expressed herein. This opinion letter is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any matters beyond the matters expressly set forth herein.

Very truly yours,

Hunton Andrews Kurth LLP

09312/15344/00647

January 7, 2026

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

 # 1 Rule 14a-8 Proposal
CSX Corporation (CSX)
Directors Who Fail
January 7, 2025 j-Notice
969786

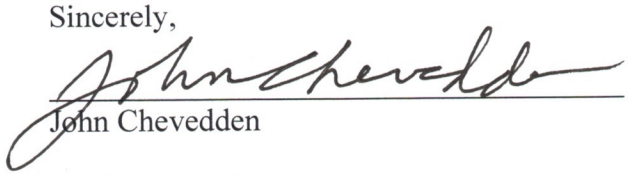
Ladies and Gentlemen:

CSX could easily implement this proposal by modifying its current "resignation policy" to close the loophole that allows a director to serve indefinitely on the CSX board in spite of a failed election. CSX incorrectly claims that a proposal that is solely focused on closing a loophole is implemented by a policy that has the very loophole that the proposal seeks to change.

CSX failed to address how a policy, not even a bylaw, would create a "without exception or discretion" situation. CSX did not make the incorrect, but critically necessary, claim that a policy such as this, once adopted, could not be changed by the Board.

CSX did not distinguish this proposal from the current CSX Corporate Governance Guidelines that uses the words "shall" and "must" under the heading of "Independence of Board from Management." Apparently CSX feels free to use the words "shall" and "must" in its CSX Corporate Governance Guidelines whenever it wants to and in spite of its flawed interpretation of Virginal law that pops up when a rule 14a-8 proposal is submitted.

Sincerely,



John Chevedden

cc: Corporate Secretary

CSX CORPORATION

Board of Directors
Corporate Governance Guidelines

The following guidelines have been adopted by the Board of Directors ("Board") and, together with the charters of the standing Board committees, provide the framework for the governance of CSX Corporation ("Corporation"). The Board regularly reviews its corporate governance practices, including these guidelines, to ensure that they continue to reflect the high standards that those who deal with the Corporation as employees, investors, clients, customers, vendors and other stakeholders can and should expect.

Board Responsibilities

1. The business and affairs of the Corporation are subject to the overall oversight and authority of the Board, acting in what the Board reasonably believes to be in the best interests of the Corporation. The Board has delegated authority to act on its behalf between regularly scheduled Board meetings, when time is of the essence, to an Executive Committee comprised of the Chief Executive Officer ("CEO"), the Chair of the Board, the Vice Chair of the Board, and the chairs of each standing committee. The Board has assigned primary responsibility for several important functions to the following standing committees: Audit (financial reporting and internal controls); Compensation and Talent Management (CEO review and evaluation, and executive development and compensation); Finance (capital structure and financial policies); and Governance and Sustainability (Board and committee composition, corporate governance, director and executive officer succession planning and corporate sustainability programs). Each of these standing committees consists solely of independent directors. Each standing committee operates under a written charter, and committee chairs and memberships are generally rotated on a regular basis, based on the Governance and Sustainability Committee's review and recommendation.

2. The Board holds at least five regularly scheduled meetings each year, with additional meetings scheduled when necessary. Each Board committee other than the Executive Committee meets three or more times each year. Additional committee meetings are held as needed, either in person or by virtual or telephone conference. To the extent possible, each director is expected to attend in person all meetings of the Board and the committees on which the director sits, and to participate by remote means when they are unable to attend in person. The Corporation sends most materials for Board and committee meetings in advance of such meetings, and directors are expected to review the materials prior to meetings. In some cases, due to timing or the sensitive nature of an issue, materials are presented only at meetings. Directors are also expected to participate in other applicable activities designed to increase their knowledge of the Corporation and their ability to perform their duties. Absent extenuating circumstances, directors are expected to attend the Corporation's annual meeting of shareholders.

Independence of Board from Management

3. A substantial majority of the Board shall be independent, as that term is defined in applicable laws and the NASDAQ Stock Market's listing standards. An independent director means a person other than an executive officer or employee of the Corporation or any other individual having a relationship which, in the opinion of the Corporation's Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making this affirmative determination in regards to a director who will serve on the Compensation and Talent Management Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the Corporation which is material to that director's ability to be independent from management in connection with the duties of a Compensation and Talent Management Committee member, including, but not limited to (a) the source of compensation of

Corporation, or a subsidiary or parent of the Corporation to such director and (b) whether such director is affiliated with the Corporation, a subsidiary of the Corporation or an affiliate of a subsidiary of the Corporation. The Board shall make an affirmative determination at least annually with respect to director independence and disclose the basis in the Corporation's annual proxy statement.

4. Members of management will be considered for Board membership only if they are serving as the current CEO or are considered by the Governance and Sustainability Committee to be a key member of management. Members of management are not eligible to serve on the Audit, Compensation and Talent Management or Governance and Sustainability committees.

