

CSX CORP
 Form 424B5
 September 06, 2007
Table of Contents

Filed pursuant to Rule 424(b)(5)
 Registration No. 333-140732

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee (1)(2)
5.750% Notes due 2013	\$400,000,000	99.741%	\$398,964,000	\$12,248.19
6.250% Notes due 2018	\$600,000,000	99.625%	\$597,750,000	\$18,350.93

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933.

(2) Pursuant to Rule 457(p) under the Securities Act of 1933, CSX Corporation has carried forward to its Registration Statement on Form S-3ASR, filed February 15, 2007 (No. 333-140732), registration fees of \$60,696.54 that had been paid with respect to unsold securities that were previously registered pursuant to a Registration Statement on Form S-3, filed on March 16, 2004 (No. 333-113637). \$29,873.03 of such registration fee remain unused and are applied to offset the registration fee for this offering. This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in CSX Corporation's Registration Statement on Form S-3ASR (No. 333-140732).

Table of Contents**Prospectus Supplement**

(To Prospectus dated February 15, 2007)

*\$400,000,000 5.750% Notes due 2013**\$600,000,000 6.250% Notes due 2018*

The 5.750% Notes due 2013 (the 2013 Notes) will mature on March 15, 2013, and the 6.250% Notes due 2018 (the 2018 Notes and, together with the 2013 Notes, the Notes) will mature on March 15, 2018. Interest is payable on the Notes on March 15 and September 15 of each year, commencing March 15, 2008. Interest on the Notes will accrue from September 7, 2007. We may redeem some or all of the Notes at any time. The redemption prices are described under the caption Description of Notes Optional Redemption.

The Notes will be senior obligations of our company and will rank equally with all of our other unsecured senior indebtedness.

The Notes will be represented by one or more permanent global Notes in definitive, fully registered form without interest coupons, registered in the name of a nominee for The Depository Trust Company. The Notes will be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Price to		
	Public (1)	Underwriting Discounts	Proceeds to Us
Per 2013 Note	99.741%	.600%	99.141%
Total	\$398,964,000	\$2,400,000	\$396,564,000
Per 2018 Note	99.625%	.650%	98.975%
Total	\$597,750,000	\$3,900,000	\$593,850,000

(1) Plus accrued interest from September 7, 2007 if settlement occurs after that.

CSX will not make application to list the Notes on any securities exchange or to include them in any automated quotation system.

We expect that delivery of the Notes will be made to investors on or about September 7, 2007, through the book-entry system of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear system, and Clearstream Banking, société anonyme.

Joint Book-Running Managers

Barclays Capital**Credit Suisse****UBS Investment Bank**

Senior Co-Managers

Citi

Deutsche Bank Securities

Co-Managers

JPMorgan

Morgan Stanley

Mitsubishi UFJ Securities

Mizuho Securities USA Inc.

Scotia Capital

September 4, 2007

Table of Contents

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement.

Offers and sales of the Notes are subject to restrictions which are discussed in Underwriting below. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the Notes in certain other jurisdictions may also be restricted by law. In this prospectus supplement and the accompanying prospectus, unless otherwise specified or the context otherwise requires, references to dollars and \$ are to U.S. dollars.

TABLE OF CONTENTS**Prospectus Supplement**

	Page
<u>Special Note Regarding Forward-Looking Statements</u>	S-2
<u>Where You Can Find More Information</u>	S-3
<u>CSX Corporation</u>	S-4
<u>Use of Proceeds</u>	S-6
<u>Ratio of Earnings to Fixed Charges</u>	S-6
<u>Description of Notes</u>	S-7
<u>Certain Tax Considerations</u>	S-15
<u>Underwriting</u>	S-18
<u>Legal Matters</u>	S-20

Prospectus

<u>About This Prospectus</u>	2
<u>Where You Can Find More Information</u>	3
<u>CSX Corporation</u>	4
<u>CSX Capital Trust I</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	6
<u>Use of Proceeds</u>	6
<u>Description of Debt Securities</u>	7
<u>Additional Terms of Subordinated Debt Securities</u>	19
<u>Description of Trust Preferred Securities</u>	21
<u>Description of the Guarantee</u>	29
<u>Relationship Among the Trust Preferred Securities, the Guarantee and the Subordinated Debt Securities Held by the Trust</u>	32
<u>Accounting Treatment</u>	33
<u>Description of Capital Stock</u>	33
<u>Description of Depositary Shares</u>	36
<u>Description of Securities Warrants</u>	37
<u>Plan of Distribution</u>	38
<u>Legal Opinions</u>	39
<u>Experts</u>	39

Table of Contents

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of the Notes we are offering and certain other matters relating to CSX Corporation ("CSX" and, together with its subsidiaries, the "Company"). The second part, the base prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the Notes we are offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If the description of the Notes in the prospectus supplement differs from the description in the base prospectus, the description in the prospectus supplement supersedes the description in the base prospectus.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including documents incorporated by reference, contains forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934 (the "Exchange Act"). These forward-looking statements include, among others, statements regarding:

Expectations as to results of operations and operational improvements;

Expectations as to the effect of claims, lawsuits, environmental costs, commitments, contingent liabilities, labor negotiations or agreements on the Company's financial condition;

Management's plans, goals, strategies and objectives for future operations and other similar expressions concerning matters that are not historical facts, and management's expectations as to future performance and operations and the time by which objectives will be achieved; and

Future economic, industry or market conditions or performance.

Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "project," "estimate" and similar expressions. The Company cautions against placing undue reliance on forward-looking statements, which reflect its good faith beliefs with respect to future events and are based on information currently available to it as of the date the forward-looking statement is made. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the timing when, or by which, such performance or results will be achieved.

Forward-looking statements are subject to a number of risks and uncertainties and actual performance or results could differ materially from those anticipated by these forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statement. If the Company does update any forward-looking statement, no inference should be drawn that the Company will make additional updates with respect to that statement or any other forward-looking statements. The following important factors, in addition to those discussed elsewhere, may cause actual results to differ materially from those contemplated by these forward-looking statements:

Legislative, regulatory or legal developments involving transportation, including rail or intermodal transportation, the environment, hazardous materials, taxation, including the outcome of tax claims and litigation, the potential enactment of initiatives to re-regulate the rail industry and the ultimate outcome of shipper and rate claims subject to adjudication;

The outcome of litigation and claims, including, but not limited to, those related to fuel surcharge, environmental contamination, personal injuries and occupational illnesses;

Material changes in domestic or international economic or business conditions, including those affecting the transportation industry such as access to capital markets, ability to revise debt arrangements as contemplated, customer demand, customer acceptance of price increases, effects of adverse economic conditions affecting shippers and adverse economic conditions in the industries and

geographic areas that consume and produce freight;

S-2

Table of Contents

The inherent risks associated with safety and security, including the availability and cost of insurance, the availability and vulnerability of information technology, adverse economic or operational effects from actual or threatened war or terrorist activities and any governmental response;

The Company's success in implementing its strategic plans and operational objectives and improving Surface Transportation operating efficiency;

Labor costs and labor difficulties, including stoppages affecting either the Company's operations or the customers' ability to deliver goods to the Company for shipment;

Changes in operating conditions and costs or commodity concentrations;

Changes in fuel prices, surcharges for fuel and the availability of fuel;

Competition from other modes of freight transportation, such as trucking and competition and consolidation within the transportation industry generally; and

Natural events such as severe weather conditions, including floods, fire, hurricanes and earthquakes, a pandemic crisis affecting the health of the Company's employees, its shippers or the consumers of goods, or other unforeseen disruptions of the Company's operations, systems, property or equipment.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified elsewhere in this prospectus, including the documents incorporated by reference, which are accessible on the SEC's website at www.sec.gov and the Company's website at www.csx.com.

WHERE YOU CAN FIND MORE INFORMATION

CSX files annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at www.sec.gov. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also read and copy these documents at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows CSX to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. CSX incorporates by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act until CSX sells all of the Notes.

Annual Report on Form 10-K for the fiscal year ended December 29, 2006, filed with the SEC on February 15, 2007;

Quarterly Report on Form 10-Q for the fiscal quarter ended March 30, 2007, filed with the SEC on April 18, 2007;

Quarterly Report on Form 10-Q for the fiscal quarter ended June 29, 2007, filed with the SEC on July 25, 2007;

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Current Reports on Form 8-K filed with the SEC on April 26, 2007, May 7, 2007 and July 12, 2007.

You may request a copy of any filings referred to above, at no cost, by contacting CSX at the following address: Ellen M. Fitzsimmons, Senior Vice President Law and Public Affairs and Corporate Secretary, CSX Corporation, 500 Water Street, 15th Floor, Jacksonville, Florida 32202, telephone number (904) 359-3200.

S-3

Table of Contents

CSX CORPORATION

CSX, based in Jacksonville, FL, is one of the nation's leading transportation companies. Surface Transportation, which includes the Company's rail and intermodal businesses, provides rail-based transportation services, including traditional rail service and the transport of intermodal containers and trailers.

Rail

CSX's principal operating company, CSX Transportation Inc. (CSXT), operates a rail network of approximately 21,000 route miles, linking markets in 23 states, the District of Columbia, and the Canadian provinces of Ontario and Quebec.

In addition to CSXT, the rail segment includes Total Distribution Services Inc. (TDSI), Transflo Terminal Services Inc. (Transflo), and other subsidiaries. TDSI provides a network of vehicle distribution centers, while Transflo provides access to bulk transloading sites. Technology and other support services are provided by the other subsidiaries.

Intermodal

CSX Intermodal Inc. (Intermodal), one of the nation's largest coast-to-coast intermodal transportation providers, is a stand-alone, integrated intermodal company linking customers to railroads via trucks and terminals. Containers and trailers are loaded and unloaded from trains, and trucks provide the link between intermodal terminals and the customer.

