



**NORFOLK
SOUTHERN**

Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510-2191

Mark R. MacMahon
Vice President
Labor Relations
757/629-2615

May 11, 2004

NA-03-UTU-HW

Mr. P. E. Emert, General Chairman
United Transportation Union
427 West Broadway Avenue
Maryville, Tennessee 37801

Mr. B. S. Daniel, General Chairman
United Transportation Union
P O Box 530
Gordon, Georgia 31031

Mr. J. A. Houk, General Chairman
United Transportation Union
2823 Williamson Road, Suite 5
Roanoke, Virginia 24012

Mr. L. P. King, Jr., General Chairman
United Transportation Union
Suite 207, Crystal Tower Building
Roanoke, Virginia 24011

Mr. D. G. Strunk, Jr., General Chairman
United Transportation Union
817 Kilbourne Street
Bellevue, Ohio 44811-9407

Gentlemen:

Article IV of the November 6, 2003 National Agreement provided in part that coverage under the NRC/UTU Health & Welfare Plan for employees would commence on the first day of the fourth calendar month after the employee first performed the requisite amount of compensated service covered by the UTU agreement.

This will confirm our agreement that effective May 1, 2004, Article IV is modified for NS employees represented by UTU so as to provide that such coverage will commence on the first day of the sixth calendar month after the employee first performs the requisite amount of service covered by the UTU agreement. Alternate coverage will be provided in the first through the fifth months of UTU covered service through the carrier's unilateral Special Medical Care Plan. Furthermore, each such employee who remains marked up for service for three months following the establishment of seniority will receive a \$400 payment provided that he or she remained available for service at all times except such time as regularly assigned rest days or as has been granted off with permission.

It also was agreed that this letter agreement may be terminated by service of a notice by either party on the other (provided that notices served by NS must be directed to all UTU NS general chairmen and notices served by UTU must be on behalf of all UTU NS general chairmen). The effective date of such termination will be the first day of the first calendar month next following 60 days after service of the notice.

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If this letter agreement is terminated, the pertinent provisions of the then effective national agreement will apply in lieu of this letter agreement except that individuals who established an employment relationship with NS prior to the date of such termination will continue to be covered by the provisions of this letter agreement.

Please sign below if the above correctly sets forth our understanding.

Very truly yours,

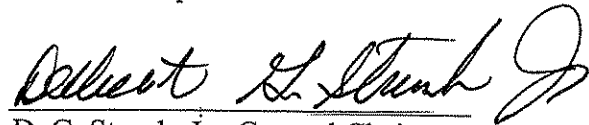


M. R. MacMahon

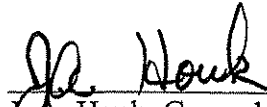
We concur:



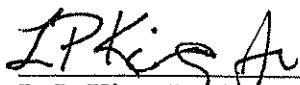
Paul E. Emert, General Chairman
United Transportation Union



D. G. Strunk, Jr., General Chairman
United Transportation Union



J. A. Houk, General Chairman
United Transportation Union



L. P. King, Jr., General Chairman
United Transportation Union



B. S. Daniel, General Chairman
United Transportation Union

The New Hire Health Care Insurance will cover all Newly Hired Train Service Employees during the first eleven (11) months of employment which includes the all time involved in Accelerated Conductor Training at no cost to the employee. The plan in addition to the no cost provision, the new employee can qualify for a \$400.00 payment as provided in the New Hire Health Insurance Agreement.

The New Hire will be covered by the National Health Care Plan on the first day of the twelfth (12) month of employment and will be required to pay the employees portion of the premium cost at that time.

The New Hire will be covered under the National Dental Plan on the first day of the thirteenth (13) month of employment.