

MEMORANDUM OF AGREEMENT

BETWEEN

NORFOLK SOUTHERN RAILWAY COMPANY

AND

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

IT IS AGREED AS FOLLOWS:

SECTION I - TRANSFER OF TRACKAGE BETWEEN SENIORITY DISTRICTS

On the effective date of this Agreement:

(A) The trackage of the Buffalo-Cleveland Seniority Division (Buffalo and Cleveland Seniority Districts), the Bellevue-Fostoria Seniority Division (Bellevue, Toledo and Fostoria Seniority Districts) and the Lake Erie & Western Seniority Division (East Seniority District only) will be removed from the NKP Agreement and combined into a new seniority division and added to the Eastern Region of the NW-WAB Agreement and designated as a newly created Ohio Division.

(B) The trackage of the Chicago-Michigan City Seniority Division (Chicago Seniority District) and the Lake Erie & Western Seniority Division (New Castle and Middle Seniority Districts) will be removed from the NKP Agreement and combined into a new seniority division and added to the Western Region of the NW-WAB Agreement and designated as a newly created Lake Division.

SECTION II - AGREEMENT APPLICATION FOR TRANSFERRED TRACKAGE

The territory identified in Section I above will be placed under the jurisdiction of the agreement between the former NW-WAB and the Brotherhood of Maintenance of Way Employes effective July 1, 1986 and removed from under the jurisdiction of the agreement between the former Nickel Plate and the Brotherhood of Maintenance of Way Employes effective February 1, 1951.

SECTION III - ADJUSTMENT OF SENIORITY RIGHTS

(A) Track Department Employees

(1) On the effective date of this agreement, employees listed on the Track Sub-Department seniority roster(s) covering the territory identified in Section I(A) will have their seniority dovetailed into the appropriate NW-WAB Eastern Region Track Sub-Department Seniority roster(s) as follows:

(a) Foreman, Assistant Foreman and Trackmen - employees will be dovetailed on these NW-WAB Eastern Region rosters based on their earliest retained foreman, assistant foreman and laborer dates, respectively, on the NKP seniority district or division rosters covering the territory identified in Section I(A). For identification purposes only, such employees will be designated as Ohio Division employees;

Note: Employees who possess laborer/truck driver seniority on the NKP seniority district or division rosters covering the territory identified in Section I(A), will use that date for dovetailing on the NW-WAB Eastern Region trackmen roster if earlier than their laborer date, if any.

(b) Machine Operators - employees will be dovetailed on the NW-WAB Eastern Region Machine Operator roster based on their earliest retained machine operator seniority date on the NKP machine operator seniority rosters covering the territory identified in Section I(A). For identification purposes only, such employees will be designated as Ohio Division employees;

(c) Thermit Welders, Electric Welders, Thermit Welder Helpers and Electric Welder Helpers - employees will be dovetailed on the respective NW-WAB Eastern Region rosters based on their earliest retained thermit welder, electric (arc) welder, thermit welder helper and electric (arc) welder helper seniority dates on the NKP applicable seniority rosters covering the territory identified in Section I(A). For identification purposes only, such employees will be designated as Ohio Division employees;

(2) On the effective date of this agreement, employees listed on the Track Sub-Department seniority roster(s) covering the territory identified in Section I(B) will have their seniority dovetailed into the appropriate NW-WAB Western Region Track Sub-Department Seniority roster(s) as follows:

(a) Foreman, Assistant Foreman and Trackmen - employees will be dovetailed on these NW-WAB Western Region rosters based on their earliest retained foreman, assistant foreman and laborer dates, respectively, on the NKP seniority district or division rosters covering the territory identified in Section I(B). For identification purposes only, such employees will be designated as Lake Division employees;

Note: Employees who possess laborer/truck driver seniority on the NKP seniority district or division rosters covering the territory identified in Section I(B), will use that date for dovetailing on the NW-WAB Western Region trackmen roster if earlier than their laborer date, if any.

(b) Machine Operators - employees will be dovetailed on the NW-WAB Western Region Machine Operator roster based on their earliest retained machine operator seniority date on the NKP machine operator seniority rosters covering the territory identified in Section I(B). For identification purposes only, such employees will be designated as Lake Division employees;

(c) Thermit Welders, Electric Welders, Thermit Welder Helpers and Electric Welder Helpers - employees will be dovetailed on the respective NW-WAB Western Region rosters based on their earliest retained thermit welder, electric (arc) welder, thermit welder helper and electric (arc) welder helper seniority dates on the NKP applicable seniority rosters covering the territory identified in Section I(B). For identification purposes only, such employees will be designated as Lake Division employees;

(3) Seniority on the NKP system rail gang rosters will not be used in the dovetailing/placement of employees on the NW-WAB Eastern and Western Region Track Department rosters;

(B) B&B Department Employees

(1) On the effective date of this agreement, employees listed on the B&B Sub-Department seniority roster(s) covering the territory identified in Section I(A) will have their seniority dovetailed based on their earliest retained seniority date(s) on their respective NKP seniority division roster(s) and such new dovetailed roster(s) will constitute the newly formed Ohio Division B&B Sub-Department roster(s) of the Eastern Region of the NW-WAB Agreement.

