



Jamie Boychuk
SVP Network Operations, Engineering
Mechanical & Intermodal Operations

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April 4, 2019

Via Electronic Mail and Overnight Mail

Andrew Sandberg
General Chairman
International Association of Machinists
and Aerospace Workers – District 19
10416 Petros Hwy.
Oliver Springs, TN 37840
andrew.sandberg@districtlodge19.com

Notice Pursuant to Worker Adjustment and Retraining Notification Act

Dear Sir:

As you know, CSX Transportation, Inc. (“CSXT” or the “Company”) is the owner and operator of a rail yard located at 568 Mechanical Drive, Russell, KY 41169 (“Russell Yard”), which includes, among other operations, a locomotive shop located at 900 Mulberry St, Russell, KY 41169 (the “Russell Locomotive Shop”). Over the past three years, the volume of work at the Russell Locomotive Shop has declined, and there is no longer enough work to justify keeping it open. As a result, CSXT has reached the difficult decision to close the Russell Locomotive Shop. The Company expects this closure to occur no later than April 5, 2019.

This letter constitutes the Company’s notice pursuant to the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 *et seq.* (the “WARN Act” or the “Act”). Although CSXT maintains that the Russell Locomotive Shop is not a “single site of employment” as that term is defined by the Act, the Company is, without prejudice to that position, issuing this notice in the event that CSXT’s closure of the Russell Locomotive Shop may be deemed to constitute a “mass layoff” or “plant closure” under the Act.

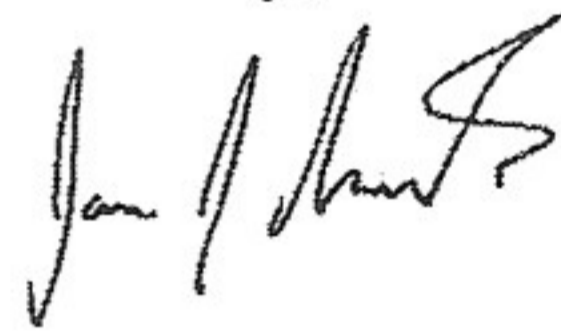
The closure of the Russell Locomotive Shop will result in the abolishment of approximately 113 positions, of which 46 are represented by the International Association of Machinists (the “Union”). These abolishments shall be effective 60 days from the date of this letter. Subject to any applicable employee seniority or bumping rights, it is expected that any layoffs due to these abolishments will be permanent. The names and positions of those employees represented by the Union currently holding affected positions are included on the enclosed Schedule “A”. All layoffs of

bargaining unit employees will be conducted in accordance with the collective bargaining agreement ("CBA") currently in effect between CSXT and the Union. Accordingly, once the positions at issue are abolished, there may be bumping rights available as set forth in the CBA.

Although the abolishment of these positions will not be effective for 60 days, CSXT is, as noted above, proceeding with closure of the Russell Locomotive Shop immediately. All identified employees affected by the closure will be provided with pay and benefits for the period between the date of closure and the effective date of the layoffs, subject to any offsets, reductions, or modifications allowed by law and/or applicable agreements. This period of compensation is in lieu of any notice that may be required by the WARN Act.

Should circumstances change or if the Company modifies its plans with respect to these permanent layoffs, CSXT will provide you with appropriate updates. If you have any questions or require additional information, please direct any inquiries to Michael Skipper, Senior Director of Labor Relations at 904-279-3344.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Boychuk". The signature is stylized and cursive.

Jamie Boychuk
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Enclosure