

MEMORANDUM OF UNDERSTANDING

BETWEEN

NORFOLK SOUTHERN RAILWAY COMPANY
and its Railroad Subsidiaries

AND

Its Maintenance of Way Employees

Represented by

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

WHEREAS, the parties desire to provide for employees in the Maintenance of Way Department to accept positions with the Carrier in other crafts while retaining and continuing to accumulate seniority previously established within the BMWWE craft;

THEREFORE, IT IS AGREED that:

ARTICLE I

Except as provided in Rule 19 of the current NW-Wabash Agreement and Rule 43 of the current Southern Agreement, as amended, an active employee accepting, and subsequently establishing seniority on, a position coming within the scope of an agreement between the Carrier and a craft other than BMWWE may elect to continue to accumulate seniority within the BMWWE craft by continuing to pay, while performing service in the other craft, a retention fee equal to the applicable BMWWE membership dues as if such service was on the employee's last held position represented by the respective Systems signatory to this agreement. Carrier will advise BMWWE of employees continuing to accumulate BMWWE seniority under this provision.

In the event such employee under these circumstances fails to pay the retention fee equal to the applicable BMWWE membership dues to continue to retain and accumulate previously established BMWWE seniority, the duly authorized representative of the Organization shall notify the Carrier's highest officer designated to handle claims and grievances with a copy to the employee involved. If within thirty (30) days after receipt of such notification the employee has not become current in the retention fee equal to the applicable BMWWE membership dues, the employee shall forfeit all BMWWE seniority previously established under the NW-Wabash and Southern Agreements and the involved General Chairman shall so notify the Carrier and the affected employee.

ARTICLE II

An employee accepting a position in a craft other than BMWWE who arranges for the retention and accumulation of his seniority in the BMWWE craft as provided above, may not return to any position on the Carrier in the BMWWE craft as long as such employee is able to retain a position in the other craft with the Carrier. In the event, due to circumstances beyond his or her control, such employee is unable to retain a position with the Carrier in the other craft, such employee must, within ten days of last service in the other craft, displace any junior employee in the BMWWE craft in

accordance with the respective agreement applicable to the position held by the employee to be displaced, or forfeit all BMW seniority previously established under the NW-Wabash or Southern Agreements. Employees exercising seniority under this provision will not be required to displace onto a position having a fixed headquarters.

ARTICLE III

Nothing contained herein shall be construed to expand or diminish an employee's obligations to exercise seniority to obtain or retain benefits under any employee protective agreement or conditions imposed by law.

This agreement to be effective on March 1, 2000.

FOR BROTHERHOOD OF MAINTENANCE
OF WAY EMPLOYEES

John Dadd
General Chairman, BMW

Perry Geller
General Chairman, BMW

T. R. McCay
General Chairman, BMW

R. L. Taylor
General Chairman, BMW

P. R. Beard
General Chairman, BMW

Gary L Cox
General Chairman, BMW

FOR NORFOLK SOUTHERN RAILWAY COMPANY
And its Railroad Subsidiaries

H. R. Mohley
Assistant Vice President Labor
Relations

APPROVED:

Richard A. Lee
Vice President, BMW

Henry Wynn
Vice President, BMW