

CSX TRANSPORTATION

2018
BENEFITS



PENSION

The CSX Pension Plan is a defined benefit retirement plan. This means the plan is designed to provide a certain amount of income at retirement based on a specific formula. Even though you may be accumulating benefits under the plan once you're eligible, they aren't 100% yours until you become fully vested. You are vested when you complete three years of service.

401(K) CSXTRA

You are eligible for the 401(k) Plan also known as CSXtra if you're a management employee. When you first become eligible for CSXtra, you'll be automatically enrolled at a contribution rate of 6% on a pre-tax basis, which means you'll receive the full company match. You can change your contribution rate, change your contributions to the Roth feature or opt out entirely at any time.

You decide how much you would like to contribute to CSXtra, from 1% to 50% of your pay up to IRS limits. You can also choose whether to contribute on a pre-tax or Roth basis. The key difference between the two options is the tax treatment of your contributions.

- If you make pre-tax contributions, you will not pay taxes on your contributions until you begin receiving distributions in retirement
- If you make Roth contributions, you will pay taxes on contributions each paycheck, but not when you receive a qualified distribution in retirement
- To see how it affects you personally, log on to your account at empower-retirement.com/participant and click Education Tools.

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MEDICAL/PRESCRIPTION

The Consumer Driven Health Plan (CDHP), administered by Aetna, helps both you and CSX save money, while still providing the health care coverage you need. Plus, it comes with a triple tax-advantaged account, called a Health Savings Account (HSA), with money from CSX. If you are enrolled in TRICARE, you may enroll in a Health Reimbursement Arrangement (HRA) and receive the same funding as an employee enrolled in the HSA.

2018 MONTHLY PREMIUMS*

	CDHP
Employee-Only	\$56
Employee + Spouse	\$119
Employee + Children	\$102
Family	\$181

* If you and/or any of your covered family members are tobacco users, you will be charged an additional \$50 per month on your medical premiums. If applicable, the surcharge will total \$50 per month, not \$50 for each covered person who is a tobacco user.

ADVANTAGES OF THE CDHP WITH AN HSA

Company money

CSX contributes money to your Health Savings Account (HSA)* — \$1,000 for employee-only coverage, \$2,000 for employee + spouse or family, or \$2,200 for employee + children, prorated based on the number of calendar months you are enrolled in the plan in 2018 — so you have money up front for eligible medical, prescription drug, dental and vision expenses. It's a great way to learn about your health and boost your savings.

Tax-free savings

You can make your own HSA contributions (up to IRS limits) on a pre-tax basis. All earnings on the money grow in your account tax-free. And when you use the money to pay for eligible health care expenses, the withdrawals are tax-free, too.

Ownership

Any money in your HSA is yours to keep. You never have to worry about losing the money if you don't use it.

Savings for now and later

You can use the money in the HSA to pay for eligible health care expenses for yourself and your dependents now. Or you can invest the money and use it for future health care expenses — even after retirement.

Financial protection

The out-of-pocket maximum is the most you will have to pay in-network for medical and prescription drug expenses.

Covered preventive care

Eligible routine in-network preventive care is covered at 100%. That means no need to reach a deductible or out-of-pocket maximum for these services.

Prescription drug benefits are included

You can use your PayFlex debit card to pay for prescriptions with money from your HSA, and they count toward your deductible and out-of-pocket maximum.

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PRESCRIPTION

The Prescription Drug Program is administered by CVS Caremark and included with the Medical Plan at no additional cost.

In-Network Pharmacy	Mail Order (up to 90-day supply)	Retail Pharmacy (up to 30-day supply)
Generic Drugs	\$25 co-pay	\$10 co-pay
Preferred Brand-Name (on formulary)	\$60 co-pay	\$25 co-pay
Non-Preferred Brand Name (not on formulary)	\$100 co-pay	\$45 co-pay

The Plan includes a list of preferred drugs that are either more effective at treating a particular condition than other drugs in the same class of drugs, or as effective as and less costly than similar medications. Non-preferred drugs may also be covered under the prescription drug program, but at a higher cost-sharing tier. Collectively, these lists of drugs make up the Plan's Formulary. The Plan's Formulary is updated periodically and subject to change. To get the most up-to-date Plan Formulary list go online to www.caremark.com.