Surface Transportation

The rail and intermodal companies are viewed by the Company on a combined basis as Surface Transportation businesses. Together, they serve four primary lines of business:

The merchandise business includes the following seven groups: chemicals, emerging markets, forest products, agricultural products, metals, phosphates and fertilizers, and food and consumer. The emerging markets group includes aggregates, processed materials, waste, military cargo, and machinery. The merchandise business line generated approximately 49% of the Company's total revenue in 2006 and 38% of the Company's volume.

Coal, which delivered approximately 1.9 million carloads of coal, coke and iron ore to electric utilities and manufacturers in 2006, accounted for approximately 25% of the Company's total 2006 revenue and 26% of the Company's volume. The Company serves more than 130 coal-loading locations in nine states, including three of the nation's top four coal-producing states.

Automotive, which serves plants in eight states and delivers both finished vehicles and auto parts, generated 9% of the Company's total revenue in 2006 and 6% of the Company's volume. Consistent with the overall automotive market, CSXT's volumes continued to shift from the Big 3 to foreign brands produced domestically.

Intermodal offers a competitive cost advantage over long-haul trucking by combining the superior economics of rail transportation coupled with the short-haul flexibility of trucks. This service is provided through a network of dedicated terminals across North America. Intermodal shipments, which consist primarily of imported and domestic finished consumer products sold at major retailers, are moved in containers and trailers. For 2006, Intermodal accounted for approximately 15% of the Company's total revenue and 30% of the Company's volume.

Other revenue, which includes revenue from short-line railroads partly owned by CSX, demurrage, switching, and other incidental charges, accounted for 2% of the Company's total 2006 revenue. Demurrage

Table of Contents

represents charges assessed by railroads when shippers or receivers of freight hold railcars beyond a specified period of time. Switching revenue is generated when CSX switches cars between trains for a customer or another railroad.

Second quarter 2007 Surface Transportation revenue represents more than five years of quarter-over-quarter revenue gains. A favorable pricing environment continued to be the primary driver of revenue gains, offsetting weakness in housing construction, domestic automobile production and related markets. Merchandise revenues were \$2.5 billion for the first half of 2007, an increase of 5% over merchandise revenues for the first half of 2006. Coal revenues were \$1.3 billion for the first half of 2007, an increase of 8% over coal revenues for the first half of 2006. Intermodal revenues were \$661 million for the first half of 2007, a decrease of 4% compared to intermodal revenues for the first half of 2006. Automotive revenues were \$426 million for the first half of 2007, a decrease of 6% compared to automotive revenues for the first half of 2006.

Other Businesses

The Company also has certain residual activities from the formerly owned companies that made up the Marine Services segment. These activities include leasing of equipment and vessels. These results are included in consolidated operating income.

CSX's other holdings include CSX Hotels, Inc., a resort doing business as The Greenbrier, located in White Sulphur Springs, West Virginia, and CSX Real Property, Inc., an organization responsible for real estate sales, leasing, acquisition and management and development activities. The results from these activities are classified as a component of other income as they are not considered by the Company to be operating activities.

Table of Contents**USE OF PROCEEDS**

The net proceeds from the sale of the Notes will be used for general corporate purposes, which may include repurchases of our common stock, capital expenditures, working capital requirements, improvements in productivity and other cost reductions at our major transportation units.

RATIO OF EARNINGS TO FIXED CHARGES

CSX's consolidated ratio of earnings to fixed charges for each of the fiscal periods indicated is as follows:

	For the Six		For the Fiscal Years Ended			
	Months Ended		Dec. 30,			
	June 29, 2007	Dec. 29, 2006	2005	Dec. 31, 2004	Dec. 26, 2003	Dec. 27, 2002
Ratio of earnings to fixed charges (a)(b)	4.9x	5.0x	3.0x	2.0x	1.3x	2.2x

- (a) For purposes of computing the ratio of earnings to fixed charges, earnings represent earnings from operations before income taxes, plus interest expense related to indebtedness and the interest portion of fixed rent expense, less undistributed earnings of affiliates accounted for using the equity method. Fixed charges include interest on indebtedness (whether expensed or capitalized), amortization of debt discount and the interest portion of fixed rent expense.
- (b) Pretax earnings for certain periods include the effects of various gains and charges. These items are summarized as follows:
- (1) A pretax gain of \$18 million recognized for insurance recoveries from claims related to Hurricane Katrina for the six months ended June 29, 2007. Removing the effect of this gain would reduce the ratio of earnings to fixed charges from 4.9x to 4.8x for the six months ended June 29, 2007.
 - (2) A pretax gain of \$168 million recognized for insurance recoveries from claims related to Hurricane Katrina for the year ended December 29, 2006. Removing the effect of this gain would reduce the ratio of earnings to fixed charges from 5.0x to 4.7x for the year ended December 29, 2006.
 - (3) A pretax charge of \$192 million recognized to repurchase \$1.0 billion of outstanding debt and a favorable change in estimate of unasserted liability exposure for asbestos and other claims of \$38 million pretax for the fiscal year ended December 30, 2005. Adjusting for the effect of these items would increase the ratio of earnings to fixed charges from 3.0x to 3.4x for the fiscal year ended December 30, 2005.
 - (4) A pretax charge of \$71 million recognized for separation expenses related to the management restructuring at Surface Transportation during the fiscal year ended December 31, 2004. Removing the effect of this charge would increase the ratio of earnings to fixed charges from 2.0x to 2.2x for the fiscal year ended December 31, 2004.
 - (5) The fiscal year ended December 26, 2003 included the following:

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- (A) a pretax charge of \$232 million recognized in conjunction with the change in estimate of casualty reserves to include an estimate of incurred but not reported claims for asbestos and other occupational injuries to be received over the next seven years;
- (B) a pretax charge of \$108 million recognized to account for CSX's entrance into two settlement agreements with A.P. Moller-Maersk that resolved all material disputes pending between the companies arising out of the 1999 sale of the international container-shipping assets; and
- (C) the net pretax restructuring charge of \$22 million recognized as the initial charge for separation expenses related to the management restructuring announced in 2003 and revised estimates for railroad retirement taxes and other benefits that will be paid to individuals under the 1991 and 1992 separation plans.

Removing the effect of these charges would increase the ratio of earnings to fixed charges from 1.3x to 2.1x for the fiscal year ended December 26, 2003.

S-6

Table of Contents

DESCRIPTION OF NOTES

Set forth below is a description of the specific terms of the Notes. This description supplements, and should be read together with, the description of the general terms and provisions of the debt securities set forth in the accompanying base prospectus under the caption

Description of Debt Securities. The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the description in the base prospectus and the senior indenture. If the description of the Notes in this prospectus supplement differs from the description of the debt securities in the base prospectus, the description in this prospectus supplement supersedes the description in the base prospectus. Capitalized terms used in this Description of Notes that are not defined in this prospectus supplement have the meanings given to them in the base prospectus or the senior indenture.

General

2013 Notes. The 2013 Notes will initially be limited to \$400,000,000 in aggregate principal amount. The 2013 Notes will be issued in fully registered form only, in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, and will mature on March 15, 2013. The 2013 Notes will be issued as a series of senior debt securities under the senior indenture referred to in the accompanying base prospectus. The senior indenture does not limit the amount of other debt that CSX may incur. CSX may, from time to time, without the consent of the holders of the 2013 Notes, issue other debt securities under the senior indenture in addition to the \$400,000,000 aggregate principal amount of the 2013 Notes. CSX may also, from time to time, without the consent of the holders, issue additional debt securities having the same ranking and the same interest rate, maturity and other terms as the 2013 Notes. Any additional debt securities having those similar terms, together with the 2013 Notes, will constitute a single series of debt securities under the senior indenture.

The 2013 Notes will bear interest from September 7, 2007, at the annual rate set forth on the cover page of this prospectus supplement, payable semiannually on March 15 and September 15 of each year, commencing March 15, 2008, to the persons in whose names the 2013 Notes are registered at the close of business on the immediately preceding February 28 and August 31, respectively, whether or not that day is a business day.

2018 Notes. The 2018 Notes will initially be limited to \$600,000,000 in aggregate principal amount. The 2018 Notes will be issued in fully registered form only, in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, and will mature on March 15, 2018. The 2018 Notes will be issued as a series of senior debt securities under the senior indenture referred to in the accompanying base prospectus. The senior indenture does not limit the amount of other debt that CSX may incur. CSX may, from time to time, without the consent of the holders of the 2018 Notes, issue other debt securities under the senior indenture in addition to the \$600,000,000 aggregate principal amount of the 2018 Notes. CSX may also, from time to time, without the consent of the holders, issue additional debt securities having the same ranking and the same interest rate, maturity and other terms as the 2018 Notes. Any additional debt securities having those similar terms, together with the 2018 Notes, will constitute a single series of debt securities under the senior indenture.

The 2018 Notes will bear interest from September 7, 2007, at the annual rate set forth on the cover page of this prospectus supplement, payable semiannually on March 15 and September 15 of each year, commencing March 15, 2008, to the persons in whose names the 2018 Notes are registered at the close of business on the immediately preceding February 28 and August 31, respectively, whether or not that day is a business day.

The Notes will be unsecured obligations of CSX and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of CSX.

The Notes do not provide for any sinking fund.

For a description of the rights attaching to each series of debt securities under the senior indenture, see Description of Debt Securities in the accompanying base prospectus.

Table of Contents

The provisions of the senior indenture described under Description of Debt Securities Discharge, Defeasance and Covenant Defeasance in the accompanying base prospectus apply to the Notes.

