

Norfolk Southern Corporation
223 East City Hall Avenue
Norfolk, Virginia 23510-1728

K. J. O'Brien
Assistant Vice President
Labor Relations
(757) 629-2453

February 19, 2008

Messrs. P. R. Beard, General Chairman - BMWED
J. Dodd, General Chairman - BMWED
T. R. McCoy, Jr., General Chairman - BMWED
B. A. Winter, General Chairman - BMWED

Gentlemen:

This is in reference to the claims and proposed arbitration award that have arisen in connection with our dispute over the cutting and clearing of vegetation on the right-of-way at road crossing quadrants pursuant to the current July 1, 1986 NW-Wabash Agreement. Instead of pursuing those claims or adopting the proposed arbitration award, the parties have agreed to resolve this dispute as follows:

1. Subsequent to December 31, 2009, cutting and removal of vegetation from the right-of-way at road crossing quadrants shall be performed by members of the BMWED craft, except as specifically stipulated in Paragraph 3 below.
2. In addition to cutting and clearing vegetation from the right-of-way at road crossing quadrants subsequent to the above date, members of the BMWED craft covered by the NW-Wabash Agreement shall continue to perform all other work that they have customarily and historically performed in connection with the general cutting and clearing of vegetation from the right-of-way, except as specifically stipulated in Paragraph 3 below.
3. The vegetation cutting and clearing work reserved to members of the BMWED craft in Paragraphs 1 and 2 above may be contracted out only under the following exceptional circumstances:
 - a. Contractors may be used to supplement members of the BMWED craft to cut and clear trees and limbs from the right-of-way in emergency situations caused by natural disasters such as hurricanes, ice storms, snow storms, or tornados.
 - b. Contractors may be used to cut and trim trees where the location of the trees in proximity to buildings or bridges or on unusually steep slopes or swamps creates special hazards not customarily encountered by members of the BMWED craft in vegetation cutting and clearing work.

- c. Contractors may be used to cut trees whose girth (more than 36 inch diameter) or height (more than 30 feet) does not allow for reasonably safe removal using the types of chainsaws or machines that are customarily operated by members of the BMWED craft on the Carrier. Contractors assigned to cut such large trees shall be confined to such work and shall not be assigned to perform additional vegetation clearing work.
 - d. Contractors may be used to apply chemical herbicides when such herbicides are applied by independent equipment separate and distinct from vegetation cutting equipment. For example, the Carrier may contract out the application of herbicides by spray trucks, but it may not contract out for the use of hydro-ax equipment to simultaneously cut vegetation and spray herbicide. If the Carrier contracts out the application of herbicides by spray trucks, members of the BMWED craft will be assigned to perform all necessary piloting and track protection work. Any claim being progressed for the application of chemical herbicides by contractors using independent equipment, such as a spray truck, is withdrawn.
 - e. Beginning on January 1, 2010, the Carrier may, after proper written notice to the appropriate General Chairmen, use contractors to perform the initial clearing of vegetation from the right-of-way at road crossing quadrants under the NW-Wabash Agreement that were not among the road crossing quadrants that were cleared during 2004 through 2009. If the Carrier uses contractors to perform such work, except as specifically stipulated in Paragraphs a through d of this Part 3, the appropriate BMWED-represented employees as designated by the involved General Chairman, upon having their names submitted to the respective Division Engineer, shall be compensated at their respective rates of pay for an equal proportionate share of the total man-hours that the contractor employees expended in performing the quadrant clearing work.
4. All claims concerning contractors cutting and clearing vegetation on the right-of-way at road crossing quadrants anytime between September 1, 2004, and December 31, 2009, are withdrawn. This disposition applies whether such claim has already been initiated with the Carrier or is filed subsequent to the date of this agreement.
5. The parties will not adopt the proposed arbitration award issued in connection with this dispute on January 18, 2008. Neither party will sign that proposed award and will instead consider the terms of this February 19, 2008 letter as the final disposition of the dispute and so inform the Neutral Member of the Public Law Board who issued the proposed award in question.

Please indicate your concurrence by signing below and returning a fully executed copy to our office.

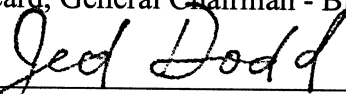
Very truly yours,

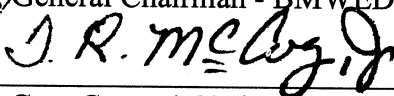


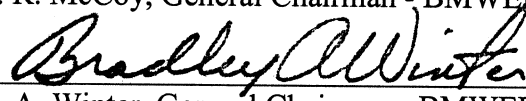
K. J. O'Brien
Assistant Vice President
Labor Relations

I agree:



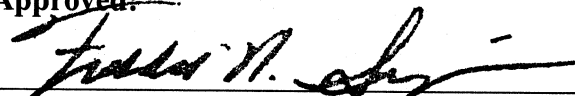
P. R. Beard, General Chairman - BMWED

J. Dodd, General Chairman - BMWED

T. R. McCoy, General Chairman - BMWED

B. A. Winter, General Chairman - BMWED

Approved:



F. N. Simpson, President - BMWED