

AGREEMENT
between
CSX TRANSPORTATION, INC.
and the
INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE
WORKERS

This Agreement is made and entered into pursuant to the Railway Labor Act, as amended, 45 U.S.C. § 151 et seq., by and between CSX Transportation, Inc. (CSXT) and the International Association of Machinists & Aerospace Workers, to amend their System Mechanical and Roadway Mechanics collective bargaining agreements, as subsequently amended.

IT IS HEREBY AGREED:

ARTICLE I – WAGES

Section 1 – First General Wage Increase

On July 1, 2025 all hourly, daily, weekly and monthly rates of pay for employees covered by this Agreement in effect on June 30, 2025 shall be increased in the amount of four (4) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 1 shall be applied as follows:

(a) Hourly Rates –
Add 4 percent to the existing hourly rates of pay.

(b) Daily Rates –
Add 4 percent to the existing hourly rates of pay.

(c) Weekly Rates –
Add 4 percent to the existing hourly rates of pay.

(d) Monthly Rates –
Add 4 percent to the existing hourly rates of pay.

(e) Disposition of Fractions –

Rates of pay resulting from application of paragraphs (a) to (d), inclusive, above which end in fractions of a cent shall be rounded to the nearest whole cent, fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(f) Application of Wage Increase –

Special allowances not included in fixed hourly, daily, weekly, or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid for.

Section 2 – Second General Wage Increase

Effective July 1, 2026 all hourly, daily, weekly and monthly rates of pay for employees covered by this Agreement in effect on June 30, 2026 shall be increased in the amount of three-and-three-quarters (3.75) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

Section 3 – Third General Wage Increase

Effective July 1, 2027 all hourly, daily, weekly and monthly rates of pay for employees covered by this Agreement in effect on June 30, 2027 shall be increased in the amount of three-and-one-half (3.5) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

Section 4 – Fourth General Wage Increase

Effective July 1, 2028 all hourly, daily, weekly and monthly rates of pay for employees covered by this Agreement in effect on June 30, 2028 shall be increased in the amount of three-and-one-quarter (3.25) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

Section 5 – Fifth General Wage Increase

Effective July 1, 2029 all hourly, daily, weekly and monthly rates of pay for employees covered by this Agreement in effect on June 30, 2029 shall be increased in the amount of three (3) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

ARTICLE II – VACATIONS

Section 1 – Vacation for New Hires (Year 0)

Effective January 1, 2025, new hire employees working full-time to have paid vacation days, to be taken as single day vacation subject to all applicable rules, based on their date of hire month in Year 0) as follows:

- January/February – 5 days
- March/April – 4 days
- May/June – 3 days
- July/August – 2 days
- September/October – 1 day

Section 2 – Vacation Year 1 Non-qualifying Employees

Effective January 1, 2025, employees working full-time in their second calendar year of employment (Year 1) who did not qualify for vacation in the prior year (Year 0) under the National Vacation Agreement will have five (5) paid vacation days, to be taken as single day vacation subject to all applicable rules.

Section 3 – Vacation Accrual Acceleration

Effective January 1, 2025, the collective agreement provisions with respect to granting of vacation will be amended to reflect the following accrual schedules:

- Two (2) or more years – 10 days
- Six (6) or more years – 15 days
- Fifteen (15) or more years – 20 days
- Twenty-three (23) or more years – 25 days

ARTICLE III – HEALTH AND WELFARE

- A. Effective January 1, 2025, coverage for surviving dependents will be extended through the end of the sixth (6th) month following the month in which the employee dies.
- B. Effective January 1, 2025, plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.
- C. Effective January 1, 2025, the individual annual maximum dental benefit will be increased from \$1,500 to \$2,500, and the individual lifetime maximum orthodontia benefit will be increased from \$1,000 to \$2,500.
- D. Effective January 1, 2025, the vision frame allowance will be increased from \$115 every two years to \$250 every two years.
- E. Effective January 1, 2025, the monthly payment for employees who elect to opt-out of coverage under the national health and welfare plan will be increased from \$100 to \$200.
- F. Effective January 1, 2025, or as soon as reasonably practicable thereafter, the plan will offer a new medical coverage option with a reduced employee-only rate.
 - 1) There will be a single funding pool to include existing plan options and the new reduced-rate option.
 - 2) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the carrier's monthly payment rate, and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).
 - 3) The reduced-rate option will be HSA eligible.