Limitation on Liens on Stock of CSXT

The senior indenture provides that neither CSX nor any of our subsidiaries may create or permit any lien of any kind upon any stock or indebtedness, whether owned on the date of the senior indenture or acquired later, of any principal subsidiary, to secure any obligation (other than the senior debt securities) of CSX, any subsidiary or any other person, unless all of the outstanding senior debt securities (and other outstanding debt securities issued from time to time pursuant to the senior indenture) will be directly secured equally and ratably with that obligation. This provision does not restrict any other property of CSX or our subsidiaries. The senior indenture defines obligation as indebtedness for money borrowed or indebtedness evidenced by a bond, note, debenture or other evidence of indebtedness; principal subsidiary as CSXT; and subsidiary as a corporation a majority of the outstanding voting stock of which is owned, directly or indirectly, by CSX or one or more subsidiaries, or by CSX and one or more subsidiaries. The senior indenture does not prohibit the sale by CSX or any subsidiary of any stock or indebtedness of any subsidiary, including any principal subsidiary.

Optional Redemption

The Notes will be redeemable, in whole or in part, at our option at any time. The redemption price for the Notes to be redeemed will equal the greater of the following amounts, plus, in each case, accrued interest to the redemption date:

100% of the principal amount of such Notes; or

As determined by the Independent Investment Banker (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest on the Notes (not including any portion of any payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus 25 basis points in the case of the 2013 Notes and 30 basis points in the case of the 2018 Notes.

The redemption price will be calculated assuming a 360-day year consisting of twelve 30-day months.

Adjusted Treasury Rate means, with respect to any redemption date:

The yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the remaining term of the Notes, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or

If that release (or any successor release) is not published during the week preceding the calculation date or does not contain those yields, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of the principal amount) equal to the Comparable Treasury Price for that redemption date.

The Adjusted Treasury Rate will be calculated on the third business day preceding the redemption date.

Comparable Treasury Issue means the U.S. Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be

Table of Contents

utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of those Notes.

Comparable Treasury Price means, with respect to any redemption date, (A) the average of five Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of those Reference Treasury Dealer Quotations, or (B) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all of those quotations.

Independent Investment Banker means Credit Suisse or its successor or, if Credit Suisse is unwilling or unable to serve in that capacity, an independent investment and banking institution of national standing appointed by us.

Reference Treasury Dealer means:

Barclays Capital, Credit Suisse and UBS Investment Bank and their successors; provided that, if any ceases to be a primary U.S. Government securities dealer in the U.S. (Primary Treasury Dealer), we will substitute another Primary Treasury Dealer; and

Up to four other Primary Treasury Dealers selected by us.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding that redemption date.

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each holder of the Notes to be redeemed. If we elect to partially redeem the Notes, the trustee will select in a fair and appropriate manner the Notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Notes or portions of the Notes called for redemption.

Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, unless we have exercised our right to redeem the Notes as described above, we will be required to make an offer to each holder of Notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control, but after the public announcement of the Change of Control, we will mail a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice. We will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

Table of Contents

On the repurchase date following a Change of Control Repurchase Event, we will, to the extent lawful:

- (1) accept for payment all Notes or portions of Notes properly tendered pursuant to our offer;
- (2) deposit with the paying agent an amount equal to the aggregate purchase price in respect of all Notes or portions of Notes properly tendered; and
- (3) deliver or cause to be delivered to the trustee the Notes properly accepted, together with an officers certificate stating the aggregate principal amount of Notes being purchased by us.

The paying agent will promptly mail to each holder of Notes properly tendered the purchase price for the Notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any Notes surrendered; provided that each new note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof.

We will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing description of a repurchase at the option of holders, the following definitions are applicable:

Below Investment Grade Ratings Event means that on any day within the 60-day period (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) after the earlier of (1) the occurrence of a Change of Control; or (2) public notice of the occurrence of a Change of Control or the intention by CSX to effect a Change of Control, the Notes are rated below Investment Grade by each of the Rating Agencies. Notwithstanding the foregoing, a Below Investment Grade Ratings Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Ratings Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the ratings event).

Change of Control means the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act), other than CSX or our subsidiaries, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the combined voting power of our Voting Stock or other Voting Stock into which our Voting Stock is reclassified, consolidated, exchanged or changed measured by voting power rather than number of shares.

Change of Control Repurchase Event means the occurrence of both a Change of Control and a Below Investment Grade Ratings Event.

Fitch means Fitch Ratings Ltd.

Investment Grade means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's); a rating of BBB- or better by S&P or Fitch (or its equivalent under any successor rating categories of S&P and Fitch); or the equivalent Investment Grade credit rating from any additional Rating Agency or Rating Agencies selected by us.

Table of Contents

Moody's means Moody's Investors Service Inc.

Rating Agency means (1) each of Moody's, S&P and Fitch; and (2) if any of Moody's, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by us (as certified by a resolution of the Chief Executive Officer or Chief Financial Officer) as a replacement agency for Moody's, S&P or Fitch, or all of them, as the case may be.

S&P means Standard & Poor's Ratings Services, a division of McGraw-Hill, Inc.

Voting Stock of any specified person (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The Change of Control Repurchase Event feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of CSX and, thus, the removal of incumbent management. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings on the Notes. Restrictions on our ability to incur liens are contained in the covenants as described in this prospectus supplement under Description of the Notes Limitation on Liens on Stock of CSXT and in the accompanying prospectus under Description of Debt Securities Certain Covenants and Agreements of CSX Covenant in the Senior indenture-Limitation on Liens on Stock of Our Principal Subsidiaries .

We may not have sufficient funds to repurchase all the Notes upon a Change of Control Repurchase Event.

Book-Entry Notes

The Notes will be represented by one or more permanent global Notes in definitive, fully registered form without interest coupons. Each beneficial interest in a global Note is referred to as a book-entry Note. Each global Note representing book-entry Notes will be deposited with the trustee, as custodian for, and registered in the name of, a nominee of The Depository Trust Company, as depository, located in the Borough of Manhattan, The City of New York (the Depository).

The book-entry Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depository. Investors may elect to hold interests in the book-entry Notes through either the Depository (in the U.S.) or Clearstream Banking, société anonyme (Clearstream Luxembourg) or Euroclear Bank S.A./N.V., as operator of the Euroclear System (Euroclear) (in Europe) if they are participants of such systems, or indirectly through organizations that are participants in such systems. Clearstream Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream Luxembourg's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the Depository. Citibank, N.A. will act as depository for Clearstream Luxembourg and The Bank of New York will act as depository for Euroclear (in such capacities, the U.S. Depositories). The book-entry Notes will be held in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. Except as set forth below, the global Notes may be transferred, in whole and not in part, only to another nominee of the Depository or to a successor of the Depository or its nominee.

Clearstream Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream Luxembourg holds securities for its participating organizations (Clearstream Luxembourg Participants) and facilitates the clearance and settlement of securities transactions between Clearstream Luxembourg Participants through electronic book-entry changes in accounts of Clearstream

Table of Contents

Luxembourg Participants, thereby eliminating the need for physical movement of certificates. Clearstream Luxembourg provides to Clearstream Luxembourg Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream Luxembourg interfaces with domestic markets in several countries.

As a professional depository, Clearstream Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Luxembourg Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Luxembourg Participant either directly or indirectly. Distributions with respect to Notes held beneficially through Clearstream Luxembourg will be credited to cash accounts of Clearstream Luxembourg Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream Luxembourg.

Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear (Euroclear Participants) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N. V. (the Euroclear Operator), under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly. The Euroclear Operator was launched on December 31, 2000, and replaced Morgan Guaranty Trust Company of New York as the operator of and banker to the Euroclear system. The Euroclear Operator has capital of approximately EUR 1 billion. Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis, without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants. Distributions with respect to each series of Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

So long as the Depository, or its nominee, is the registered owner or holder of a global Note, the Depository or the nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by that global Note for all purposes under the senior indenture and the Notes. No beneficial owner of an interest in a global Note will be able to transfer that interest, except in accordance with the Depository's applicable procedures, in addition to those provided for under the senior indenture.

CSX has been advised by the Depository that upon the issuance of global Notes representing book-entry Notes, and the deposit of those global Notes with the Depository, the Depository will immediately credit, on its book-entry registration and transfer system, the respective principal amounts of the book-entry Notes represented by those global Notes to the accounts of participants. The accounts to be credited shall be designated by the underwriters.

Table of Contents

Payments of principal of and any premium and interest on book-entry Notes will be made to the Depository or its nominee, as the case may be, as the registered owner of those Notes. Those payments to the Depository or its nominee, as the case may be, will be made in immediately available funds at the offices of The Bank of New York, as paying agent, in the Borough of Manhattan, The City of New York, provided that, in the case of payments of principal and any premium, the global Notes are presented to the paying agent in time for the paying agent to make those payments in immediately available funds in accordance with its normal procedures. None of CSX, the underwriters, the trustee or any agent of CSX, the underwriters or the trustee will have any responsibility or liability for any aspect of the Depository's records or any participant's records relating to or payments made on account of book-entry Notes or for maintaining, supervising or reviewing any of the Depository's records or any participant's records relating to book-entry Notes.

CSX expects that the Depository or its nominee, upon receipt of any payment of principal of or any premium or interest in respect of a global Note, will immediately credit, on its book-entry registration and transfer system, accounts of participants with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global Notes, as shown on the records of the Depository or its nominee.

CSX also expects that payments by participants to owners of beneficial interests in book-entry Notes held through those participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in street name, and will be the responsibility of those participants.

CSX expects that the Depository will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account or accounts the depository interests in a global Note are credited and only in respect of the portion of the aggregate principal amount of the Notes as to which that participant or participants has or have given that direction. However, if there is an event of default under the Notes, the Depository will exchange the applicable global Note for definitive Notes in registered form, which it will distribute to its participants.

CSX understands that the Depository is a limited purpose trust company organized under the laws of the State of New York, a banking organization within the meaning of New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the Uniform Commercial Code, and a Clearing Agency registered pursuant to the provisions of Section 17A of the Exchange Act. The Depository was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among participants through electronic book-entry changes in accounts of its participants and certain other organizations, thereby eliminating the need for physical movement of securities certificates. The Depository's participants include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations, and certain other organizations, some of whom (or their representatives) own interests in the Depository. Indirect access to the Depository's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly (indirect participants).

