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Retirement Plan

ABOUT THE RETIREMENT PLAN

The Retirement Plan of Norfolk Southern Corporation and Participating Subsidiary Companies (the "Retirement Plan" or "Plan") is designed to increase your financial security after retirement by providing:

- a fixed monthly benefit for life. As described in more detail in this summary, the amount of the monthly benefit is generally based on your pay and length of service with Norfolk Southern Corporation or a participating subsidiary (NS);
- flexibility in choosing a retirement date. You may be able to retire with a monthly benefit before you become eligible for government benefits (i.e., Railroad Retirement or Social Security); and
- added security for your spouse. Benefits may be payable to your survivor after your death.

Together with income from your own personal retirement savings, such as your 401(k) or Individual Retirement Account (IRA), and your government annuity from Railroad Retirement or Social Security, benefits from this Plan can help you achieve a comfortable retirement.

WHO IS ELIGIBLE

You are automatically eligible to participate in the Plan on the first day you perform service for compensation in a nonagreement position with NS. (See **Glossary** for a definition of the term "nonagreement position.")

An employee in training for an agreement position is not eligible to participate in the Retirement Plan, unless the employee was a member of the Plan on or before February 1, 1999.

An employee in job class M11 is not eligible to participate, unless the employee was a member of the Plan prior to performing service in job class M11.

COST

You do not contribute toward the cost of benefits under the Plan. Benefits under the Plan are financed as described in the Funding section of this summary.

VESTING

You will have a nonforfeitable right to 100% of your accrued benefit when you have completed five Years of Service with NS, or when you attain age 62, if earlier. A Year of Service for vesting purposes includes any 12 consecutive month period, as measured from the date of employment or anniversaries thereof, in which you have not less than 1,000 hours of service.

From time to time, NS may make a transfer of Retirement Plan assets to a Medical Benefits Account to pay for retiree health benefits under strict guidelines established by the Internal Revenue Code (a "Qualified Transfer"). If a Qualified Transfer is made, and you are not yet vested as described above, you will receive a nonforfeitable right to 100% of your accrued benefit under the Plan as of the date of such transfer.

RETIREMENT AGE

- Normal retirement age under the Plan is 65; however, unless you are an appointed or board-elected officer at or above the level of Vice President, you may continue working past 65 as long as you are physically and mentally capable of performing the requirements of your job, except where mandatory retirement is permitted under the provisions of the Age Discrimination in Employment Act of 1967 as amended, or of any other applicable law.
- You may retire between ages 60 and 65 if you are vested; however, if you do not have 10 Years of Service, including at least five years of Creditable Service, your benefit will be reduced by 1/180th for each month you are under age 62 at the time of retirement. If you retire before age 62 and this 1/180th reduction applies, you may elect to defer receiving your benefit until you are eligible to receive an unreduced pension.

There is generally no reduction in your benefit for retirement at age 62 or thereafter. (There may be an exception for some current or former Southern Railway employees who were occupying a non-scheduled position on or before July 21, 1980, and retire under the grandfathered provisions of the Southern Railway System Retirement Plan).

- You may also retire between the ages of 55 and 60 if you are vested and qualify as described under "Early Retirement Benefits."

BENEFITS UNDER THE PLAN

When you retire, your monthly benefit payable for your lifetime will be computed as follows:

Your Average Final Compensation (see **Glossary**) will be multiplied by 1-1/2% times your years of Creditable Service — but not more than 60% of such Average Final Compensation — **less**

- 70% of the monthly benefit payable to you under the Railroad Retirement Act commencing at the earliest eligibility age following retirement, or

- 66-2/3% of the monthly benefit payable under the Social Security Act commencing at the earliest eligibility age following retirement.

For this purpose, your monthly Railroad Retirement annuity is determined by multiplying your total railroad service by a fraction, the numerator of which is your total months of Creditable Service, and the denominator of which is your total railroad service. Your monthly Social Security annuity is determined on the basis of your creditable compensation under the Social Security Act that is applicable to your Creditable Service under the Plan.

The monthly Railroad Retirement annuity or Social Security annuity is computed as of the earliest of:

- your actual retirement date,
- the commencement date of last Disability Service that is not followed by a return to active service, or
- the date of final termination of service prior to age 60.

