

CSX TRANSPORTATION INC

Form 424B3

October 21, 2008

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**This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell these securities in any state where the offer or sale is not permitted.**

Filed pursuant to Rule 424(b)(3)  
Registration Nos. 333-140732

333-140732-02

**Subject to Completion, Dated October 21, 2008**

**Preliminary Prospectus Supplement**

(To Prospectus dated December 10, 2007)

**\$250,438,000**

**CSX Transportation, Inc.**

*% Secured Equipment Notes due 2014*

**Guaranteed by CSX Corporation**

The % Secured Equipment Notes due 2014 (the Notes ) will mature on October 15, 2014. Interest is payable on the Notes on April 15 and October 15 of each year, commencing April 15, 2009. Interest on the Notes will accrue from October , 2008. Principal payments on the Notes will be made in scheduled amounts on selected payment dates, commencing April 15, 2009 and continuing until the final maturity date of the Notes. See Scheduled Payments in this prospectus supplement.

CSX Transportation, Inc. ( CSXT ) may redeem some or all of the Notes at any time. The redemption prices are described under the caption Description of Notes Redemption with Premium. Additionally, CSXT will be required to redeem a portion of the Notes upon a casualty occurrence with respect to the railroad equipment securing the Notes, unless CSXT elects to replace such equipment, and CSXT may redeem a portion of the Notes at its option in lieu of replacing worn out or unsuitable railroad equipment securing the Notes, in each case as set forth in this prospectus supplement.

The Notes will be secured by a security interest in certain railroad equipment owned by CSXT and will otherwise rank equally with all of CSXT s unsecured and unsubordinated debt.

The Notes will be fully, unconditionally and irrevocably guaranteed on a senior unsecured basis by CSXT s direct parent, CSX Corporation (together with its subsidiaries, CSX ). This guarantee will rank equally with all existing and future unsecured senior obligations of CSX Corporation, and will be effectively subordinated to all future secured indebtedness of CSX Corporation to the extent of the assets securing that indebtedness. The guarantee will terminate upon the occurrence of certain events, as described under the caption Description of Notes Guarantee.

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.

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Neither the Securities and Exchange Commission (the SEC) 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.

Title of Securities	Principal Amount	Interest Rate	Final Payment Date	Price to Public (1)(2)	Proceeds to CSXT (2)
% Secured Equipment Notes due 2014	\$ 250,438,000	%	October 15, 2014	%	%

(1) Plus accrued interest from October , 2008 if settlement occurs after that.

(2) The aggregate underwriting discounts are \$ , which constitutes % of the principal amount of the Notes. The aggregate net proceeds of the offering of the Notes before deducting offering expenses to CSXT, are \$ .

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

CSXT expects that delivery of the Notes will be made to investors on or about October , 2008, 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*

**Citi**

**Credit Suisse**  
*Senior Co-Managers*

**JPMorgan**

**Barclays Capital**

**Deutsche Bank Securities**

**Morgan Stanley**  
*Co-Managers*

**UBS Investment Bank**

**Mitsubishi UFJ Securities**

**Mizuho Securities USA Inc.**

**Scotia Capital**

October , 2008

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. CSXT has not authorized anyone to provide you with different information. CSXT is 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.

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This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of the Notes that CSXT is offering and certain other matters relating to CSXT, the issuer of the Notes



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offered by this prospectus supplement, and CSX Corporation, CSXT's direct parent and guarantor of the Notes. The second part is the base prospectus, which gives more general information about securities CSX Corporation may offer from time to time, some of which does not apply to the Notes that CSXT is offering. Generally, any reference to the prospectus is a reference 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, as amended (the "Securities Act") and the Securities Exchange Act of 1934, as amended (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 CSX'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. CSX 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. CSX undertakes no obligation to update or revise any forward-looking statement. If CSX does update any forward-looking statement, no inference should be drawn that CSX 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;



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Worsening conditions in the financial markets that may affect timely access to capital markets, as well as the cost of capital;

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

The impact of increased passenger activities in capacity-constrained areas or regulatory changes affecting when CSXT can transport freight or service routes;

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

An unintentional failure to comply with applicable laws or regulations;

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;

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

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

CSX's success in implementing its strategic plans and operational objectives and improving operating efficiency; and

Changes in operating conditions and costs or commodity concentrations.

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](http://www.sec.gov) and CSX's website at [www.csx.com](http://www.csx.com).

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**WHERE YOU CAN FIND MORE INFORMATION**

CSX Corporation files annual, quarterly and special reports, proxy statements and other information with the SEC. CSX Corporation's SEC filings are available to the public over the Internet at [www.sec.gov](http://www.sec.gov). You may also read and copy any document that CSX Corporation files 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 CSXT, as an issuer of debt securities to be guaranteed by CSX Corporation, to incorporate by reference the information that CSX Corporation files with the SEC, which means that CSXT 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 CSXT or CSX Corporation files later with the SEC will automatically update and supersede this information. CSXT incorporates by reference the documents listed below and any future filings made by CSXT or CSX Corporation with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act until CSXT sells all of the Notes.

CSX Corporation's Annual Report on Form 10-K for the fiscal year ended December 28, 2007, filed with the SEC on February 22, 2008;

CSX Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended March 28, 2008, filed with the SEC on April 16, 2008;

CSX Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended June 27, 2008, filed with the SEC on July 16, 2008;

CSX Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended September 26, 2008, filed with the SEC on October 15, 2008; and

CSX Corporation's Current Reports on Form 8-K filed with the SEC on March 17, 2008, March 24, 2008, March 27, 2008, May 9, 2008, June 13, 2008, June 20, 2008, June 24, 2008, June 30, 2008, July 16, 2008, July 29, 2008, August 1, 2008, August 5, 2008, September 19, 2008, September 22, 2008, September 24, 2008 and September 25, 2008.

You may request a copy of any filings referred to above, at no cost, by contacting CSX Corporation 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.

CSXT is also subject to the informational requirements of Title 49 of the United States Code and, accordingly, files reports and other information with the Surface Transportation Board of the United States Department of Transportation (the "STB"). Certain information concernin