4) The reduced-rate option will have the following plan design features:

	In Network	Out of Network
Deductible	\$2,500	\$5,000
Out of pocket maximum	\$5,000	\$10,000
Coinsurance – office visits and in/outpatient care	90% after deductible	70%
RX – generic coinsurance (retail and mail order)	10% after deductible	75% of R&C
RX – formulary (retail and mail order)	20% after deductible	75% of R&C
RX – non-formulary (retail and mail order)	30% after deductible	75% of R&C
Employee contributions	10% of payment rate	

G. Effective January 1, 2025, the following medical and prescription drug plan rules and practices will be implemented:

- 1) Improper billing detection and mitigation programs where available with the plan's medical vendors.
- 2) Out of network referenced-based pricing programs where available with the plan's medical vendors.
- 3) Full utilization management rules package for specialty drugs, and four additional non-specialty therapeutic classifications (anti-infective agents, central nervous system, gastroenterology and ophthalmology).

H. Monthly Employee Cost-Sharing Contributions (n/a to reduced-rate option)

- 1) Effective January 1, 2025, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee's dependents, a monthly contribution equal to 15% of the Carriers' Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carrier's Monthly Payment Rate for the relevant year.
- 2) For purposes of subsection (a) above, the "Carrier's Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carrier's monthly payments to –
 - a. the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
 - b. the Dental Plan for employee and dependent dental benefits, and
 - c. the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

- I. If existing national health care legislation is repealed, the parties will meet and confer on a voluntary basis to discuss the benefits that were previously mandated.

ARTICLE IV – MORATORIUM

This Agreement will remain in effect through December 31, 2029 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Neither party to this Agreement will serve or progress, prior to November 1, 2029 (not to become effective before January 1, 2030), any notice or proposal pursuant to Section 6 of the Railway Labor Act, however this does not prevent the parties from proposing or agreeing upon any subject of mutual interest.

AGREED this 27th day of February, 2025

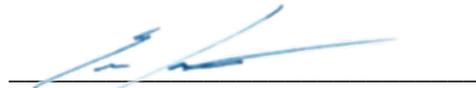
FOR CSX TRANSPORTATION, INC.:



Jeff Wall
Vice President, Labor Relations



Matrell Long
Manager & HDO, Labor Relations



Eric Caruth
Director, Labor Relations

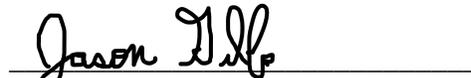
FOR INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS:



Reece Murtagh
President/Directing General Chairman



Kenneth Krause
General Chairman, Assistant to the PDGC



Jason Gibbs
General Chairman

Side Letter #1

Reece Murtagh
President/Directing General Chairman
IAMAW - District Lodge 19
3204 Cutshaw Avenue
Richmond, VA 23230

Dear Mr. Murtagh:

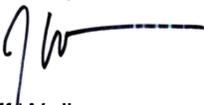
This confirms our understanding and agreement regarding employee contributions to the Railroad Employees National Health and Welfare Plan. For each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for themselves and/or their dependents, a monthly cost-sharing contribution by the employee shall be made in an amount equal to 15% (fifteen percent) of the Carrier's then current Monthly Payment Rate. In the event new collective agreements are not negotiated and ratified prior to January 1, 2031, the monthly cost-sharing contribution will not be increased beyond the rate last established under the terms of the January 1, 2025 agreements.

Upon ratification of successor agreement(s), the full 15% employee contribution rate will be reinstated unless otherwise agreed. If the negotiations for such successor agreement(s) result in retroactive wage increases applicable for the period that the parties are in negotiations and the employees' monthly contribution to the Health and Welfare Plan would have otherwise exceeded the rate established under the predecessor agreements, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the Railway Labor Act (up through and including a Presidential Emergency Board or interest arbitration) as a reason or justification for any future increase in compensation or limit or reduction in employee health care contributions.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,



Jeff Wall
Vice President, Labor Relations
CSX Transportation, Inc.

I agree:



Reece Murtagh
President/Directing General Chairman

Side Letter #2

Reece Murtagh
President/Directing General Chairman
IAMAW - District Lodge 19
3204 Cutshaw Avenue
Richmond, VA 23230

Dear Mr. Murtagh:

This confirms our understanding with respect to the tentative agreement of this date between CSX Transportation, Inc. and the International Association of Machinists & Aerospace Workers.