However, if you were a Member of the Plan on August 1, 1997, and you retire in the month after the month in which you reach age 65, your benefit will be no less than your benefit computed as of August 1, 1997, but using age 65 to determine the monthly Railroad Retirement or Social Security annuity.

For certain participants, the monthly benefit described above will be increased by any applicable additional retirement benefit set forth in Schedules A or B to the Plan, and reduced by any applicable reduction in benefit set forth in Schedule C of the Plan. You will be notified if you have a benefit under one of these schedules.

Pension Estimator on the Employee Resource Center (ERC)

If you are an active nonagreement employee, you can visit the ERC to obtain an estimate* of your benefit from the Plan based on assumptions you provide about your retirement date and future compensation. You can reach the Employee Resource Center from www.nscorp.com. Login using your mainframe (RACF) ID and password.

*This estimate is not a guarantee of benefit eligibility or benefit amount, and your service and compensation data is subject to verification prior to payment of benefits.

Minimum Retirement Benefit

Your annual retirement benefit shall not be less than the greater of:

- \$100,
- your Projected Normal Retirement Benefit (see **Glossary**) times your Service Ratio (see **Glossary**), or
- your accrued benefit on April 30, 2005.

Offset for Certain Canadian Participants

If you become a member of the Plan on or after April 1, 2000, and you are protected by the Canadian Pension Benefits Standards Act, your retirement benefit will be calculated and payable in Canadian dollars, and such benefit will be reduced by 66-2/3% of any pension payable under the Canada Pension Plan or a provincial pension plan on the basis of service under that plan applicable to Creditable Service under this Plan, assuming that such pension commences at the earliest eligibility age following retirement.

Offsets From Affiliated Pension Plans

Your retirement benefit under this Plan also will be reduced at the earliest eligibility date by the amount of any monthly pension or annuity payable under the following for prior service with those companies:

- Norfolk and Western Railway Company Plan for Supplemental Pensions;
- Merged Employees Pension Plan of Norfolk and Western Railway Company;
- Virginian Railway Company's Group Annuity Contract GR-130 with the Travelers;
- AC&Y Plan, and
- If you first became a member of the plan after August 26, 1999, the amount of any monthly pension or annuity payable under the Supplemental Pension Plan of Consolidated Rail Corporation ("Conrail Plan") (excluding any special pension benefit described in Article 14 of the Conrail Plan as in effect on or after August 1, 1998), the Retirement Plan of Consolidated Rail Corporation, and any qualified defined benefit pension plan maintained by any other entity whose service is credited under the Conrail Plan and/or under the Retirement Plan of Consolidated Rail Corporation, determined as if you had retired under the applicable plan(s) on the date retirement benefits begin under this Plan.

If your benefit under any of these plans is paid in a form that does not provide monthly payments, the offsets described above shall be determined as if your benefit under such other plan had been paid as a single life annuity.

If You Were A Member Of An Affiliated Pension Plan

If you were a member of the ***NW Plan for Supplemental Pensions***, you will receive an additional monthly benefit equal to 1/120th of your accumulated and unrefunded contributions (including interest) to the NW Plan for Supplemental Pensions.

If you were a member of the ***Southern Railway System Retirement Plan*** before June 1, 1982, and were employed in a nonagreement position on July 21, 1980, you will receive the greater of the benefit described above or the following:

- 45% of your Average Final Compensation, plus 1/4% of Average Final Compensation for each year of credited service in excess of 30 years (maximum additional benefit not to

exceed 2-1/2% of Average Final Compensation), plus, for certain Officers' Deferred Compensation Plan participants, any applicable Additional Retirement Benefit set forth in Schedule A of the Retirement Plan, less 63% of the Railroad Retirement or 60% of the Social Security benefit commencing at the earliest eligibility age following retirement.

- If you have at least 20 years of Creditable Service, you may retire under this provision at age 60 without reduction. If you have less than 20 years service, your benefit will be reduced by 1/180th for each month you are under age 65 at the time of your retirement. There is an additional reduction of 1/180th for each month that your service at the time of your retirement is less than 15 years.

If you were a member of the **NW Plan (and/or AC&Y Plan), PLC Plan, VHC Plan, CW Plan or NF&D Plan** (see **Glossary**) before June 1, 1982, and had more than forty (40) years of creditable service under the Plan as of June 1, 1982, your benefit will be computed by multiplying your Average Final Compensation by 1-1/2% times your actual years of creditable service on May 30, 1982, even though that percentage exceeds 60%.