Although the Depository is expected to follow the foregoing procedures in order to facilitate transfers of interests in a global Note among participants of the Depository, it is under no obligation to perform or continue to perform those procedures and those procedures may be discontinued at any time. Neither CSX, the underwriters nor the trustee will have any responsibility for the performance by the Depository or its respective participants or indirect participants of its respective obligations under the rules and procedures governing their operations.

The global Notes representing book-entry Notes may not be transferred except as a whole by a nominee of the Depository to the Depository or to another nominee of the Depository, or by the Depository or the nominee to a successor of the Depository or a nominee of the successor.

Table of Contents

The global Notes representing book-entry Notes are exchangeable for definitive Notes in registered form, of like tenor and of an equal aggregate principal amount, only if:

The Depository notifies CSX that it is unwilling or unable to continue as a depository for the global Note, or if at any time the Depository ceases to be a Clearing Agency registered under the Exchange Act, and a successor depository is not appointed by CSX within 90 days;

CSX in its sole discretion determines that the book-entry Notes will be exchangeable for definitive Notes in registered form; or

Any event has happened and is continuing which, after notice or lapse of time, or both, would become an event of default with respect to the Notes.

Any global Note representing book-entry Notes that is exchangeable pursuant to the preceding sentence will be exchangeable in whole for definitive Notes in registered form, of like tenor and of an equal aggregate principal amount, in denominations of U.S. \$2,000 and integral multiples of U.S. \$1,000 in excess thereof. Upon the exchange of a global Note for definitive Notes, that global Note will be canceled by the trustee and the definitive Notes will be registered in the names and in the authorized denominations as the Depository, pursuant to instructions from its participants, any indirect participants or otherwise, instructs the trustee. The trustee will deliver those Notes to the persons in whose names those Notes are registered and will recognize those persons as the holders of those Notes.

Except as provided above, owners of book-entry Notes will not be entitled to receive physical delivery of Notes in definitive form and will not be considered the holders of those Notes for any purpose under the senior indenture, and no global Note representing book-entry Notes will be exchangeable, except for another global Note of like denomination and tenor to be registered in the name of the Depository or its nominee. Accordingly, each person owning a book-entry Note must rely on the procedures of the Depository and, if that person is not a participant, on the procedures of the participant through which that person owns its interest, to exercise any rights of a holder under that global Note or the senior indenture. The senior indenture provides that the Depository, as a holder, may appoint agents and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action that a holder is entitled to give or take under the senior indenture. CSX understands that under existing industry practices, if CSX requests any action of holders or an owner of a book-entry Note desires to give or take any action a holder is entitled to give or take under the senior indenture, the Depository would authorize the participants owning the relevant book-entry Notes to give or take that action, and those participants would authorize beneficial owners owning through those participants to give or take that action or would otherwise act upon the instructions of beneficial owners owning through them.

Clearance and Settlement Procedures

Initial settlement for the Notes will be made in immediately available funds. Transfers between participants in the Depository will be effected in the ordinary way in accordance with the Depository's rules and will be settled in same-day funds. Secondary market trading between Clearstream Luxembourg Participants and/or Euroclear Participants will be effected in the ordinary way, in accordance with the applicable rules and operating procedures of Clearstream Luxembourg and Euroclear, and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through participants in the Depository, on the one hand, and directly or indirectly through Clearstream Luxembourg Participants or Euroclear Participants, on the other, will be effected in the Depository in accordance with the Depository's rules on behalf of the relevant European international clearing system by its U.S. Depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system, in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by

Table of Contents

delivering or receiving Notes in the Depository, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to the Depository. Clearstream Luxembourg Participants and Euroclear Participants may not deliver instructions directly to their respective U.S. Depositories.

Because of time-zone differences, credits of book-entry Notes received in Clearstream Luxembourg or Euroclear as a result of a transaction with a Depository participant will be made during subsequent securities settlement processing and dated the business day following the Depository settlement date. Such credits or any transactions in such Notes settled during such processing will be reported to the relevant Euroclear or Clearstream Luxembourg Participants on such business day. Cash received in Clearstream Luxembourg or Euroclear as a result of sales of Notes by or through a Clearstream Luxembourg Participant or a Euroclear Participant to a Depository participant will be received on the Depository settlement date but will be available in the relevant Clearstream Luxembourg or Euroclear cash account only as of the business day following settlement in the Depository.

Although the Depository, Clearstream Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of the Depository, Clearstream Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

CERTAIN TAX CONSIDERATIONS

The following discussion is a general summary of certain material U.S. federal income tax consequences to non-U.S. holders of the ownership and disposition of the Notes. This discussion applies only to holders of Notes that acquire the Notes pursuant to this offering at the initial offering price. This discussion is based upon the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations promulgated and proposed thereunder, judicial authorities, published positions of the Internal Revenue Service (the IRS) and other applicable authorities, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect.

No ruling has been or will be sought from the IRS regarding any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax discussion points set forth below. This discussion is limited to investors that hold the Notes as capital assets (generally, for investment purposes). Furthermore, except to the extent set forth below, this discussion does not address any U.S. federal gift or alternative minimum tax laws or any state, local or foreign tax laws. Prospective investors are urged to consult their tax advisors regarding the U.S. federal, state and local, foreign income and other tax consequences of the purchase, ownership and disposition of the Notes.

Non-U.S. Holder Defined

For purpose of this discussion, you are a non-U.S. holder if you are a holder that is an individual, corporation, estate or trust that, for U.S. federal income tax purposes, is not a U.S. person. You are generally treated as a U.S. person for U.S. federal income tax purposes if you are: (i) an individual who is a citizen or resident of the U.S., including an alien individual who is a lawful permanent resident of the U.S. or who meets the substantial presence test under Section 7701(b) of the Code; (ii) a corporation or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in the U.S. or under the laws of the U.S. or of any state therein or the District of Columbia; (iii) an estate whose income is subject to U.S. federal income tax regardless of its source; or (iv) a trust (A) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (B) which has made a valid election to be treated as a U.S. person under applicable Treasury regulations.

Table of Contents**Interest**

A non-U.S. holder will generally not be subject to U.S. federal income or withholding tax on payments of interest on the Notes provided that (i) such interest is not effectively connected with the conduct of a trade or business within the U.S. by the non-U.S. holder and (ii) the non-U.S. holder (A) does not actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock, (B) is not a controlled foreign corporation related to us directly or constructively through stock ownership, (C) is not a bank receiving interest described in Section 881(c)(3)(A) of the Code, and (D) satisfies certain certification requirements under penalty of perjury (generally through the provision of a properly executed IRS Form W-8BEN). If interest on the Notes is not effectively connected with the conduct of a trade or business in the U.S. by a non-U.S. holder, but such non-U.S. holder cannot satisfy the other requirements outlined in the preceding sentence, interest on the Notes will generally be subject to U.S. withholding tax at a 30% rate unless an income tax treaty applies to reduce or eliminate such withholding tax and the non-U.S. holder properly certifies as to its entitlement to the treaty benefits under penalty of perjury (generally through the provision of a properly executed IRS Form W-8BEN). If interest on the Notes is effectively connected with the conduct of a trade or business within the U.S. by the non-U.S. holder, and, if an income tax treaty applies, is attributable to a permanent establishment or fixed base within the U.S., then the non-U.S. holder will generally be subject to U.S. federal income tax on such interest, in the same manner as if such holder were a U.S. holder, if such non-U.S. holder provides a properly executed IRS Form W-8ECI. A non-U.S. holder that is a foreign corporation may also be subject to the branch profits tax at a rate of 30% (or a lower applicable treaty rate).

Sale, Exchange or Other Taxable Disposition of Notes

A non-U.S. holder will generally not be subject to U.S. federal withholding tax with respect to gain recognized on the sale, exchange or other taxable disposition of the Notes. A non-U.S. holder will also generally not be subject to U.S. federal income tax with respect to such gain unless (i) the gain is effectively connected with the conduct of a trade or business within the U.S. by the non-U.S. holder and, if certain tax treaties apply, is attributable to a permanent establishment or fixed base within the U.S., (ii) in the case of a non-U.S. holder that is an individual, such holder is present in the U.S. for 183 or more days in the taxable year and certain other conditions are satisfied or (iii) the gain represents accrued but unpaid interest not previously included in income, in which case the rules regarding interest would apply. In the case described above in (i), gain or loss recognized on the disposition of such Notes will generally be subject to U.S. federal income taxation in the same manner as if such gain or loss were recognized by a U.S. holder, and, in the case of a non-U.S. holder that is a foreign corporation, may also be subject to the branch profits tax at a rate of 30% (or a lower applicable treaty rate). In the case described above in (ii), the non-U.S. holder will be subject to U.S. federal income tax at a rate of 30% (or a lower applicable treaty rate) on any capital gain recognized on the disposition of the Notes, which may be offset by certain U.S. source capital losses.

Federal Estate Tax

Notes that are held (or treated as held) by an individual who, at the time of death, is not a citizen or resident of the U.S. (as defined for U.S. federal estate tax purposes) will not be subject to U.S. federal estate tax, provided that at the time of death, (i) such individual is not a shareholder owning actually or constructively 10% or more of the total combined voting power of all classes of stock of CSX entitled to vote and (ii) payments of interest with respect to such Notes would not have been effectively connected with the conduct by such individual of a trade or business in the U.S.