In the event CSXT enters into a voluntary and ratified collective agreement with any labor organization which: (a) deviates in any respect from the terms of the core economic items listed in paragraphs 1 through 7 and Side Letter 1 of the tentative agreement, or (b) incorporates local or other carrier- or union-specific agreements not tentatively agreed-upon prior to the date of this tentative agreement between CSXT and IAM; and which, in either case provides, in the aggregate, materially greater overall economic value to the employees represented by that organization or lesser value to the carrier than is provided in the CSXT-IAM tentative agreements of this date (excluding the value of any settlements of existing claims or grievances alleging violations or penalties due under such agreements); then IAM may request that the CSXT-IAM Agreements be adjusted to account for that difference in value in a manner to be determined by the parties.

Similarly, in the event IAM enters into a voluntary and ratified collective agreement with any railroad member of the National Carriers' Conference Committee (NCCC) which: (a) deviates in any respect from the terms of the core economic items listed in paragraphs 1 through 7 and Side Letter 1 of the tentative agreement, or (b) incorporates local or other carrier- or union-specific agreements not tentatively agreed-upon prior to the date of this tentative agreement between CSXT and IAM; and which, in either case provides, in the aggregate, materially greater overall economic value to the carrier or lesser overall economic value to the employees represented by IAM than is provided in the CSXT-IAM tentative agreement of this date (excluding the value of any settlements of existing claims or grievances alleging violations or penalties due under such agreements), CSXT may request that the CSXT-IAM Agreements be adjusted to account for that difference in economic value in a manner to be determined by the parties.

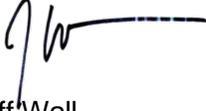
If the President, IAM District Lodge 19 or the CSXT Vice President, Labor Relations believes that any such collective agreement has potentially triggered the understanding in this letter, they shall, within sixty (60) days of the date such agreement is ratified, provide prompt written notification to the other and confer within fifteen (15) calendar days to discuss further handling of the matter. Any disagreement between the parties regarding the interpretation or application of this understanding shall be resolved through final and binding party-paid arbitration.

This agreement shall be non-precedential and shall not be referenced in any forum except for the limited purpose of enforcing its terms. This agreement shall expire and have no further effect with

respect to other agreements between IAM and any NCCC carrier or CSXT and any labor organization sixty (60) days after all such agreements are ratified.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,



Jeff Wall
Vice President, Labor Relations
CSX Transportation, Inc.

I agree:



Reece Murtagh
President/Directing General Chairman

Attachment "A"

Memorandum of Agreement

Between

CSX Transportation, Inc.

And

The International Association of Machinists and Aerospace Workers

This will confirm the understanding reached on March 3, 2025, between CSX Transportation, Inc. ("Carrier") and the IAM ("Organization") (jointly the "Parties") concerning modifications and additions to provisions of the CSXT/IAM Collective Bargaining Agreements ("CBA").

This Agreement includes amendments and/or additions to specified provisions of the IAM's October 31, 2012 System Mechanical Agreement and CSXT Roadway Mechanic Labor Agreement No. 12-126-92, as well as, additions and/or changes to side letters and MOA's, etc. involving the provisions outlined in this agreement for employees represented by the International Association of Machinists.

Sick Pay

Modify the sick pay agreement to provide the following:

Effective January 1, 2025, IAM-represented employees will have the option to carry-over up to four (4) days of unused paid sick leave in any calendar year to a maximum bank of twenty (20) days. Banked sick leave days may only be utilized after all current year paid sick leave days are exhausted in any calendar year, and only for documented critical or long-term injury or illness. The Carrier may require the employee to provide a note from a healthcare provider to document the need for the utilization of any banked sick leave. Unused banked paid sick leave days will be paid out at 100% of the value upon the employee's resignation or retirement.

Rule 21 – Bereavement Leave

Modify Rule 21 to add the following family members to the list of covered family members: grandparent, grandchild, domestic partner, half-sibling, step-sibling, step-parents and step-children. Accordingly, Rule 21 (a) will be updated to read as follows:

Bereavement leave, not in excess of three (3) calendar days following the date of death will be allowed in case of death of an employee's brother, sister, parent, child, spouse or spouse's parent, grandparent, grandchild, domestic partner, half-sibling, step-sibling, step-parents, or step-children. In such cases a minimum basic day's pay at the rate of the last service rendered will be allowed for the number of working days lost during bereavement leave. Employees involved will make

provisions for taking leave with their supervising officials in the usual manner. Any restrictions against banking jobs or realigning forces will not be applicable when an employee is absent under this provision.