If you became a member of the Plan on or before August 26, 1999, and you were previously a participant in the **Supplemental Pension Plan of Consolidated Rail Corporation (the "Conrail Plan") or the Retirement Plan of Consolidated Rail Corporation** and accrued a benefit that was transferred to the Plan, your retirement benefit will be the greater of (i) your benefit as calculated under this Plan or (ii) the benefit you accrued under the Conrail Plan (excluding any special pension benefit described in Article 14 of the Conrail Plan as in effect on or after August 1, 1998) or the Retirement Plan of Consolidated Rail Corporation. The benefit may commence on any date when you would have been eligible to receive the benefit under the Conrail Plan or the Retirement Plan of Consolidated Rail Corporation; provided, however, that if this provision allows you to retire prior to age 65 but your benefit is calculated under this Plan (as provided above), your benefit will be the actuarial equivalent of a single-life annuity commencing at age 65. If you had at least three years of vesting service (as determined under the Conrail Plan) on your transfer date but less than five years of service, the vested percentage of your benefit shall be the greater of the percentage determined under the vesting provisions of the Conrail Plan (taking into account your service before and after the transfer) and the percentage determined under the vesting provisions of this Plan.

Deferrals under the Officers' Deferred Compensation Plan and the Executive Deferred Compensation Program

Incentive Plan participants who elect to defer salary and/or bonuses under Norfolk Southern Corporation's Officers Deferred Compensation Plan or the Executive Deferred Compensation Plan that would otherwise be included as Average Final Compensation will receive any applicable pension payments due to these income deferrals from Norfolk Southern's Supplemental Benefit Plan unless the benefit is included in Schedule A. Amounts specified in Schedule A represent certain benefits accrued under the Supplemental Benefit Plan based on deferred salary and/or bonus, and will be paid from the Retirement Plan as an Additional Retirement Benefit.

Any benefit based on Compensation (see **Glossary**) that exceeds the dollar limitation for compensation provided in the Internal Revenue Code and any benefit that exceeds the maximum limitation on benefits under the Internal Revenue Code also will be made from the NS Supplemental Benefit Plan. Unlike the NS Retirement Plan, the NS Supplemental Benefit Plan

is a non-tax qualified, unfunded plan where the payments are made directly from NS' corporate assets.

Illinois Terminal Railroad Company

Certain participants who retired under the Plan before January 1, 2005, did not receive Creditable Service for service in a nonagreement position with Illinois Terminal Railroad Company (IT). These participants will receive an Additional Retirement Benefit as set forth in Schedule B of the Plan. Certain other participants who retire under the Plan on or after January 1, 2005, and receive Creditable Service for service in a nonagreement position with IT will receive a reduction in their benefit, as set forth in Schedule C of the Plan, reflecting benefits paid or payable from the IT Retirement Plan

EARLY RETIREMENT BENEFITS

If you are between the ages of 55 and 60, actively employed in a nonagreement position or on disability service, and have not less than 10 Years of Service, including not less than five years of Creditable Service, you may elect to retire and receive *either* of the following two benefits:

1. Temporary Monthly Early Retirement Supplement

A temporary monthly early retirement supplement until you reach age 60 equal to the lesser of:

- The Tier 1 Railroad Retirement or Social Security benefit payable at the earliest eligibility age you could receive it, or
- \$500.

Notwithstanding the above, if you are currently receiving any benefit under Railroad Retirement or Social Security, you may retire under this provision but you are not eligible for the temporary monthly early retirement supplement.

After the temporary supplement ceases at age 60, you will receive a monthly benefit calculated under the applicable Plan provisions, as follows:

- unreduced if you have at least 10 Years of Service (including at least five years of Creditable Service).
- reduced 1/180th for each month you are under age 62 if you have less than 10 Years of Service or less than five years of Creditable Service; however, you may elect to wait until age 62 and receive an unreduced benefit.

This benefit will be further reduced by the applicable Railroad Retirement or Social Security offset (see "**Benefits Under the Plan**") at the earliest eligibility date.

2. Early Retirement

A monthly retirement benefit, calculated under the applicable Plan provisions, reduced by 1/360th for each calendar month you are under age 60 at the time of your retirement. This benefit will be further reduced by the applicable Railroad Retirement or Social Security offset (see “**Benefits Under the Plan**”) at the earliest eligibility date.