Information Reporting and Backup Withholding

A non-U.S. holder will generally be required to comply with certain certification procedures to establish that such holder is not a U.S. person, in order to avoid backup withholding tax (currently at a rate of 28%) with respect to payments of principal and interest on or the proceeds of a disposition of the Notes. Such certification

Table of Contents

procedures will generally be satisfied through the provision of a properly executed IRS Form W-8BEN (or other appropriate form). In addition, we must report annually to the IRS and to each non-U.S. holder the amount of any interest paid to such non-U.S. holder, regardless of whether any tax was actually withheld. Copies of the information returns reporting such interest payments and the amount of any tax withheld may also be made available to the tax authorities in the country in which a non-U.S. holder resides under the provisions of an applicable income tax treaty. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely provided to the IRS.

European Union Tax Reporting and Withholding

Directive 2003/48/EC of the Council of the European Union, relating to the taxation of savings income, became effective on July 1, 2005. Under this directive, if a paying agent for interest on a debt claim is a resident in one member state of the European Union and an individual who is the beneficial owner of the interest is a resident of another member state, then the former member state will be required to provide information (including the identity of the recipient) to authorities of the latter member state. Paying agent is defined broadly for this purpose and generally includes any agent of either the payor or the payee. Belgium, Luxembourg and Austria have opted instead to withhold tax on the interest during a transitional period (initially at a rate of 15% but rising in steps to 35% after six years), subject to the ability of the individual to avoid withholding tax through voluntary disclosure of the investment to the individual's member state. In addition, certain non-members of the European Union (Switzerland, Liechtenstein, Andorra, Monaco and San Marino), as well as dependent and associated territories of the United Kingdom and the Netherlands, have adopted equivalent measures effective on the same date, and some (including Switzerland) have exercised the option to apply withholding taxes as described above.

Table of Contents**UNDERWRITING**

Barclays Capital Inc., Credit Suisse Securities (USA) LLC and UBS Securities LLC and are acting as representatives of the underwriters named below.

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the principal amount of Notes set forth opposite the underwriter's name.

Underwriter	Principal Amount of 2013 Notes	Principal Amount of 2018 Notes
Barclays Capital Inc.	\$ 107,200,000	\$ 160,800,000
Credit Suisse Securities (USA) LLC	\$ 107,200,000	\$ 160,800,000
UBS Securities LLC	\$ 107,200,000	\$ 160,800,000
Citigroup Global Markets Inc.	\$ 14,200,000	\$ 21,300,000
Deutsche Bank Securities Inc.	\$ 14,200,000	\$ 21,300,000
J.P. Morgan Securities Inc.	\$ 14,200,000	\$ 21,300,000
Morgan Stanley & Co. Incorporated	\$ 14,200,000	\$ 21,300,000
Mitsubishi UFJ Securities International plc.	\$ 7,200,000	\$ 10,800,000
Mizuho Securities USA Inc.	\$ 7,200,000	\$ 10,800,000
Scotia Capital (USA) Inc.	\$ 7,200,000	\$ 10,800,000
Total	\$ 400,000,000	\$ 600,000,000

The underwriting agreement provides that the obligations of the underwriters to purchase the Notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all of the Notes if they purchase any of the Notes.

The underwriters propose to offer some of the Notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the Notes to dealers at the public offering price less a concession not to exceed 0.30% of the principal amount of the 2013 Notes and 0.40% of the principal amount of the 2018 Notes. The underwriters may allow, and dealers may reallow, a concession not to exceed 0.25% of the principal amount of the 2013 Notes and 0.25% of the principal amount of the 2018 Notes on sales to other dealers. After the initial offering of the Notes to the public, the representatives may change the public offering price and concessions.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering (expressed as a percentage of the principal amount of the Notes).

	Paid by CSX
Per 2013 Note	0.600%
Per 2018 Note	0.650%

All sales of the Notes in the U.S. will be made through U.S. registered broker/dealers.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date), it has not made and will not make an offer of Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time,

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(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

S-18

Table of Contents

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during its last financial year; (2) a total balance sheet of more than 43,000,000; and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representatives for any such offer; or

(d) in any other circumstances which do not require the publication by CSX of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of Notes to the public, in relation to any Notes in any Relevant Member State, means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each underwriter has represented and agreed:

(a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the United Kingdom Financial Services and Markets Act 2000, or FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to CSX; and

(b) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Japan

The underwriters will not offer or sell any of our Notes directly or indirectly in Japan or to or for the benefit of any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person, except in each case pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law of Japan and any other applicable laws and regulations of Japan. For purposes of this paragraph, Japanese person means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Mitsubishi, UFJ Securities International plc is not a U.S. registered broker-dealer and, therefore, to the extent that it intends to effect any sales of the Notes in the U.S., it will do so through one or more U.S. registered broker-dealers as permitted by the regulations of the National Association of Securities Dealers.

Purchasers of the Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase, in addition to the relevant issue price set forth on the cover page of this prospectus supplement.

In connection with the offering, the representatives, on behalf of the underwriters, may purchase and sell Notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of Notes in excess of the principal amount of Notes to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed, in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of Notes made for the purpose of preventing or retarding a decline in the market price of the Notes while the offering is in progress.

Table of Contents

Barclays Capital Inc., Credit Suisse Securities (USA) LLC and UBS Securities LLC, on behalf of the underwriters, may also impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when Barclays Capital Inc., Credit Suisse Securities (USA) LLC and UBS Securities LLC, in covering syndicate short positions or making stabilizing purchases, repurchases Notes originally sold by that syndicate member.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the Notes. They may also cause the price of the Notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

We estimate that our total expenses (excluding underwriting discounts and commissions) for this offering will be approximately \$250,000.

The underwriters have performed commercial banking, investment banking and advisory services for us from time to time, for which they have received customary fees and expenses. The underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business. Certain of the underwriters or their affiliates engage in commercial lending activities with us and are lenders under CSX's bank credit facilities.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

LEGAL MATTERS

Certain legal matters in connection with the offering of the Notes will be passed upon for CSX by Cravath, Swaine & Moore LLP, New York, New York, and for the underwriters by Shearman & Sterling LLP, New York, New York. From time to time, Shearman & Sterling LLP has provided, and may continue to provide, legal services to us, for which it has received, and may receive, customary fees and expenses.

Table of Contents

PROSPECTUS

DEBT SECURITIES, TRUST PREFERRED SECURITIES (AND RELATED GUARANTEE AND AGREEMENT AS TO EXPENSES AND LIABILITIES), COMMON STOCK, PREFERRED STOCK, DEPOSITARY SHARES AND SECURITIES WARRANTS

We may sell from time to time, in one or more offerings:

debt securities

trust preferred securities, related guarantee and agreement as to expenses and liabilities

common stock

preferred stock

depository shares

warrants for debt securities, common stock and/or preferred stock

We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated February 15, 2007.

Table of Contents**TABLE OF CONTENTS**

<u>About This Prospectus</u>	2
<u>Where You Can Find More Information</u>	3
<u>CSX Corporation</u>	4
<u>CSX Capital Trust I</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	6
<u>Description of Debt Securities</u>	7
<u>Additional Terms of Subordinated Debt Securities</u>	19
<u>Description of Trust Preferred Securities</u>	21
<u>Description of the Guarantee</u>	29
<u>Relationship Among the Trust Preferred Securities, the Guarantee and the Subordinated Debt Securities Held by the Trust</u>	32
<u>Accounting Treatment</u>	33
<u>Description of Capital Stock</u>	33
<u>Description of Depositary Shares</u>	36
<u>Description of Securities Warrants</u>	37
<u>Plan of Distribution</u>	38
<u>Legal Opinions</u>	39
<u>Experts</u>	39

A BOUT THIS PROSPECTUS

This prospectus is part of a shelf registration statement that CSX Corporation (CSX) filed with the Securities and Exchange Commission (SEC). Under the shelf registration statement, CSX may sell, separately or in units, any combination of the securities described in this prospectus in one or more offerings. For further information about our business and the securities, you should refer to the registration statement and its exhibits. The exhibits to the registration statement and the documents we incorporate by reference contain the full text of certain contracts and other important documents summarized in this prospectus. Since these summaries may not contain all the information that you may find important in deciding whether to purchase the securities CSX may offer, you should review the full text of those documents. The registration statement can be obtained from the SEC as indicated under the heading Where You Can Find More Information.

This prospectus provides you with a general description of the securities CSX may offer. Each time CSX sells securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. Any material United States federal income tax considerations will also be discussed in the applicable prospectus supplement. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading Where You Can Find More Information. In this prospectus, unless otherwise indicated, the words CSX, we, our and us refer to CSX Corporation, a Virginia corporation, and our subsidiaries.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

CSX files annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also read and copy these documents at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows CSX to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. CSX incorporates by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until CSX sells all of the securities covered by the shelf registration statement.

Annual Report on Form 10-K for the fiscal year ended December 29, 2006;

Current Report on Form 8-K filed with the SEC on January 22, 2007; and

The description of CSX common stock contained in our Registration Statement on Form 8-B (File No. 1-8022) filed with the SEC on September 25, 1980.

You may request a copy of any filings referred to above, at no cost, by contacting CSX at the following address: Ellen M. Fitzsimmons, Senior Vice President Law and Public Affairs and Corporate Secretary, CSX Corporation, 500 Water Street, 15th Floor, Jacksonville, Florida 32202, telephone number (904) 359-3200.

You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement. CSX has not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. CSX will not make an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus, as well as information CSX previously filed with the SEC and incorporated by reference in this prospectus, is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

Table of Contents

C SX CORPORATION

CSX, based in Jacksonville, Florida, is one of the nation's leading transportation companies. Surface Transportation, which includes CSX's rail and intermodal businesses, provides rail-based transportation services including traditional rail service and the transport of intermodal containers and trailers. CSX's principal operating company, CSX Transportation Inc. (CSXT), operates the largest railroad in the eastern United States with a rail network of approximately 21,000 miles, linking markets in 23 states, the District of Columbia and the Canadian provinces of Ontario and Quebec. CSX Intermodal Inc, one of the nation's largest coast-to-coast intermodal transportation providers, is an integrated, intermodal company linking customers to railroads via trucks and terminals.