Mechanical Work Planning Committee

The parties have agreed to establish a labor-management committee, consisting of an equal number of CSXT and IAM representatives, for the purpose of formalizing the sharing of information concerning the Carrier's plans for the sourcing, scheduling and performance of locomotive and other mechanical work.

The Work Planning Committee will convene annually in December of each year, and subsequently upon the request of either party. These meetings will serve to review and discuss the CSX Mechanical department's plans and address issues or concerns that may arise. Expenses incurred in the operation of the committee will be borne by the incurring party.

4-day Workweek Provision for Roadway Mechanics

The 4-day work week rule will be amended as follows for Roadway Mechanics to encourage the use of 4-day workweeks while ensuring operational needs of the Carrier are met.

1. Regional Mechanics assigned to four (4) ten (10) hour day workweeks may be assigned to work their first rest day to perform non-routine equipment repairs, with all hours worked being applied to the mechanic's 232 and 2/3 hours totals.
2. Non-routine equipment repairs are defined as repairs resulting from unforeseen equipment failures that occur during a mechanic's assigned workweek, which they are unable to complete by the end their assigned workweek.
3. This non-routine equipment repair exception will not be applied when the needed parts or equipment are not made available to the mechanic and work to be performed cannot be completed by the end of the last work day.

Example 1 - A Tamper is down on Tuesday, parts come in to repair on the last work day and the necessary repairs will only take 3-4 hours to complete. If the mechanic(s) responsible for the repair of the machine do not complete the work on their last work day, they will have to finish the repair on their first rest day under the 232 2/3rd rule, with no expectation of overtime pay.

Example 2 - A ballast regulator goes down on last work day at noon, will take 6-7 hours to repair and all parts are on hand. If the mechanic(s) responsible for the repair of the machine do not complete the work on their last work day, they will have to finish the repair on their first rest day under the 232 2/3rd rule, with no expectation of overtime pay.

4. This non-routine equipment repair exception can be applied up to three (3) times per calendar month, but no more than twenty (20) times per calendar year.
5. Regional Mechanics assigned to perform non-routine equipment repairs will only be required to work the time/hours necessary to complete the needed repairs.
6. If a Regional Mechanic is required to work their first rest day in excess of three (3) times

per calendar month or more than twenty (20) times per calendar year, they shall be compensated at the applicable overtime rates for all work performed on their first and subsequent rest days.

7. Pursuant to Article VI (A) Regional Mechanics required to perform routine maintenance and repair work on their first and subsequent rest days will continue to be paid at the applicable overtime rates for all hours worked.

Example 1 - A smoother team is scheduled to work a project on the mechanics rest days. The mechanic responsible for coverage is told to come into work to cover the team for those days. The mechanic will be paid at the applicable overtime rates for all hours worked.

Example 2 - A tamper breaks down on the last work day and the mechanic gets the parts ordered, but there is no way to complete the work by the end of the day. If the parts were to be available after the mechanics(s) regular start time on the first rest day, the manager could request the mechanic come in to complete the work, but the mechanic would be paid at the applicable overtime rates for all hours worked.

8. It is understood that based on coverage requirements, some Regional Mechanics workweeks will consist of five (5) eight (8) hour days.
9. It is understood that when operational needs such as seasonal weather conditions, planned project coverage, special projects, etc. warrant additional coverage, Regional Mechanics may be assigned to workweeks consisting of five (5) eight (8) hour days or eight (8) ten (10) hour days pursuant to Article VI (D) of CSXT Labor Agreement No. 12-126-92.
10. Regional Mechanic(s) whose workweeks are being changed in accordance with this agreement will not receive additional compensation as the result of the initial workweek changes or any subsequent workweek changes unless they are shorted a rest day as a result of a workweek change. Roadway Mechanics that are shorted a rest day as a result of their workweek being changed shall receive overtime for all hours worked on the rest day in question.
11. Except for emergencies, affected Regional Mechanic(s) will be afforded, at minimum, five (5) days advance notice of workweek schedule changes. If five (5) days of notice cannot be given, the first day of the schedule change will be paid at the applicable overtime rate for all hours worked.
12. It is understood that the side letter dated June 19, 2000 (File#2178-12 ROA) applies solely to System Mechanics.
13. Either party may cancel this Agreement upon twenty (20) days written notice.
14. This Agreement is made on a non-precedent, non-referable basis and without prejudice to the positions of either party. Neither party shall refer to this Agreement in any arbitral, bargaining, nor judicial form, except as it relates to the enforcement of this Agreement.

