MEMORANDUM OF UNDERSTANDING

between

NORFOLK SOUTHERN RAILWAY COMPANY

and

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

WHEREAS, the parties desire to provide for the establishment of an Assistant Crane Operator roster for each of the seniority Regions;

IT IS AGREED, the July 1, 1986 NW-WAB Agreement, as amended, is revised as follows:

1. Rule 2(a) and (h) is revised in order that there will be a separate Assistant Crane Operator roster established for the Northern Region seniority district and for the Western Region seniority district in addition to the current Assistant Crane Operator roster in effect for the Eastern Region seniority district. The establishment of the Assistant Crane Operator roster does not require that an Assistant Crane Operator position be established with each crane.

2. Any employee bidding on and assigned to an Assistant Crane Operator position will be subject to the following qualifying requirements:

   A. Any employee assigned to an Assistant Crane Operator position will have 10 days in which to qualify under the operating rules as a motorcar operator. An employee moving to a new territory as a result of being appointed to a different position will be required within 30 days to qualify as a pilot under the operating regulations on that territory.

   B. Employees assigned as Assistant Crane Operators will have 120 days in which to become qualified as a crane operator. They will not thereby establish seniority as a crane operator but will be available to relieve on the crane when necessary.

3. Employees who subsequently establish machine operator seniority by qualifying on a rail crane will also establish that same seniority date on the corresponding Assistant
Crane Operator roster if such employee does not already possess a listing on this Assistant Crane Operator roster.

4. The rate of pay for the Assistant Crane Operator position on all three Regions will be the $18.65 per hour rate (that existed just prior to July 1, 2007) as adjusted by the general wage increases contained in the July 1, 2007 National Agreement.

5. In the absence of the assigned crane operator, the assigned Assistant Crane Operator may be used to fill his place, and when doing so the Assistant Crane Operator is to receive the applicable crane operator rate of pay.

This agreement made and executed in Norfolk, Virginia, this 26th day of July, 2007.

FOR THE ORGANIZATION:

Paul R. Baus
General Chairman, BMWE

Jed Dodd
General Chairman, BMWE

D.R. Melzer
General Chairman, BMWE

Bradley A. Winter
General Chairman, BMWE

FOR NORFOLK SOUTHERN RAILWAY COMPANY:

Kathleen J. O'Brien
Assistant Vice President
Labor Relations

APPROVED:

[Signature]
Vice President, BMWE