MEMORANDUM OF UNDERSTANDING

between

NORFOLK SOUTHERN RAILWAY COMPANY

and

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES

WHEREAS, the parties desire to adjust the manner in which seniority may be established in the respective Welder Helper, B&B Helper and Track or B&B Assistant Foreman classifications:

IT IS AGREED, paragraph (b) of Rule 3 of the July 1, 1986 NW-WAB Agreement, as amended, is revised to state the following:

RULE 3 - SENIORITY - ESTABLISHMENT OF

- (b) Employees already in the service going to positions in a seniority service Grade, Class and Group in which they have not previously established seniority will establish seniority in the new seniority Grade, Class, and Group as of the date of the bulletin making such assignment. Subsequent to January 1, 2007, an employee establishing:
 - 1) Foreman seniority, including satisfying the qualifying period provided in Rule 11, will establish that same date on the seniority roster for Assistant Foreman in the same sub-department, if the employee has not already established a seniority date on the corresponding Assistant Foreman roster;
 - An employee establishing Welder seniority, on one of the respective Electric, Thermite, or Structural rosters, including satisfying the qualifying period provided in Rule 11, will also establish that same date on the corresponding Welder Helper seniority roster, if the employee has not already established such Welder Helper seniority date;
 - An employee establishing B&B Mechanic or 1st Rate Carpenter seniority, including satisfying the qualifying period provided in Rule 11, will establish that same date on the seniority roster for B&B/Carpenter Helper (as well as for 2nd and 3rd Rate Carpenter where applicable) in the same sub-department, if the employee has not already established a seniority date on those corresponding roster(s).

In addition to the above, an employee who enters service in the B&B Sub-department on a Foreman or Assistant Foreman position, and establishes a seniority date on the corresponding roster in accordance with Rule 3 (a), will also establish that same seniority date on the corresponding B&B/Carpenter Helper roster. An employee who enters service in the Track Sub-department on a Foreman, Assistant Foreman, Welder or Welder Helper position, and establishes a seniority date on the corresponding roster in accordance with Rule 3 (a), will also establish that same seniority date on the corresponding Laborer roster.

This agreement made and executed in Norfolk, Virginia, this 24/1/2 day of October, 2007.

FOR THE ORGANIZATION:

FOR NORFOLK SOUTHERN RAILWAY COMPANY:

Assistant Vice President

Labor Relations

General Chairman, BMWE

General Chairman, BMWE

General Chairman, BOWH

General Chairman, BMWE

APPROVED:

Vice President, BMWE