CSX's other holdings include CSX Hotels, Inc., a resort doing business as The Greenbrier, located in White Sulphur Springs, West Virginia, and CSX Real Property, Inc., an organization responsible for the management, sale, lease, acquisition and development of company properties. See "Where You Can Find More Information" above.

Table of Contents

C SX CAPITAL TRUST I

CSX Capital Trust I, which is referred to in this prospectus as the Trust, is a statutory trust formed under Delaware law by us, as sponsor for the Trust, and The Bank of New York (as successor to Chase Bank USA, National Association, formerly Chase Manhattan Bank USA, National Association), who will serve as trustee in the State of Delaware for the purpose of complying with the provisions of the Delaware Statutory Trust Act. The trust agreement for the Trust will be amended and restated substantially in the form filed as an exhibit to the registration statement, effective when securities of the Trust are initially issued. The amended trust agreement will be qualified as an indenture under the Trust Indenture Act of 1939. The Trust exists for the exclusive purposes of:

issuing two classes of trust securities, trust preferred securities and trust common securities, which together represent undivided beneficial interests in the assets of the Trust;

investing the gross proceeds of the trust securities in our subordinated debt securities;

making distributions; and

engaging in only those other activities necessary, advisable or incidental to the purposes listed above.

Subordinated debt securities of CSX will be the sole assets of the Trust, and our payments under those subordinated debt securities and the agreement as to expenses and liabilities will be the sole revenue of the Trust. No separate financial statements of the Trust are included in this prospectus. CSX considers that those financial statements would not be material to holders of the trust preferred securities because the Trust has no independent operations and the purpose of the Trust is as described above. The Trust is not required to file annual, quarterly or special reports with the SEC.

The principal place of business of the Trust will be c/o CSX Corporation, 500 Water Street, 15th Floor, Jacksonville, Florida 32202, telephone number (904) 359-3200.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

CSX's consolidated ratio of earnings to fixed charges for each of the fiscal periods indicated is as follows:

	For the Fiscal Years Ended				
	Dec. 29, 2006	Dec. 30, 2005	Dec. 31, 2004	Dec. 26, 2003	Dec. 27, 2002
Ratio of earnings to fixed charges	5.0x	3.0x	2.0x	1.3x	2.2x

For purposes of computing the ratio of earnings to fixed charges, earnings represent earnings from operations before income taxes plus interest expense related to indebtedness, amortization of debt discount and the interest portion of fixed rent expense, less undistributed earnings of affiliates accounted for using the equity method. Fixed charges include interest on indebtedness (whether expensed or capitalized), amortization of debt discount and the interest portion of fixed rent expense.

USE OF PROCEEDS

CSX will use the net proceeds from the sale of the securities for general corporate purposes, which may include reduction or refinancing of outstanding indebtedness, capital expenditures, working capital requirements, implementation of work force reductions, improvements in productivity and other cost reductions at our surface transportation units, and redemptions and repurchases of certain outstanding securities. CSX has not specifically allocated the proceeds to those purposes as of the date of this prospectus. The precise amount and timing of the application of proceeds from the sale of securities will depend upon the funding requirements of CSX and the availability and cost of other funds at the time of the sale. Allocation of the proceeds of a particular series of securities, or the principal reasons for the offering if no allocation has been made, will be described in the applicable prospectus supplement.

Table of Contents

D DESCRIPTION OF DEBT SECURITIES

CSX may issue debt securities either separately, or together with, or upon the conversion of or in exchange for, other securities. The debt securities will be either senior unsecured obligations or subordinated unsecured obligations of CSX. Senior debt securities will be issued under a senior indenture dated as of August 1, 1990 between CSX and The Bank of New York (as successor to JPMorgan Chase Bank, N.A., formerly The Chase Manhattan Bank), as trustee, as currently supplemented and amended and as further supplemented and amended from time to time. Subordinated debt securities will be issued under a subordinated indenture to be entered into between CSX and The Bank of New York (as successor to JPMorgan Chase Bank, N.A., formerly The Chase Manhattan Bank), as trustee, as further supplemented and amended from time to time. Copies of the senior indenture and a form of the subordinated indenture have been incorporated by reference in, or filed as exhibits to, the registration statement of which this prospectus is a part. The senior indenture and the subordinated indenture are sometimes referred to collectively as the indentures. The trustee under the senior indenture and the trustee under the subordinated indenture are sometimes referred to collectively as the trustees.

The discussion of the material provisions of the indentures and the debt securities set forth below and the discussion of the material terms of a particular series of debt securities set forth in the applicable prospectus supplement are subject to and are qualified in their entirety by reference to all of the provisions of the indentures, which provisions of the indentures (including defined terms) are incorporated in this description of debt securities by reference.

The debt securities may be issued from time to time in one or more series of senior debt securities and one or more series of subordinated debt securities. Neither indenture limits the aggregate principal amount of debt securities that may be issued under it. Unless otherwise provided in the terms of a series, a series may be reopened, without notice to or consent of any holder of outstanding debt securities, for issuances of additional debt securities of that series. The terms of each series of debt securities will be established by or pursuant to a resolution of our Board of Directors and set forth or determined in the manner provided in an officer's certificate or by a supplemental indenture. The following description of debt securities summarizes certain general terms and provisions of the series of debt securities to which any prospectus supplement may relate. The particular terms of each series of debt securities offered by a prospectus supplement or prospectus supplements will be described in the prospectus supplement or prospectus supplements relating to that series.

Unless otherwise indicated, currency amounts in this prospectus and any prospectus supplement are stated in United States dollars.

General

The prospectus supplement for a particular series of debt securities will describe the specific terms of that series, including (where applicable):

the title of the debt securities;

any limit on the aggregate principal amount of the debt securities;

whether the debt securities are to be issuable as registered debt securities or bearer debt securities or both, whether any of the debt securities are to be issuable initially in temporary global form and whether any of the debt securities are to be issuable in permanent global form;

the price or prices (expressed as a percentage of the aggregate principal amount of the debt securities) at which the debt securities will be issued;

the date or dates on which the debt securities will mature;

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the rate or rates per annum at which the debt securities will bear interest, if any, or the formula pursuant to which the rate or rates will be determined, and the date or dates from which interest will accrue;

Table of Contents

the interest payment dates on which interest on the debt securities will be payable and the regular record date for any interest payable on any registered debt securities on any interest payment date;

the person to whom any interest on any registered debt securities of the series will be payable, if other than the person in whose name that debt security (or one or more predecessor debt securities) is registered at the close of business on the regular record date for that interest, the manner in which, or the person to whom, any interest on any bearer debt security of the series will be payable, if otherwise than upon presentation and surrender of the applicable coupons, and the extent to which, or the manner in which, any interest payable on a temporary global debt security on an interest payment date will be paid if other than in the manner provided in the relevant indenture and the extent to which, or the manner in which, any interest payable on a permanent global debt security on an interest payment date will be paid;

each office or agency where, subject to the terms of the relevant indenture as described below under **Payment and Paying Agents**, the principal of and any premium and interest on the debt securities will be payable and each office or agency where, subject to the terms of the relevant indenture as described below under **Form, Exchange, Registration and Transfer**, the debt securities may be presented for registration of transfer or exchange;

the period or periods within which and the price or prices at which the debt securities may, pursuant to any optional redemption provisions, be redeemed, in whole or in part, at our option and the other detailed terms and conditions of any optional redemption provisions;

the obligation, if any, of CSX to redeem or purchase the debt securities pursuant to any sinking fund or analogous provisions or at the option of the holder of the debt securities and the period or periods within which and the price or prices at which the debt securities will be redeemed or purchased, in whole or in part, pursuant to that obligation, and the other detailed terms and conditions of that obligation;

the denominations in which any registered debt securities will be issuable, if other than denominations of \$1,000 and any integral multiple of \$1,000, and the denomination or denominations in which bearer debt securities will be issuable, if other than denominations of \$5,000;

the currency or currencies, including currency units, in which payment of principal of and any premium and interest on the debt securities will be payable if other than U.S. dollars and the ability, if any, of CSX or the holders of the debt securities to have payments made in any currency other than those in which the debt securities are stated to be payable;

whether the amount of payments of principal of, premium, if any, and interest, if any, on the debt securities may be determined with reference to an index and the manner in which those amounts will be determined;

the portion of the principal amount of the debt securities that will be payable upon acceleration if other than the full principal amount;

any limitation on the application of the terms of the indenture described below under **Discharge, Defeasance and Covenant Defeasance**;

the terms, if any, upon which the debt securities may be convertible into or exchangeable for other securities;

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whether the debt securities will be senior debt securities or subordinated debt securities; and

any other terms of the debt securities not inconsistent with the provisions of the relevant indenture.

The prospectus supplement will also describe any special provisions for the payment of additional amounts relating to specified taxes, assessments or other governmental charges in respect of the debt securities of that series and whether CSX has the option to redeem the affected debt securities rather than pay those additional amounts.

Table of Contents

As used in this prospectus and any prospectus supplement relating to the offering of any debt securities, references to the principal of and premium, if any, and interest, if any, on the debt securities will be deemed to include mention of the payment of additional amounts, if any, required by the terms of the debt securities.

If the purchase price of any debt securities is payable in a currency other than U.S. dollars or if principal of, or premium, if any, or interest, if any, on any of the debt securities is payable in any currency other than U.S. dollars, the specific terms and other information with respect to those debt securities and that currency will be specified in the related prospectus supplement.

Debt securities of a series may also be issued under the relevant indenture upon the exercise of debt warrants issued by CSX. See Description of Debt Warrants.

The indentures do not contain any provisions that may afford the holders of debt securities of any series protection in the event of a highly leveraged transaction or other transaction that may occur in connection with a takeover attempt resulting in a decline in the credit rating of the debt securities. Those provisions, if applicable to the debt securities of any series, will be described in the related prospectus supplement.