If you have at least 20 years of Creditable Service, are employed in a non-agreement position at age 50, and separate from service on or after attaining age 50, you may elect to retire between the ages of 55 and 60 and receive the benefit described under “(2) Early Retirement” above.

If you have at least 10 years of Creditable Service, and separate from service prior to age 50, or prior to age 55 without 20 years of Creditable Service, you may elect to retire between the ages of 55 and 60 and receive a monthly retirement benefit calculated under the applicable Plan provisions and actuarially reduced based on your age at commencement of the benefit. For example, the benefit at age 55 is approximately 36% of the benefit that would be payable at age 65.

DISABILITY BENEFIT

If you are eligible to receive a benefit under the Long-Term Disability Plan (LTD Plan), all or a portion of that benefit may be paid as a Disability Benefit under the Retirement Plan until the earlier of (1) the date you cease to be entitled to benefits under the LTD Plan, or (2) age 65. The benefit you are eligible to receive under the LTD Plan (if any) will be reduced by the amount of this Disability Benefit so that your total disability benefits under this Plan and under the LTD Plan will equal the disability benefit that you would have been eligible to receive under the LTD Plan prior to the reduction for the Disability Benefit payable under this Plan.

The Disability Benefit cannot exceed the amount of the benefit you would receive at age 65, taking into account additional Creditable Service as if you had continued to work until age 65. This Disability Benefit is an ancillary benefit that does not cause any reduction in the benefit you will receive upon retirement. For more details on the Disability Benefit, please refer to the LTD Plan summary.

IF YOUR SERVICE IS TERMINATED PRIOR TO RETIREMENT

If you are vested and your service with NS is terminated for any reason other than participation in NS’ LTD Plan, your benefit, if any, will be calculated under the Plan provisions using your Creditable Service and Average Final Compensation at that time. You will be notified of the benefit payable to you by July 31 of the year following your termination.

You may elect to receive a monthly benefit, calculated under the Plan provisions, as early as age 60, reduced for early receipt, if applicable (see “Retirement Age”). You may elect to receive a monthly benefit prior to age 60, if you qualify as described under “Early Retirement Benefits.” If you elect a retirement date, you may revoke that election only once. If you elect a second retirement date, the benefit will be payable as of that date.

LUMP SUM PAYMENT FOR SMALL BENEFITS

Mandatory Lump-Sum Distribution

If the present value of your vested accrued benefit under the Plan is \$5,000 or less at the time you retire or otherwise terminate your employment, you will receive a one-time payment representing the actuarially computed present value of your benefit. This payment will be in lieu of a monthly benefit from the Plan.

If the mandatory lump-sum distribution is greater than \$1,000, and you do not affirmatively elect a cash distribution or a rollover to an individual retirement account (IRA) or other eligible retirement plan (as defined in the Internal Revenue Code), then the distribution will automatically be rolled-over to a new IRA for you, as required by federal law. Your IRA will be invested in an IRA with The Vanguard Group (Vanguard) and invested in the Vanguard Prime Money Market Fund (ticker symbol VMMXX), which is designed to preserve principal and provide a reasonable rate of return and liquidity. Any fees related to your Vanguard IRA will be paid by the IRA.

Optional Lump-Sum Distribution

If the present value of your vested accrued benefit under the Plan is greater than \$5,000 but does not exceed \$9,000 at the time you retire or otherwise terminate your employment, you may elect distribution of your benefit as a (i) lump sum, (ii) an immediate annuity, (iii) a combination of partial lump sum and partial immediate annuity, or (iv) a combination of partial lump sum or partial immediate annuity and a partial retirement benefit.

CREDITABLE SERVICE

Creditable Service consists of the following:

- Service with NS in a nonagreement position measured from the later of the first day you perform service for Compensation or the 1982 anniversary of your date of employment;
- Service creditable as a member under the NW Plan, Southern Plan, AC&Y Plan, CW Plan, K&IT Plan, NF&D Plan, PLC Plan, or VHC Plan (see **Glossary**) measured to the 1982 anniversary of your date of employment;
- Service creditable as a member under the LPD Plan before January 1, 1984;
- Service creditable as a member under the Conrail Plan beginning on April 1, 1976 (other than service creditable under the Conrail Plan as a result of the terms or provisions of any change-in-control agreement, employment agreement, severance agreement, or other similar agreement);
- Service with Virginia Railway Association, if you were employed by NS on December 31, 2004 and retire on or after January 1, 2005;

