



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

Harold R. Mobley  
Vice President  
Labor Relations

September 1, 2008

Side Letter No. 1

Mr. C. W. Davis, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
509 West Reed Street  
Moberly, Missouri 65270

Mr. R. C. Wallace, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
P. O. Box 16039  
Asheville, North Carolina 28816

Mr. W. E. Knight, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
P. O. Box 279  
Wheelersburg, Ohio 45694

Gentlemen:

This confirms our understanding in the event that BLET elects to exercise the opt-out provision set forth in Article I, Section 4 of the September 1, 2008 Agreement. In that event:

- The Thoroughbred Performance Bonus (which is referred to in Article I of the June 1, 1996; March 6, 2000; November 1, 2003; and September 1, 2008 NSR-BLET Agreements) is cancelled effective January 1, 2015.
- All enhancements granted by the Carrier in the June 1, 1996, March 6, 2000, November 1, 2003, and July 1, 2008 NSR-BLET Agreements are cancelled effective January 1, 2015. These enhancements include a) \$15/.15 special pay differential rolled into the daily/over mile rates; b) minimum basic day for separate deadhead; c) entry pay rate enhancements; d) weekend holiday differentials; e) 401(k) savings plan; f) enhanced away-from-home meal allowance; g) increased training pay; h) revised detention time arrangement; i) EP days; j) Carrier paid disability contributions; and k) restrictions on the adjustment of guaranteed extra boards.
- The amount of any Thoroughbred Performance Bonus for 2014 (payable in 2015) shall be reduced by \$2,000 (the lump sum paid under the November 1, 2003 NSR-BLET Agreement) plus \$1,200 (the signing bonus paid under the September 1, 2008 NSR-BLET Agreement) less a) the equivalent per employee value of the bonus paid under the 2003 National Agreement; and b) any lump sum payable under the next national agreement (e.g. the national agreement that next follows the 2007 National Agreement). In the event an engineer's 2014 bonus amount is insufficient to recover the required amount, then the difference will be recovered through payroll deductions.
- Effective January 1, 2015, all standard basic daily rates of pay for NSR employees shall be adjusted to standard rates of pay by applying all wage increases and all permanently rolled in Cost of Living Allowances (COLA) amounts that would have been applicable under the 2003, 2008, and NNA National Agreements to current NSR rates of pay after these rates are reduced

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by all general wage increases and permanently rolled-in COLA amounts that were included in the 2003 and 2008 NSR-BLET Agreements.

- From and after January 1, 2015, entry rates, 401(k), meal allowances, disability, and death-provision provisions, if any, as provided by the 2003 National Agreement, the 2007 National Agreement, and the NNA will apply to NSR employees. And, in addition, the certification allowance provided by Arbitration Board No. 564 will apply to NSR employees.

If the above sets forth your understanding, please sign below.

Very truly yours,

*H.R.M.*  
H. R. Mobley *subject to ratification*

*C.W.D.* *Subject to ratification*  
C. W. Davis, General Chairman

*W.E.K. subject to ratification*  
W. E. Knight, General Chairman

*R.C.W. subject to ratification*  
R. C. Wallace, General Chairman



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September 1, 2008

Side Letter No. 2

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Brotherhood of Locomotive Engineers and Trainmen  
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Mr. W. E. Knight, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
P. O. Box 279  
Wheelersburg, Ohio 45694

Gentlemen:

Re: Article XI

1. The parties recognize that Article XI, Section 1 dealing with Scope in Road Service, is just that, a "scope" rule, not a "crew consist" rule. Thus, in road service, if no human presence is required on board a train, locomotive or other on-rail equipment for any purpose, then Article XI, Section 1 does not require the assignment of a locomotive engineer to the train, locomotive or other on-rail equipment. In the situation described in Article XI, Section 1, paragraph 1(d), no labor agreement would prevent the assigned locomotive engineer from controlling the operation of multiple locomotives, trains or other on-rail equipment, as the remote control technology may permit.
2. Article XI, Section 1, paragraph 2(a) does not apply to any class of engineer-only assignment that existed prior to this Agreement; any such operation will continue to be governed by the agreements and the pay provisions already applicable to it.
3. Article XI, Section 1, paragraph 2(b) does not apply in connection with the operation of any train, locomotive or other motive power including multiple units (including distributed power) where the engineer conducts such operation solely by use of on-board, fixed controls.
4. These are examples showing the proper application of Article XI, Section 2, and paragraph 3(a):

**Example 1**

On March 1, 2010, there has been 10% attrition of covered locomotive engineers on Seniority District A since the date of this Agreement. On August 1, 2008, there were 12 conventional yard assignments at a major yard and source of supply on District A. On March 1, 2010, there is a combination of 11 conventional and utility engineer assignments at that major yard and source of supply on District A.

Since that number exceeds the baseline minus attrition [12 less 10% of 12 or 1.2 (and since that is under .5, it is rounded down; if it had been .5 or over, it would have been rounded up)], any yard jobs or assignments over the 11<sup>th</sup> at the major terminal may be hybrid.

### **Example 2**

On March 1, 2010, there has been 10% attrition of covered locomotive engineers on Seniority District A since the date of this Agreement. On August 1, 2008, there were 12 conventional yard assignments at a major yard and source of supply on District A. On March 1, 2010, there is a combination of nine conventional and utility engineer assignments at the major yard and source of supply on District A. Since that number is less than the baseline minus attrition, there could be no hybrid assignments. However, any number of yard jobs or assignments at the major terminal may, subject to any restrictions in other agreements, be pure RC operations.