Form, Exchange, Registration and Transfer

Unless otherwise indicated in the applicable prospectus supplement, each series of debt securities will be issued in registered form only, without coupons. The indentures, however, provide that CSX may also issue debt securities in bearer form only, or in both registered and bearer form. Bearer debt securities will not be offered, sold, resold or delivered in connection with their original issuance in the United States or to any United States person other than to offices located outside the United States of certain United States financial institutions. Purchasers of bearer debt securities will be subject to certification procedures and may be affected by certain limitations under United States tax laws. Those procedures and limitations will be described in the prospectus supplement relating to the offering of the bearer debt securities. Unless otherwise indicated in an applicable prospectus supplement or prospectus supplements, bearer debt securities will have interest coupons attached. The indentures also will provide that debt securities of a series may be issuable in temporary or permanent global form. See Global Debt Securities.

At the option of the holder, subject to the terms of the relevant indenture, registered debt securities of any series will be exchangeable for other registered debt securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. In addition, if debt securities of any series are issuable as both registered debt securities and bearer debt securities, at the option of the holder, subject to the terms of the relevant indenture, bearer debt securities (with all unmatured coupons, except as provided below, and with all matured coupons in default) of that series will be exchangeable for registered debt securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. Bearer debt securities surrendered in exchange for registered debt securities between a regular record date or a special record date and the relevant date for payment of interest will be surrendered without the coupon relating to that date for payment of interest and interest will not be payable in respect of the registered debt security issued in exchange for that bearer debt security, but will be payable only to the holder of the coupon relating to that date when due in accordance with the terms of the indenture. Registered debt securities, including registered debt securities received in exchange for bearer debt securities, may not be exchanged for bearer debt securities. Each bearer debt security and coupon will bear a legend to the following effect:

Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.

Debt securities may be presented for exchange as provided above, and registered debt securities may be presented for registration of transfer (with the form of transfer duly executed), at the office of the security

Table of Contents

registrar or at the office of any transfer agent designated by CSX for that purpose with respect to any series of debt securities and referred to in an applicable prospectus supplement, without a service charge and upon payment of any taxes and other governmental charges as described in the relevant indenture. The transfer or exchange will be effected upon the records of the security registrar or the transfer agent, as the case may be, being satisfied with the documents of title and identity of the person making the request. CSX has appointed the trustee as security registrar. If a prospectus supplement refers to any transfer agent (in addition to the security registrar) initially designated by CSX with respect to any series of debt securities, CSX may at any time rescind the designation of that transfer agent or approve a change in the location through which that transfer agent acts, except that, if debt securities of a series are issuable solely as registered debt securities, CSX will be required to maintain a transfer agent in each place of payment for that series and, if debt securities of a series are issuable as bearer debt securities, CSX will be required to maintain (in addition to the security registrar) a transfer agent in a place of payment for that series located outside the United States and its possessions. CSX may at any time designate additional transfer agents with respect to any series of debt securities.

In the event of any partial redemption, CSX will not be required to

issue, register the transfer of or exchange any debt security during a period beginning at the opening of business 15 days before any selection for redemption of debt securities of like tenor and of the series of which that debt security is a part, and ending at the close of business on the earliest date on which the relevant notice of redemption is deemed to have been given to all holders of debt securities of like tenor and of the series to be redeemed;

register the transfer of or exchange any registered debt security so selected for redemption, in whole or in part, except the unredeemed portion of any debt security being redeemed in part; or

exchange any bearer debt security so selected for redemption, except to exchange that bearer debt security for a registered debt security of that series and like tenor which is immediately surrendered for redemption.

Payment and Paying Agents

Unless otherwise indicated in an applicable prospectus supplement, principal of and any premium and interest on bearer debt securities will be payable, subject to any applicable laws and regulations, at the offices of paying agents outside the United States and its possessions that CSX may designate from time to time or, at the option of the holder, by check or by transfer to an account maintained by the payee with a financial institution located outside the United States and its possessions. Unless otherwise indicated in an applicable prospectus supplement, payment of interest on a bearer debt security on any interest payment date will be made only against surrender to the paying agent of the coupon relating to that interest payment date. No payment with respect to any bearer debt security will be made at any office or agency of CSX in the United States or its possessions or by check mailed to any address in the United States or its possessions or by transfer to any account maintained with a financial institution located in the United States or its possessions. However, payments of principal of and any premium and interest on bearer debt securities denominated and payable in U.S. dollars will be made at the office of the paying agent in the Borough of Manhattan, The City of New York, if (but only if) payment of the full amount in U.S. dollars at all offices or agencies outside the United States and its possessions is illegal or effectively precluded by exchange controls or other similar restrictions.

Unless otherwise indicated in an applicable prospectus supplement, principal of and any premium and interest on registered debt securities will be payable, subject to any applicable laws and regulations, at the office of the paying agent or paying agents that CSX may designate from time to time, except that at our option payment of any interest may be made by check mailed to the address of the person entitled to that payment as that address appears in the security register. Unless otherwise indicated in an applicable prospectus supplement, payment of interest on a registered debt security on any interest payment date will be made to the person in whose name that registered debt security (or predecessor debt security) is registered at the close of business on the regular record date for that interest.

Table of Contents

Unless otherwise indicated in an applicable prospectus supplement, the corporate trust office of the trustee in The City of New York will be designated as a paying agent for CSX for payments with respect to debt securities of each series which are issuable solely as registered debt securities and as a paying agent for payments with respect to debt securities of each series (subject to the limitations described above in the case of bearer debt securities) which are issuable solely as bearer debt securities or as both registered debt securities and bearer debt securities. Any paying agents outside the United States and its possessions and any other paying agents in the United States or its possessions initially designated by CSX for the debt securities of each series will be named in the applicable prospectus supplement. CSX may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that if debt securities of a series are issuable solely as registered debt securities, CSX will be required to maintain a paying agent in each place of payment for that series and, if debt securities of a series are issuable as bearer debt securities, CSX will be required to maintain

a paying agent in the Borough of Manhattan, The City of New York for payments with respect to any registered debt securities of the series (and for payments with respect to bearer debt securities of the series in the circumstances described above, but not otherwise), and

a paying agent in a place of payment located outside the United States and its possessions where debt securities of that series and any related coupons may be presented and surrendered for payment; provided, however, that if the debt securities of that series are listed on a stock exchange located outside the United States and its possessions and that stock exchange requires CSX to do so, CSX will maintain a paying agent in a city located outside the United States and its possessions for the debt securities of that series.

All moneys paid by CSX to a paying agent for the payment of the principal of and any premium or interest on any debt security of any series which remain unclaimed at the end of two years after that principal, premium or interest has become due and payable will be repaid to CSX and the holder of that debt security or any related coupon will after that time look only to CSX for payment of that principal, premium or interest.

Ranking of Debt Securities; Holding Company Structure

The senior debt securities will be unsecured unsubordinated obligations of CSX and will rank on a parity in right of payment with all other unsecured and unsubordinated indebtedness of CSX. The subordinated debt securities will be unsecured obligations of CSX and will be subordinated in right of payment to all existing and future senior indebtedness (as defined below) of CSX. See Additional Terms of Subordinated Debt Securities Subordination.

The debt securities are obligations exclusively of CSX. CSX is a holding company, substantially all of whose consolidated assets are held by our subsidiaries. Accordingly, the cash flow of CSX and the consequent ability to service our debt, including the debt securities, are largely dependent upon the earnings of those subsidiaries.

Because CSX is a holding company, the debt securities will be effectively subordinated to all existing and future indebtedness, trade payables, guarantees, lease obligations and letter of credit obligations of CSX's subsidiaries. Therefore, CSX's rights and the rights of our creditors, including the holders of the debt securities, to participate in the assets of any subsidiary upon the latter's liquidation or reorganization will be subject to the prior claims of that subsidiary's creditors, except to the extent that CSX may itself be a creditor with recognized claims against the subsidiary, in which case the claims of CSX would still be effectively subordinate to any security interest in, or mortgages or other liens on, the assets of that subsidiary and would be subordinate to any indebtedness of that subsidiary senior to that held by CSX. Although certain debt instruments to which CSX and our subsidiaries are parties impose limitations on the incurrence of additional indebtedness, both CSX and our subsidiaries retain the ability to incur substantial additional indebtedness and lease and letter of credit obligations.

Table of Contents

Global Debt Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depository identified in the prospectus supplement relating to that series. Global debt securities may be issued in either registered or bearer form and in either temporary or permanent form. Unless and until it is exchanged in whole or in part for individual certificates evidencing debt securities in definitive form, a global debt security may not be transferred except as a whole by the depository for that global debt security to a nominee of the depository or by a nominee of the depository to the depository or another nominee of the depository or by the depository or any nominee to a successor of the depository or a nominee of the successor.

The specific terms of the depository arrangement with respect to a series of global debt securities and certain limitations and restrictions relating to a series of global bearer debt securities will be described in the prospectus supplement relating to that series.

Redemption and Repurchase

The debt securities of any series may be redeemable at our option, may be subject to mandatory redemption pursuant to a sinking fund or otherwise, or may be subject to repurchase by us at the option of the holders, in each case upon the terms, at the times and at the prices set forth in the applicable prospectus supplement.

Conversion and Exchange

The terms, if any, on which debt securities of any series are convertible into or exchangeable for our common stock, preferred stock, depository shares or other debt securities will be set forth in the applicable prospectus supplement. Those terms may include provisions for conversion or exchange, either mandatory, at the option of the holders or at our option.

Certain Covenants and Agreements of CSX

The indentures do not limit the amount of indebtedness or lease obligations that may be incurred by CSX and our subsidiaries. The indentures do not contain provisions that would give holders of the debt securities the right to require CSX to repurchase their debt securities in the event of a decline in the credit rating of our debt securities resulting from a takeover, recapitalization or similar restructuring, or otherwise.