- Service in a non-agreement position with Illinois Terminal Railroad Company, if you were employed by NS on December 31, 2004, and retire on or after January 1, 2005;
- Service creditable as a member under the DMU Plan before March 1, 1989; and
- Agreement service before June 1, 1982 with NW, NF&D Railway Company, The Virginian Railway Company, The New York, Chicago and St. Louis Railroad Company, Wabash Railroad Company, New Jersey, Indiana & Illinois Railroad Company, The Pittsburgh & West Virginia Railway Company, and the Lake Erie and Fort Wayne Railroad Company if you were a member of the Plan on June 1, 1982.
- Agreement service with NS or a Southern Railway “System Company” (as defined in the Southern Plan), or service as an employee in job class M11 (generally, relief yardmasters/supervisors), if:
 - the service is followed by nonagreement service with NS, and
 - you have been employed by NS in a nonagreement position (not including any periods of Disability Service) for five or more years after June 1, 1982. If you have been employed in a nonagreement position for less than five years, then 20% of the sum of agreement service and service in job class M11 will be creditable for each year you have been employed in a nonagreement position.
- Agreement service with Conrail after April 1, 1976, if:
 - the service is followed by nonagreement service with NS,
 - you are employed by NS in a nonagreement position on or after March 7, 1997, and
 - you have been employed by NS in a nonagreement position (not including any periods of Disability Service) for five or more years after March 7, 1997. If you have been employed by NS in a nonagreement position for less than five years, then 20% of the agreement service will be creditable for each year you have been employed by NS in a nonagreement position after March 7, 1997;
- Other periods of absence because of illness or injury, such as under the Salary Continuance policy;
- Up to 60 months of service (or longer where required by the Uniform Services Employment and Reemployment Rights Act) in the uniformed services of the United States or the armed forces of Canada if you were a member of the Plan (or a predecessor plan) immediately before such service and returned to employment within 90 days after release from such armed forces or within the time fixed by law for retention of employment, whichever is greater,
- Service approved by the Board of Managers for periods of leave of absence:
 - to accept employment with a subsidiary company at the request of NS,

- to attend educational institutions,
- to accept employment with a government or government agency, or
- to carry out other approved activities.
- Disability Service — periods during which you are receiving or are eligible to receive benefits under the Norfolk Southern LTD Plan before retirement under this Plan. You will receive one month of Creditable Service under this Plan for each two months of Disability Service until your eligibility ends under the LTD Plan or the effective date of your retirement under the Plan, if earlier.

During a period of absence for service in the uniformed services of the United States for which you receive Creditable Service, you will be deemed to have earned the Compensation you would have earned during your absence or, if this amount is not reasonably certain, the average compensation for the 12 months before the beginning of your absence.

During any other period of absence for which you receive Creditable Service, except Disability Service, you will be deemed to have earned the greater of the compensation at the rate in effect immediately preceding your absence or the rate payable to you for services rendered to the Company during your absence.

SURVIVOR BENEFITS

Automatic Pre-Retirement Joint and Survivor Benefit

The Plan provides pre-retirement survivorship protection to you at no cost. If you are married and vested and you die before retirement, this protection provides the following benefits:

- If you die before age 60, your Surviving Spouse (see **Glossary**) will automatically receive:
 - a benefit beginning in the month after you would have attained age 60. This benefit will equal 50% of your accrued benefit calculated as of your date of death (or your separation date, if earlier), but without any 1/180th reduction that otherwise would have applied for each month that you were under age 62 at the time of your death, or
 - if elected, a benefit beginning any month after you would have attained age 55 if you qualified as described under “Early Retirement Benefits” on your date of death (or your separation date, if earlier). This benefit will equal 50% of your accrued benefit, including any reductions for early retirement.
- If you die after age 60, your Surviving Spouse will automatically receive a benefit beginning in the month after your death. This benefit will equal 50% of your accrued benefit you would have received if you had retired on the last day of the month in which you die without any 1/180th reduction that otherwise would have applied for each month you were under age 62 at the time of your death.

You will also be provided this pre-retirement survivorship protection if you are a vested member who had not attained age 60 on or before August 23, 1984, and your employment terminated after January 1, 1976.