Documentation of Machinist Involvement of Daily Inspections

This will document that the following duties, which represent the Machinists' portion of the daily inspection of locomotives occurring at the following major CSXT shops - Cumberland, Selkirk, Waycross, Nashville, Cincinnati, Evansville, and Waterville - are currently performed by CSXT Machinists, within mechanical limits at those locations:

- Safety Equipment: Handrails/Grab irons, Steps, Safety Chains, Platforms Walkways, Car body Doors, Hinges, and Latches, Handbrake
- Equipment Operation: Fire Extinguisher, Cab & Engine Room, Bell, Horn, Windshield Wiper, Protective Guards and Covers, Cab Seats and Window Glass
- Fluid and Exhaust Leaks: Water Leaks, Oil Leaks, Fuel Leaks, Charged Air/Exhaust Leaks
- Fluid Levels: Engine Lube Oil Level, Governor Oil Level, Air Compressor Oil Level, Cooling System
- Truck, Draft Gear, Underframe, Brakes: Truck, Draft Gear, & Underframe condition, Main Reservoir and Blowdown Drains, Air Dryer Humidity Indicator (Eye) Color, Fuel Cap, Gauge, and Vent Valve, Sander Nozzles and Hoses, MU Air Hoses, Train line Air Hose Height Above Rail, MU Cut-out Cocks and Locks, Brake Shoes and Rigging, Traction Motors, Journals, and Wheels

It is understood that a Machinist's involvement in the above duties at locomotive service centers (LSC) varies by location and that any current practices in place relative to these duties will remain unchanged. However, the parties agree that in the event of a significant operational change at any LSC that results in either an increase in staffing or the re-opening of a facility where Machinists previously performed the work in question, the IAM General Chairman, the Carrier's HDO, and a representative of the Mechanical Department will meet to discuss how the aforementioned work will be performed following the implementation of the changes.

In addition, it is recognized that this understanding does not apply to outlying service centers or to LST work, nor does it change the application of the simple task or incidental work rules relative to this work. Finally, nothing in this LOU is intended to require the establishment of a Machinist position at a location where a Machinist is not already performing this work.

Unless specifically modified by this Agreement, the terms and conditions of CSXT Labor Agreement No. 12-126-92, the 2012 IAM Agreement, and the September 25, 1964, Shop Craft Agreement, as amended, will remain in full force and effect. Furthermore, this Agreement will remain in effect until modified by mutual agreement of the parties signatory hereto or in accordance with the provisions of the Railway Labor Act, as amended.

Company Provided Lodging

All employees entitled to lodging shall be provided suitable lodging, which is defined as housing in a secure, decent, and reputable establishment, which is mutually satisfactory to the General Chairman and the designated CSXT officer.

The facilities to be furnished as follows:

1. Single occupancy rooms in a modern commercial hotel or motel being, well ventilated,

lighted, heated and air-conditioned, pest free, with appropriate equipped private toilet and bath facilities.

2. Rooms will be equipped as generally found in commercial motel/hotels.

In the event protest is made concerning any lodging issue, the matter will first be referred to local management. If unresolved, the matter will be referred to the General Chairman and Highest Designated Officer to determine whether the lodging is still mutually satisfactory.

Rule 24 – Transportation

Rule 24 will be eliminated in full.

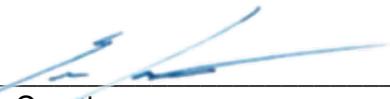
~~Employees laid off account of reduction of force, who have secured a position on the line of road, will, upon application, be furnished free transportation to the point at which they have secured employment.~~

AGREED this 27th day of February, 2025

FOR CSX TRANSPORTATION, INC.:



Matrell Long
Manager & HDO, Labor Relations

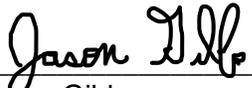


Eric Caruth
Director, Labor Relations

FOR INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS:



Kenneth Krause
General Chairman, Assistant to the PDGC



Jason Gibbs
General Chairman