### **Example 3**

Using the same situation in Example 2, on March 1, 2010, there is a permanent vacancy for a locomotive engineer on one of the remaining protected yard jobs at the major yard on Seniority District A, but no covered engineer bids to this job. The job may be operated without an engineer and as a hybrid.

This job could continue to be operated without an engineer and as a hybrid operation until March 10, when a covered engineer decides to place to this job; however, this job is not available to a non-covered engineer.

5. A. Nothing in Article XI is to be taken to change anyone's responsibilities, rights or obligations in connection with the manning of self-propelled machines of whatever kind or character. All existing agreements, awards, settlements and other authorities on that point and related to that subject are still as effective as they were before the adoption of this Article.
- B. Nothing in Article XI is to be taken to change anyone's responsibilities, rights or obligations in connection with hostler assignments and hostling duties. All existing agreements, awards, settlements and other authorities on that point and related to that subject are still as effective as they were before the adoption of this Article.
6. The parties agree that hybrid operations are yard crews in the application of Article VIII of the May 19, 1986 Arbitrated Agreement. Within switching limits, hybrid operations may perform any work that any other yard crew may perform. A hybrid operation is, in its operation in road-yard service zones, subject to the same national agreement provisions as any other yard crew. This will include application of Article VIII, Section 2(a)(iii) of the 1986 Arbitrated Agreement about not resulting in the elimination of a road crew or crews.

Mr. C. W. Davis, et al  
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If the above sets forth your understanding, please sign below.

Very truly yours,

*HRM* subject to  
H. R. Mobley ratification

*CW* Subject to ratification  
C. W. Davis, General Chairman

*W.E.K. subject to ratification*  
W. E. Knight, General Chairman

*R.C.W. subject to Ratification*  
R. C. Wallace, General Chairman



Norfolk Southern Corporation  
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Harold R. Mobley  
 Vice President  
 Labor Relations

September 1, 2008

Side Letter No. 3

Mr. C. W. Davis, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 509 West Reed Street  
 Moberly, Missouri 65270

Mr. R. C. Wallace, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 P. O. Box 16039  
 Asheville, North Carolina 28816

Mr. W. E. Knight, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 P. O. Box 279  
 Wheelersburg, Ohio 45694

Gentlemen:

This letter is to confirm our understanding of Article I, Sections 1 and 2. Effective January 1, 2009, employees' starts will have a factor of 1.05 for other than through freight assignments. Through freight starts will have the following factors:

<u>Mileage</u>	<u>Factor</u>
Less than 150	1.25
150 to 199	1.35
200 to 225	1.40
226 to 274	1.50
Greater than 275	1.75

In applying the above mileage, the overtime mileage threshold will be used for trip rated assignments. For assignments that are not trip rated, actual mile runs will be used.

If the above sets forth your understanding, please sign below.

Very truly yours,

  
 C. W. Davis, General Chairman

*HRM subject to ratification*

*W. E. K. subject to RATIFICATION*  
 W. E. Knight, General Chairman

*R. C. W. subject to RATIFICATION*  
 R. C. Wallace, General Chairman



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Labor Relations

September 1, 2008

Side Letter No. 4

Mr. C. W. Davis, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
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Mr. R. C. Wallace, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
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Mr. W. E. Knight, General Chairman  
Brotherhood of Locomotive Engineers and Trainmen  
P. O. Box 279  
Wheelersburg, Ohio 45694

Gentlemen:

This confirms our understanding in connection with Article 1, Question and Answer No. 8.

In the event an engineer fails to qualify for a bonus due to being used off his or her assignment and receives less credit for a start(s), the General Chairman will submit to the Director of Labor Relations the engineer's name, employee identification number, the engineer's regular assignment, and the assignment the engineer protected and the craft.

The Company will review the information and make a good faith determination if the engineer's start credits should be increased.

If the above sets forth your understanding, please sign below.

Very truly yours,

*HRM*  
*subject to ratification*

*CW*  
*Subject to ratification*  
C. W. Davis, General Chairman

*W.E.K. subject to ratification*  
W. E. Knight, General Chairman

*R.C.W. subject to ratification*  
R. C. Wallace, General Chairman



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

Stephan R. Budzina  
 Assistant Vice President  
 Labor Relations  
 (757) 629-2463

September 2, 2008

NA-07-BLET-NS

Mr. C. W. Davis, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 509 West Reed Street  
 Moberly, Missouri 65270

Mr. R. C. Wallace, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 P. O. Box 16039  
 Asheville, North Carolina 28816

Mr. W. E. Knight, General Chairman  
 Brotherhood of Locomotive Engineers and Trainmen  
 P. O. Box 279  
 Wheelersburg, Ohio 45694

Gentlemen:

This letter is to confirm our agreement regarding the accumulation of personal leave days under the December 6, 1999 Agreement

It is agreed that Paragraph 1. of the December 6, 1999 agreement will be replaced with the following language:

1. Any personal leave days that are due, but not taken, may be carried over and accumulated.

If the above sets forth our agreement, please sign below.

Very truly yours,

*S.R.B. subject to Ratification*

*C.W. subject to Ratification*  
 C. W. Davis, General Chairman

*W.E.K. subject to Ratification*  
 W. E. Knight, General Chairman

*R.C.W. subject to Ratification*  
 R. C. Wallace, General Chairman