Optional Pre-Retirement Joint and Survivor Benefit

If you are vested, you may elect in writing at any time after attaining age 35 to provide your Surviving Spouse with an immediate benefit if you die in active service or during a period of Disability Service before age 60.

The option takes effect six months after you make the election or upon furnishing proof of satisfactory health. The benefit will equal 50% of your accrued benefit you would have received assuming you had retired on the last day of the month in which you die, without any 1/180th reduction that would otherwise have applied for each month you were under age 62 at the time of your death. This benefit is payable to your Surviving Spouse beginning in the month after your death.

You may revoke this option in writing at any time; however, a reduction will be made in your benefit at the time the election terminates to reflect the protection afforded by this option before attaining age 60. The reduction is equal to:

- 1/144th of one percent per month for each month that the election is in effect from and including age 35 through age 49, and
- 1/72nd of one percent per month for each month that the election is in effect from and including age 50 through age 59.

The reduction will be applied to a frozen benefit computed at age 60, at your retirement or death, or at the time the benefit is last revoked or voided, if earlier. This amount will reduce the benefit payable to you when you retire. This election will be voided automatically if your spouse dies, you are divorced, or your service is terminated for any reason before your retirement under this Plan.

If you die prior to retirement, and the present value of the benefit that becomes payable to your Surviving Spouse is equal to \$9,000 or less, your Surviving Spouse may elect distribution of the benefit in a lump sum. Distribution in a lump sum is mandatory if the present value of the benefit is equal to \$5,000 or less. See "Lump Sum Payment for Small Benefits".

Automatic Post-Retirement 50% Joint and Survivor Benefit

The Plan also provides post-retirement survivorship protection to you at no cost. If you die after retirement, this protection provides the following benefits:

- If you are married when you retire, your Surviving Spouse, who was your spouse at the time of your retirement, will automatically receive a benefit for life equal to 50% of your accrued benefit.
 - If you elect the temporary monthly early retirement supplement and die before attaining age 60, your Surviving Spouse will receive 50% of the temporary monthly early retirement supplement you were receiving immediately before death (generally, \$250 per month) until the month in which you would have attained age 60. At that time, your Surviving Spouse will receive a benefit equal to 50% of the retirement benefit you would have been entitled to receive in accordance with the Plan.
- If you are not married when you retire, your Eligible Surviving Child or Children will automatically receive a benefit, for as long as the Eligible Surviving Child or Children remain eligible, equal to 50% of your accrued benefit. Each payment shall be divided equally among the Eligible Surviving Children at the time of each payment. If you elect the temporary monthly early retirement supplement and die before age 60, your Eligible Surviving Child or Children will receive a benefit equal to 50% of the temporary monthly early retirement benefit you were receiving immediately before death (generally, \$250 per month) until the month in which you would have attained age 60. At that time, your Eligible Surviving Child or Children will receive a benefit equal to 50% of the retirement benefit you would have been entitled to receive in accordance with the Plan.

Optional Post-Retirement Joint and Survivor Benefit

Within 90 days of retirement, you may elect to receive a reduced retirement benefit while you are living, in order to provide your Surviving Spouse with an increased benefit equal to 75% or 100% of your actuarially reduced benefit, in the event of your death following retirement. Your benefit will be reduced by an actuarial factor to reflect the cost of this additional protection in excess of the automatic 50% joint and survivor benefit.

This election will become inoperable if your spouse dies or your marriage is dissolved before your retirement, or if you revoke the election before retirement. If an election becomes inoperable while you are employed because you do not retire or because you revoke your election, you may not make another similar election until after you terminate your employment. If your election becomes inoperable after you terminate employment because you revoke your election, then your benefit will be required to start the next time you complete the forms to elect your retirement benefit.

ADDITIONAL SURVIVOR BENEFITS APPLICABLE TO CONRAIL PLAN PARTICIPANTS

If you became a member of the Plan on or before August 26, 1999, and you were previously a participant in the Conrail Plan or the Retirement Plan of Consolidated Rail Corporation and accrued a benefit that was transferred to the Plan, then:

- If you are unmarried, have no Eligible Surviving Child or Children and retire pursuant to this Plan, your Eligible Surviving Parent or Parents will automatically receive a benefit for life equal to 50% of that portion of your benefit accrued under the Conrail Plan (but not 50% of the portion of your retirement benefit accrued under the NS Plan). Each payment shall be divided equally between the Eligible Surviving Parents at the time of each payment. In lieu of this option, you may elect to provide a designated Eligible Surviving Parent with the full amount of the survivor's benefit for that parent's life, with the full amount of the survivor's benefit continued thereafter for the life of the other Eligible Surviving Parent. If you elect the temporary monthly early retirement supplement and die before attaining age 60, your Eligible Surviving Parents will be entitled to a survivor benefit beginning on the first calendar month in which you would have attained age 60. This post-retirement survivorship protection is provided to you at no cost.
- Within 90 days of retirement, you may elect to receive a reduced retirement benefit while you are living in order to provide a designated beneficiary with a benefit equal to 1%, 50%, 75% or 100% of that portion of your actuarially reduced benefit accrued under the Conrail Plan, in the event of your death after retirement. The remainder of the benefit (i.e., the total benefit accrued under the NS Retirement Plan minus the portion accrued under the Conrail Plan) is a straight life annuity and is not subject to any survivorship annuity. (This straight life annuity will NOT include the Automatic Post-Retirement 50% Joint and Survivor Benefit). Your benefit will be reduced to reflect the actuarial cost of this protection. If you die before your designated beneficiary, he/she will receive 1%, 50%, 75% or 100%, as elected, of the portion of the reduced benefit you were receiving before your death that was accrued under the Conrail Plan. If you are married at the time of your retirement, you must have your spouse's notarized consent to elect this option. If you elected a temporary early retirement benefit, the survivor benefit payable under this section will not commence until the calendar month in which you would have attained age 60. This election will become inoperable if you or your designated beneficiary die before your retirement or if you revoke the election before retirement. If an election becomes inoperable because you revoke the election while you are employed, you may not make another similar election until after you terminate your employment. If your election becomes inoperable after you terminate employment because you revoke your election, then your benefit will be required to start the next time you complete the forms to elect your retirement benefit.

QUALIFIED DOMESTIC RELATIONS ORDERS

In accordance with the Retirement Equity Act of 1984, a court may issue a qualified domestic relations order (QDRO), which is a judgment or decree under state domestic relations law requiring Norfolk Southern to pay a divorced spouse a portion of your pension benefit directly from the Plan. Orders intended to qualify as QDROs must be submitted to the Employee Benefits office for a determination of qualification. If desired, a proposed order may be submitted in advance for review. You may obtain, without charge, a copy of the procedures governing qualified domestic relations order determinations by a written request to the Board of Managers. The procedures are also available online at www.nscorp.com.

LOSS OR REDUCTION IN BENEFITS

If you leave service before vesting and never return to service, you will lose any benefits you have accrued.

If you transfer to an agreement position and are vested under this Plan, you will cease to accrue Creditable Service under the Plan as long as you remain in an agreement status. If you retire while occupying an agreement position, your benefit, if any, will be computed on the basis of your Creditable Service and Average Final Compensation preceding the last date of return to an agreement position, less the applicable Railroad Retirement or Social Security offset.

If you elect to take an early retirement or one of the optional joint and survivor benefits that are available under the Plan, you may also receive a reduced benefit.

You or your Surviving Spouse or beneficiary must provide the Plan Administrator with any information necessary to properly administer the Plan. Payments may be delayed until all necessary information is received. You or your Surviving Spouse or beneficiary must also keep the Plan Administrator apprised of your current address. A benefit will be forfeited 12 months after the benefit becomes payable if you, your Surviving Spouse, or beneficiary cannot be located, although such benefit will be reinstated if you, your Surviving Spouse or beneficiary contact the Employee Benefits office to request the payment of such benefit.

CLAIMING BENEFITS

To receive your retirement benefit, you must make a written application:

- ***Contact the Employee Benefits office and request a Retirement Application.*** Since you will probably have several questions about your retirement benefits and options available, you may contact the Employee Benefits office as early as nine months, but no later than three months, before your contemplated retirement date.
- ***Submit your Retirement Application to Employee Benefits.*** Your application must be received by Employee Benefits for processing in order for you to receive a benefit under the Plan.

The Employee Benefits office may be contacted at:

Employee Benefits
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510-9228
Telephone: 757-664-2008

TYPE OF ADMINISTRATION AND FUNDING

The Plan has established a trust fund, which is funded by contributions made by NS and income from investment of those contributions. The assets of the fund are invested and managed by professional investment managers whose performance is continually monitored.