You have two ways to fill prescriptions: at a retail pharmacy or by mail order through CVS Caremark.

DENTAL

CSX offers two dental plan options - a Preferred Provider Organization (PPO) and a Dental Maintenance Organization (DMO). Both Plans cover preventive care, major services, and orthodontics.

2018 PREMIUMS

	PPO	DMO₁
Employee-Only	\$11.00	\$6.61
Employee + Spouse	\$23.00	\$13.22
Employee + Child(ren)	\$31.00	\$15.44
Family	\$33.00	\$22.31

2018 BENEFITS

VISION

You have two vision plan options. Both are administered by VSP and cover routine exams, lenses, frames and contacts. You can see any provider, but you'll save money if you go to a provider in the VSP network because VSP network providers charge less. There is a standard plan and a high plan that provides more benefits, so you pay a little more in premiums for more coverage.

2018 PREMIUMS

	Standard Plan	High Plan
Employee-Only	\$7.05	\$11.55
Employee + Spouse	\$9.96	\$16.32
Employee + Child(ren)	\$11.77	\$19.26
Family	\$18.79	\$30.80

LIFE INSURANCE

CSX automatically provides you with a basic level of life insurance and Accidental Death and Dismemberment (AD&D) coverage at no cost to you. AD&D benefits are paid if you die or suffer serious injury due to an accident. You have the option of purchasing additional life insurance and AD&D coverage for yourself, your spouse, and/or your children.

LIFE INSURANCE BENEFITS

The amount of basic life insurance you have is based on your pay, not including bonuses.

	Basic Life	Additional Life
In the Event of Your Death	2 x annual pay (with a max of \$1,000,000)	Option 1: 1 x annual pay Option 2: 2 x annual pay Option 3: 3 x annual pay Option 4: 4 x annual pay (with a max of \$1,000,000)
In the Event of Your Spouse's Death	None	Up to 50% of employee coverage
In the Event of Your Child's Death	None	\$5,000 or \$10,000 per child (your cost: \$0.041 per \$1,000 of coverage)

ADDITIONAL LIFE INSURANCE

You can supplement your basic life insurance coverage by purchasing additional coverage under the plan.

Age	Monthly Cost*
Under 25	\$0.050
25-29	\$0.060
30-34	\$0.080
35-39	\$0.090
40-44	\$0.100
45-49	\$0.163
50-54	\$0.297
55-59	\$0.492
60-64	\$0.790
65-69	\$1.377
70+	\$2.060

*per \$1,000 of Coverage

ACCIDENTAL DEATH AND DISMEMBERMENT

Accidental Death & Dismemberment (AD&D) benefits are paid if you die or suffer serious injury due to an accident.

	Basic AD&D	Additional Life
In the Event of Your Death	2 x annual pay (with a max of \$1,000,000)	Option 1: 1 x annual pay Option 2: 2 x annual pay Option 3: 3 x annual pay Option 4: 4 x annual pay (with a max of \$500,000)
In the Event of Your Spouse's Death	None	50% optional AD&D coverage (if children are covered) 60% of optional AD&D coverage (if no children are covered)
In the Event of Your Child's Death	None	10% of optional AD&D coverage (if spouse is covered) 20% of optional AD&D coverage (if no spouse is covered)

ADDITIONAL AD&D COVERAGE

You may purchase optional AD&D insurance for yourself and your dependents. Accidental Death & Dismemberment (AD&D) benefits are paid if you die or suffer serious injury due to an accident.

	Monthly Cost*
Employee-Only	\$0.029
Family	\$0.044

*per \$1,000 of Coverage

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

Am I Eligible?

You are eligible to open a Dependent Care FSA even if you do not enroll in the CSX Medical Plan. You can contribute up to \$5,000 to cover eligible expenses for your dependents.

How Much Can I Contribute?

- \$120 to \$5,000 a year
- Married and File Separate Tax Returns: \$2,500 a year
- Maximum contribution may be no more than the maximum earnings of the spouse who earns the least.

What Can the Money Be Used for?