(2) On the effective date of this agreement, employees listed on the B&B Sub-Department seniority roster(s) covering the territory identified in Section I(B) will have their seniority dovetailed based on their earliest retained seniority date(s) on their respective NKP seniority division roster(s) and such new dovetailed roster(s) will constitute the newly formed Lake Division B&B Sub-Department roster(s) of the Western Region of the NW-WAB Agreement.

(C) On the effective date of this agreement, section territories on the newly formed Ohio and Lake Divisions will be the same as the existing section territories as they existed on the NKP on the date preceding this agreement and will remain unchanged unless subsequently modified in accordance with the applicable agreement.

(D) On the effective date of this agreement, employees assigned to positions working on the territory described in Section I above will be considered assigned to the same positions and locations under the newly formed Ohio and Lake Divisions as if the positions had initially been established under the NW-WAB Agreement. Accordingly, no existing NKP positions will be re-bulletined and no employee will obtain a displacement right solely as the result of the establishment of the newly formed seniority divisions.

(E) Section Gangs with fixed headquarters located on the former NKP territory will continue to include a laborer-truck driver position, governed by the former NKP laborer-truck driver roster applicable to such location prior to the effective date of this Memorandum of Agreement. However, no employee will establish a new listing on any of these laborer-truck driver rosters. When an employee occupying such laborer-truck driver position leaves the position as a result of promotion to a non-agreement position, voluntary exercise of seniority to another position, retirement, resignation, dismissal or death and there are no other active employees on

the applicable laborer-truck driver roster such position will be eliminated. Moreover, if there are active employees on the applicable roster but do not bid on a bulletined vacancy such position will not be filled. Subsequent thereto, if an existing NKP employee with section laborer/truck driver seniority on the applicable territory obtains a displacement right, he may exercise seniority to such unfilled laborer/truck driver position. Carpenter-truck driver positions will be handled in like manner for B&B forces having a fixed headquarters located on the former NKP territory.

SECTION IV - PRIOR RIGHT ARRANGEMENTS - TRACK DEPARTMENT EMPLOYEES

(A) Employees placed on the NW-WAB Eastern and Western Region Track Department rosters in accordance with Section III (current NKP employees) will have preference over employees currently listed on the NW-Wabash Eastern or Western Region rosters for all positions located on former NKP territory. Employees currently listed on the NW-Wabash Eastern or Western Region rosters will have preference over current NKP employees for all positions located on their existing NW-Wabash Eastern or Western Seniority Region.

(B) Current NKP employees will also receive prior rights based on their earliest existing NKP Roadmaster seniority district seniority, and such district will constitute their respective prior rights territory. Such prior rights will only be applicable to an exercise of seniority, under Rule 8 and 14, to foreman, assistant foreman and laborer positions bulletined with fixed headquarters located on their prior rights territory. Such prior righted employees will have only one prior rights territory (Buffalo, Cleveland, Bellevue, Toledo, Fostoria, East, Middle, New Castle or Chicago) in the respective NW-WAB Eastern and Western Regions. This prior rights territory will be determined by the former NKP Roadmaster seniority district where the employee possessed the earliest seniority date and will be designated on the rosters. For any classification where an employee's seniority date on the NKP Roadmaster seniority district corresponding to his prior rights territory was not his or her earliest seniority date, such employee will be assigned, for prior rights purposes, his or her seniority date in that classification on the NKP Roadmaster seniority district corresponding to his or her prior rights territory.

(C) When a position without a fixed headquarters, except for a DPG position, moves from former NKP territory to the existing NW-Wabash Eastern or Western Region, current NKP employees may either remain with position or at the end of 10 working days must exercise seniority per Rule 14 of the NW-

Wabash Agreement as if the position were abolished. In addition, qualified employees currently listed on NW-Wabash Eastern or Western Region rosters will be entitled to exercise seniority to positions without fixed headquarters, except DPG positions, that move from the former NKP territory to the existing NW-Wabash Eastern or Western Region under the following circumstances:

1. within 10 working days if they are furloughed;
2. after 15 days if they are working on a lower rated position; or
3. after 20 working days if they are working on a position with an equal or higher rate of pay.