Covenant in the Senior Indenture Limitation on Liens on Stock of Our Principal Subsidiaries.

The following covenant will be applicable to senior debt securities but not to subordinated debt securities. The senior indenture provides that CSX may not, nor may it permit any subsidiary to, create, assume, incur or suffer to exist any mortgage, pledge, lien, encumbrance, charge or security interest of any kind upon any stock or indebtedness, whether owned on the date of the senior indenture or acquired later, of any principal subsidiary, to secure any obligation (other than the senior debt securities) of CSX, any subsidiary or any other person, unless all of the outstanding senior debt securities (and other outstanding debt securities issued from time to time pursuant to the senior indenture) will be directly secured equally and ratably with that obligation. This provision does not restrict any other property of CSX or our subsidiaries. The senior indenture defines obligation as indebtedness for money borrowed or indebtedness evidenced by a bond, note, debenture or other evidence of indebtedness; principal subsidiary as CSXT; and subsidiary as a corporation a majority of the outstanding voting stock of which is owned, directly or indirectly, by CSX or one or more subsidiaries, or by CSX and one or more subsidiaries. The indentures do not prohibit the sale by CSX or any subsidiary of any stock or indebtedness of any subsidiary, including any principal subsidiary.

Table of Contents

Provision in Both Indentures Consolidation, Merger and Sale of Assets.

The following provision will be applicable to both senior debt securities and subordinated debt securities. Each indenture provides that CSX may, without the consent of the holders of any of the outstanding debt securities of a series, consolidate with, merge into or transfer our assets substantially as an entirety to any corporation organized under the laws of any domestic or foreign jurisdiction, provided that:

the successor corporation assumes, by a supplemental indenture, CSX's obligations on the debt securities of each series and under the indenture,

after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time, or both, would become an event of default will have occurred and be continuing, and

CSX delivers to the relevant trustee an officer's certificate and an opinion of counsel each stating that the transaction and supplemental indenture, if any, comply with the applicable article of the indenture and that all conditions precedent in the indenture relating to the transaction have been complied with.

Events of Default

An event of default with respect to the debt securities of any series is defined in the relevant indenture as:

a failure to pay principal of or any premium on any of the debt securities of that series when due;

a failure to pay any interest on any debt security of that series when due, continued for 30 days;

a failure to deposit any sinking fund payment, when due, in respect of any debt security of that series;

a failure to perform any other covenant of CSX in the relevant indenture (other than a covenant included in that indenture solely for the benefit of a series of debt securities other than that series) continued for 90 days after written notice as provided in the indenture;

certain events of bankruptcy, insolvency or reorganization of CSX; or

any other event of default provided with respect to debt securities of that series.

No event of default with respect to any particular series of debt securities necessarily constitutes an event of default with respect to any other series of debt securities. Each indenture provides that the trustee may withhold notice to the holders of the debt securities of any series of the occurrence of a default with respect to the debt securities of that series (except a default in payment of principal, premium, if any, interest, if any, or sinking fund payments, if any) if the trustee considers it in the interest of the holders to do so.

Subject to the provisions of the Trust Indenture Act requiring each trustee, during an event of default under the relevant indenture, to act with the requisite standard of care, and to the provisions of the relevant indenture relating to the duties of the trustee in case an event of default occurs and is continuing, a trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of debt securities of any series or any related coupons unless those holders offer to the trustee reasonable indemnity. Subject to the provisions for the indemnification of the relevant trustee, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the

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relevant trustee, or exercising any trust or power conferred on the trustee, with respect to debt securities of that series.

If an event of default with respect to debt securities of any series at the time outstanding occurs and is continuing, either the relevant trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series may declare the principal of all those outstanding debt securities to be due and payable immediately. At any time after a declaration of acceleration with respect to debt securities of any series has been made but before a judgment or decree for payment of money due has been obtained by the relevant trustee, the holders of a majority in aggregate principal amount of outstanding debt securities of that series may rescind any declaration of acceleration and its consequences, if all payments due (other than those due as a result of acceleration) have been made and all events of default have been cured or waived.

Table of Contents

No holder of any debt securities of any series or any related coupons will have any right to institute any proceeding with respect to the relevant indenture or for any remedy under the indenture, unless that holder has previously given to the relevant trustee written notice of a continuing event of default with respect to debt securities of that series, the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have made written request, and offered reasonable indemnity, to the relevant trustee to institute the proceeding as trustee, and the trustee has not received from the holders of a majority in aggregate principal amount of the outstanding debt securities of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days. However, these limitations do not apply to a suit instituted by a holder of an outstanding debt security of that series for enforcement of payment of the principal of, or any premium or interest on, that debt security on or after the respective due dates expressed in that debt security.

CSX is required to furnish to the relevant trustee annually a statement as to performance or fulfillment of covenants, agreements or conditions in the relevant indenture and as to the absence of default.

Meetings, Modification and Waiver

Each indenture contains provisions permitting CSX and the relevant trustee, with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each series issued under that indenture and affected by a modification or amendment (voting as one class), to modify or amend any of the provisions of that indenture or of those debt securities or the rights of the holders of those debt securities under that indenture, provided that no modification or amendment will, without the consent of each holder of each outstanding debt security affected by that modification or amendment:

change the stated maturity of the principal of, or any installment of principal of or interest on, any debt security, or reduce the principal amount of or the rate of interest on or any premium payable upon the redemption of any debt security, or change any obligation of CSX to pay additional amounts (except as contemplated and permitted by the indenture), or reduce the amount of the principal of an original issue discount security that would be due and payable upon a declaration of acceleration of the maturity of that security or change the coin or currency in which any debt security or any premium or interest on any debt security is payable, or impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt security (or, in the case of redemption, on or after the redemption date),

reduce the percentage in principal amount of the debt securities, the consent of the holders of which is required for any modification or amendment or the consent of whose holders is required for any waiver (of compliance with certain provisions of the indenture or certain defaults under the indenture and their consequences) or reduce the requirements for a quorum or voting at a meeting of holders of the debt securities,

change any obligation of CSX to maintain an office or agency in the places and for the purposes required by the indenture,

solely in the case of the subordinated indenture, modify any of the provisions of the subordinated indenture relating to subordination of the subordinated debt securities or the definition of senior indebtedness in a manner adverse to the holders of the subordinated debt securities, or

modify any of the above provisions (except as permitted by the indenture).

Each indenture also contains provisions permitting CSX and the relevant trustee, without the consent of the holders of the debt securities issued under the indenture, to modify or amend the indenture in order, among other things:

to add any additional events of default or add to the covenants of CSX for the benefit of the holders of all or any series of debt securities issued under the indenture;

to establish the form or terms of debt securities of any series;

Table of Contents

to cure any ambiguity, to correct or supplement any provision in the indenture which may be inconsistent with any other provision in the indenture, or to make any other provisions with respect to matters or questions arising under the indenture which will not adversely affect the interests of the holders of any debt securities issued under the indenture in any material respect; or

to change or eliminate any of the provisions of the indenture, provided that the change or elimination will become effective only when there is no debt security outstanding of any series issued under the indenture created prior to the execution of the supplemental indenture which is entitled to the benefit of that provision.

The holders of at least a majority in aggregate principal amount of the outstanding debt securities of a series may, on behalf of the holders of all the debt securities of that series, waive, insofar as that series is concerned, compliance by CSX with certain restrictive provisions of the indenture, including the covenant described above under Certain Covenants and Agreements of CSX Covenant in the Senior Indenture Limitation on Liens on Stock of Our Principal Subsidiaries. The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of a series may, on behalf of all holders of debt securities of that series and any related coupons, waive any past default under the indenture with respect to debt securities of that series, except a default (a) in the payment of principal of or any premium or interest on any debt security of that series or (b) in respect of a covenant or provision of the indenture which cannot be modified or amended without the consent of the holder of each outstanding debt security of the series affected.

Each indenture provides that in determining whether the holders of the requisite principal amount of the outstanding debt securities have given any request, demand, authorization, direction, notice, consent or waiver under that indenture or are present at a meeting of holders of debt securities for quorum purposes:

- (1) the principal amount of an original issue discount debt security that will be deemed to be outstanding will be the amount of the principal that would be due and payable as of the date of the determination upon acceleration of the maturity thereof,
- (2) the principal amount of a debt security denominated in a foreign currency or currency unit will be the U.S. dollar equivalent, determined as of the date of original issuance of that debt security, of the principal amount of that debt security or, in the case of an original issue discount debt security, the U.S. dollar equivalent, determined as of the date of original issuance of that debt security, of the amount determined as provided in (1) above, and
- (3) any debt security owned by CSX or any other obligor on that debt security or any affiliate of CSX or other obligor will be deemed not to be outstanding.

Each indenture contains provisions for convening meetings of the holders of debt securities of any or all series. A meeting may be called at any time by the relevant trustee, and also, upon request, by CSX or the holders of at least 10% in aggregate principal amount of the outstanding debt securities of that series, in each case upon notice given in accordance with Notices below and the provisions of the relevant indenture. Except for any consent which must be given by the holder of each outstanding debt security that would be affected as described above, any resolution presented at a meeting, or adjourned meeting duly reconvened, at which a quorum (as described below) is present may be adopted by the affirmative vote of the holders of a majority in principal amount of the outstanding debt securities of that series; provided, however, that, except for any consent which must be given by the holder of each outstanding debt security that would be affected, as described above, any resolution with respect to any consent, waiver, request, demand, notice, authorization, direction or other action which may be given by the holders of not less than a specified percentage in principal amount of the outstanding debt securities of a series may be adopted at a meeting, or an adjourned meeting duly reconvened, at which a quorum is present only by the affirmative vote of the holders of not less than th