5. The non-management directors meet alone in executive session at each Board meeting, as necessary. These executive sessions are chaired by the Chair if he or she is an independent director. In addition, the independent directors (if different from the non-management directors) meet alone in executive session at least once a year. This session is also chaired by the Chair if he or she is an independent director. If the Chair is not independent, such sessions shall be chaired by the Vice Chair.

Director Qualifications and Selection

6. The Board shall designate one of its members to serve as Chair. The Board currently believes that the positions of Chair and CEO should be separate and that the director serving as the Chair should be an independent director. The Board recognizes that circumstances do change and will review this structure periodically.

7. The duties of the Chair include, as needed: (a) calling special meetings of the full Board and meetings of independent directors; (b) presiding at all meetings of the Board; (c) presiding over meetings of the shareholders; (d) calling special meetings of the shareholders; (e) serving as a liaison between the CEO and the independent directors; (f) in consultation with the Vice Chair, approving information, meeting agendas and meeting schedules sent to the Board; (g) guiding Board discussions and facilitating discussions between the Board and the Corporation's management; (h) interacting with the Corporation's analysts, investors, employees and other key stakeholders; (i) keeping the Vice Chair informed, and consulting with the Vice Chair, as to material internal and external discussions the Chair has, and material developments the Chair learns about the Corporation and the Board; (j) pre-clearing all transactions in the Corporation's securities by the other directors, the CEO, and the Executive Vice President – Chief Legal Officer and Corporate Secretary; (k) considering resignations of directors in consultation with the Board; and (l) such other duties as may be set forth in the Bylaws of the Corporation or delegated by the Board.

8. The Board establishes criteria for the skills and qualifications of its nominees and the Governance and Sustainability Committee recommends individuals for membership on the Board based on this criteria. The Board is expected to represent a diverse group with a broad range of experience in business matters and to be able to assess and evaluate the role and policies of the Corporation in the face of changing conditions in the economy, regulatory environment and customer expectations. To reflect the Corporation's commitment to diversity, the Governance and Sustainability Committee will instruct any third-party search firm to use its best efforts to include qualified candidates who reflect diverse backgrounds, including, but not limited to, diversity of race, ethnicity, national origin and gender. Moreover, individuals who self-identify as female and/or a racial or ethnic minority must be included in the initial pool of candidates when selecting new director nominees. Nominees for Board membership are expected to be prominent individuals with demonstrated leadership ability and to possess outstanding integrity, values and judgment. Directors and nominees must be willing and able to devote the substantial time required to carry out the duties and responsibilities of directors.

[CSX: Rule 14a-8 Proposal, November 20, 2025]
[This line and any line above it – *Not* for publication.]
Proposal 4 – Directors Who Fail To Obtain A Majority Vote

Shareholders request that the Board of Directors take the necessary steps to ensure that directors who fail to obtain a majority vote in a future uncontested shall leave the board as soon as possible but in no case shall such directors serve more than 9-months on the Board after such failed election.

A vote of rejection by CSX shareholders needs to be respected. CSX shareholders often only vote on 3 Company items a year. The least that CSX can do is to respect all shareholder votes. If CSX accepts shareholder approval of its executive pay then CSX should be prepared to accept shareholder rejection of a director.

9-months is adequate time for CSX to find a highly qualified replacement director. This proposal will give CSX directors more of an incentive to perform.

Now is a good time to improve shareholder oversight of CSX. CSX stock was at $37 in 2021 and was only at $34 in late 2025 despite a robust stock market.

CSX faces challenges and CSX shareholders may believe that board refreshment is a way to address challenges. CSX shareholder efforts at board refreshment could be thwarted if CSX can ignore CSX shareholders when shareholders reject a director.

These are some of the challenges facing CSX:

CSX reported year-over-year declines in revenue and net earnings in Q1, Q2, and Q3 2025. CSX consistently missed analyst revenue forecasts in all three quarters. A significant factor was an 11% to 27% drop in coal revenue and lower volumes, primarily due to reduced production, mine outages, and softer market fundamentals.

Operating expenses increased due to severance costs, network disruptions and inflation, which eroded operating margins. CSX's current ratio, a measure of liquidity, steadily declined over several years and remained below the preferred threshold of 1.0 in Q1 2025, signaling mounting liquidity pressures.

The stock's price performance was dim relative to the industry, and analysts revised earnings expectations downward for the year, with some assigning a "Sell" rank to the stock.

CSX faced challenges, including temporary rail network issues, crew shortages, and service disruptions, which reduced operating efficiency.
Management projected a high capital expenditure of $2.5 billion for 2025, adding to financial pressure.

A persistently soft trucking market made it difficult for CSX to raise prices and retain market share for certain commodities.

The potential merger of competitors Union Pacific and Norfolk Southern raised concerns about increased competition, which could put pressure on CSX to find its own merger partner to remain competitive.

Please vote for Proposal 4
[The above line – *Is* for publication.]