This option is also available to employees currently listed on the NW-Wabash Eastern or Western Region rosters who are on positions which cross from their existing region to former NKP territory and current NKP employees will have the same opportunity in such circumstance to exercise seniority onto these positions under the conditions set forth herein.

SECTION V - OTHER APPLICABLE AGREEMENT PROVISIONS

(A) Rates of pay for Eastern Region and Western Region classifications working on the former NKP territory will be established by using the existing NKP rates previously applicable to corresponding positions at the respective locations. Such existing NKP rates of pay will be subject to future general wage increases and COLA. Existing NKP prior righted employees will receive the applicable NKP rates when working assignments on the NW-Wabash Eastern or Western Seniority Regions. These NKP rates of pay will also apply to DPG positions under the conditions set forth in Section 8 of the June 12, 1992 arbitrated agreement.

(B) It was understood that current employees will not be required to exercise seniority over any additional geographic territory than what they had to do before this realignment in order to maintain their income protection under the February 7, 1965 Agreement.

(C) In the event that the Carrier opts to establish non-DPG gangs that work between two or more current managerial division territories of the realigned NW-WAB Eastern or Western Region during any twelve month period measured between

January 1 and December 31, employees assigned to such gangs will be eligible to receive the lump sum payment (maximum of \$1,000) as provided for and subject to the conditions of Article XVI, Section 4 of the September 26, 1996 National Agreement, for any such period.

(D) Nothing in this Agreement is intended to affect the seniority rights of any employees on the DPG rosters established under the terms of the June 12, 1992, Arbitrated DPG Agreement.

(E) The seniority Group of Leading Roadway Machine Repairmen, Roadway Machine Repairmen and Roadway Machine Repairmen Helpers in the Track Sub-Department Group of the NW-WAB Agreement will not be applicable to work currently performed by employees not covered by this agreement on the new territory added to each Region in accordance with Section I of this agreement.

(F) NW-WAB Eastern or Western Region positions that were cut off under Rule 17 prior to the date of this agreement and subsequent to the date of this agreement are re-established on former NKP territory of the Eastern or Western Region under Rule 17, will be subject to displacement by any employee placed on a NW-WAB roster in accordance with Sections III and IV above possessing seniority in the classification. However, such displacement must be exercised within 10 days of such positions' initial re-establishment.

(G) In addition to the current Trackpatrolman positions on the former NKP territory (So. Lorain, OH[2], E. Wayne, IN, Buffalo, NY, Fostoria, OH, Argos, IN, Plymouth, IN, Bellevue, OH, Calumet Yard), on the effective date of this agreement, Foreman-Track Patrol positions will be established at New Castle, Indiana, Blufton, Indiana, Tipton, Indiana and Lima, Ohio on the former NKP territory to work in conjunction with the assistant track supervisors in making regular scheduled inspections. Subsequent to the effective date of this Memorandum of Agreement the establishment or abolishment of Foreman-Track patrol positions and any adjustment to their inspection territories will be subject to the provisions of the NW-Wabash agreement as interpreted by the July 21, 1991 LaRocco Award.

(H) The provisions of this Agreement have been designed to address a particular situation. Therefore, this agreement is

without prejudice to the position of either party and will not be referred to or cited by either party in any future negotiations or arbitration.

This Agreement is effective on February 21, 2000.

FOR THE BROTHERHOOD OF
MAINTENANCE OF WAY EMPLOYEES:

FOR THE NORFOLK SOUTHERN
RAILWAY CORPORATION:

P. R. Beard, General Chairman

M. R. MacMahon

Assistant Vice President
Labor Relations

T. R. McCoy, Jr., General Chairman

R. L. Taylor, General Chairman

APPROVED:



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January 28, 2000

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Gentlemen:

This refers to our discussion regarding the January 28, 2000 agreement involving the combining or realigning of the NKP Seniority Divisions and the Eastern and Western Regions of the NW-Wabash Agreement.

This confirms our understanding regarding the following clarifications to the agreement:

- the provisions of Section III(E) relative to laborer-truck driver positions are applicable to fixed headquarter forces whether previously governed by Roadmaster District or Extra Gang rosters on the former NKP;
- the prior rights provided in Section IV(B) also apply to Foreman-Track Patrol positions. Also, positions that are assigned territory consisting of parts or all of more than one prior rights territory will be awarded by considering prior righted employees from all involved prior rights territories;
- it is the intent of Side Letter No. 2 that Section Foreman, Assistant Section Foreman, Section Laborer-Truck Driver and Laborer seniority dates on the LEW-East Seniority District rosters must be integrated into the NW-Wabash Eastern Region rosters; the one time election applies only to the listings on other NKP seniority rosters.

Mr. P. R. Beard, et al.
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If you have any questions regarding the above clarifications,
please let me know.

Very truly yours,


W. L. Allman, Jr.