Eligible expenses, including:

- Licensed nursery schools
- Licensed day-care centers for children and disabled adults

Can I Roll Over Unused Money?

- No. Expenses must be incurred by December 31.
- You must submit all claims for reimbursement by March 31 for expenses incurred in the previous year. Any remaining balance is forfeited.

SHORT-TERM DISABILITY

CSX provides salary continuance at no cost to you. Benefits are a percentage of salary up to 26 weeks depending on length of service.

PAYMENT SCHEDULE

Length of Service	100% of Covered Earnings for:	75% of Covered Earnings for:
Less than 1 year	4 weeks	0 weeks
1 but less than 4 years	12 weeks	0 weeks
4 but less than 7 years	16 weeks	10 weeks
7 but less than 10 years	20 weeks	6 weeks
10 years or more	26 weeks	0 weeks

LONG-TERM DISABILITY

CSX provides Long-Term Disability Benefits at no cost to you. The monthly benefit is 60% of your pre-disability earnings with a maximum monthly benefit of \$10,000. The elimination period for this benefit is 182 days.

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PREPAID LEGAL

CSX offers a Legal Plan. The Plan is intended to offer certain legal assistance to eligible employees. The monthly cost is \$15.75

EXAMPLES OF COVERED SERVICES

- Family law matters, such as adoptions, premarital agreements and protection from domestic violence
- Estate planning services, such as living trusts and wills
- Traffic and criminal matters, including traffic tickets and juvenile court defense
- Financial services, such as debt collection defense and consumer protection
- Real estate matters, including boundary dispute problems and reviews of home equity loans
- Immigration assistance

OTHER BENEFITS

Benefits	Eligibility	Description
Railroad Retirement www.rrb.gov	Date of Hire for Covered Employees	Government-sponsored benefit for the majority of CSX employees. RR taxes are required instead of Social Security (FICA) taxes for both RR employee and employer. Vesting requires 5 years of eligible service. Upon retirement, receive an annuity from the Railroad Retirement Board.
Travel Accident Insurance	Date of Hire	Accidental death insurance while traveling on company business. Premium paid by CSX.

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OTHER BENEFITS

Benefits	Eligibility	Description
Management Incentive Compensation Program (MICP)	Date of Hire	Annual bonus opportunity based on the band of the position, the performance of the company and individual performance.
Long-Term Incentive Plan (LTIP)	Date of Hire	Long-term, stock-based bonus opportunity based on company performance. (Band 6 and above)
Vacation	Date of Hire	From 3-6 weeks depending on length of service and employing business unit. Option to purchase up to 1 additional week after 1 year of service.
Holidays	Date of Hire	Eleven paid holidays (three flex holidays).
Financial Planning	Date of Hire	Free and fee-based financial planning services available through Empower Retirement.
Tuition Reimbursement	Three Months	Reimbursement up to \$5,250 per calendar year for eligible expenses.
Military Leave	Date of Hire	Pay differential and leave of absence to National Guard and Reserve service members.
Reward & Recognition Program	Date of Hire	Cash or non-cash awards given by CSX to recognize exceptional effort by an employee or group of employees.
Service Award Program	Date of Hire	Awards recognizing company service on certain anniversary dates.
Diversity Councils & Inclusion Groups	Date of Hire	Volunteer organizations to help develop and sustain a strong, diverse organization.
Wellness Centers and Programs	Date of Hire	Wellness Center Fitness Facilities in select locations. Weight management, smoking cessation, immunizations, nutrition counseling, health screenings and physical activities programs.

OTHER BENEFITS

Benefits	Eligibility	Description
Associate Development Program	Date of Hire	A structured, personalized mentoring program linking an employee with a coach for a period of one year.
MetLife Auto, Home and Pet Insurance	Date of Hire	Optional automobile, home and pet insurance at discount when purchased in conjunction with MetLife's optional life insurance.
Aetna	Date of Hire	Discounts on fitness, vision and alternative medicine.
Maternity Leave	Date of Hire	10 weeks paid leave for new birth mothers.
Parental Leave	Date of Hire	2 weeks paid leave for non-birth parents, including foster and adoptive parents.