An actuarial report is prepared each year by professional consulting actuaries to ensure that the fund is in sound financial condition on a continuing basis. In addition, an independent firm of certified public accountants audits the financial statements of the Plan and certifies that the financial statements are presented fairly and in conformity with accepted accounting principles.

A Board of Managers has been appointed by NS' Board of Directors to serve as the Plan Administrator and has the exclusive right in its discretion (except as to matters reserved to NS or its Board of Directors) to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies or omissions, except that the Board of Managers of the LTD Plan shall make all determinations as to the right of any person to a Disability Benefit under the Plan. All determinations of the Board of Managers with respect to any matter under the Plan shall be conclusive and binding on all persons.

PLAN TERMINATION INSURANCE

Your pension benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people will receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits. The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors. The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop at the time when you become eligible for social security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay. Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects

from employers. For more information about the PBGC and the benefits it guarantees, contact the PBGC at 800-400-7242 or 202-326-4000, or by mail at PBGC, PO Box 151750, Alexandria, VA 22315-1750. TTY/TDD users may call the federal relay service at 800-877-8339 and ask to be connected to 800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov.

NO GUARANTEE OF EMPLOYMENT

The Plan neither gives any employee the right to be retained in the employ of NS nor does it interfere with the right of NS to discharge an employee.

SUMMARY OF PLAN

This is a summary of the Retirement Plan which is intended to provide you with an easy-to-read explanation of some of its more important provisions. However, should any conflict arise between this summary and the provisions of the plan document, or if any provision is not covered or is only partially covered, then the terms of the actual plan document will govern.

AMENDMENT OR TERMINATION

NS reserves the right to modify, amend, or terminate the Retirement Plan or amend it or reduce, discontinue, or suspend contributions to it at any time for any reason, retroactively if deemed necessary or appropriate, through action of its Board of Directors. In addition, the Retirement Plan can be amended at any time, and retroactively, if deemed necessary or appropriate, by any proper officer of the Corporation to effect changes which are, in his or her sole judgment and discretion, ministerial, substantively administrative, or necessary to comply with statutory or other legally mandated requirements, and the implementation of which does not result in a material cost to the Corporation or to the Retirement Plan.

In the event of termination, partial termination or amendment of the Retirement Plan or discontinuance or suspension of contributions to it, your rights and the rights of your Surviving Spouse to any accrued vested benefits to the date of such termination, discontinuance or suspension will be non-forfeitable. In the event of termination, the assets of the fund shall be used for the exclusive benefit of members, retired members and Surviving Spouses and shall be allocated among such members, retired members or Surviving Spouses in the following order:

1. To those having unrefunded contributions, together with interest as appropriate;
2. To those who were receiving benefits three years before termination, but limited to the lesser of the lowest benefit level in that period or the lowest benefit level that would have been paid under the Plan as in effect during the five years before termination, or to those eligible to retire and receive benefits three years before termination, but limited to the lowest benefit level that would have been paid under the Plan as in effect during the five years before termination;
3. To those whose benefits are guaranteed under Title IV of ERISA;

4. To those having other vested benefits under the Plan, and
5. To those having other benefits under the Plan.

If the assets of the Plan applicable to any of the above categories are insufficient to satisfy in full the described benefits for all individuals in such group, the assets will be allocated pro rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits.

ERISA RIGHTS, CLAIMS AND APPEALS PROCEDURES

Any claims for benefits must be filed in writing with the Employee Benefits office of the Human Resources Department, who will make an initial determination as to the rights of any person to benefits under the Plan. You will be provided with a written notice of any such determination. The Board of Managers will make any final determination as to the rights of any person to benefits under the Plan. Benefit claim determinations will be made in accordance with the Plan documents and Plan provisions will be applied consistently with respect to similarly situated claimants.

Notice Of Any Denial

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the adverse benefit determination. You have a right to have the Plan Administrator review and reconsider your claim. Benefit claim determinations will be made in accordance with governing Plan documents and, where appropriate, Plan provisions will be applied consistently with respect to similarly situated claimants.

You must receive the written explanation of the adverse benefit determination within 90 days, unless special circumstances require an extension of time for processing the claim. If an extension of time for processing is required, you will be provided with written notice of the extension before expiration of the 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render a decision. The extension will not exceed 90 days from the end of the initial period.

A notice of denial of your claim must include (i) the reason for the adverse determination and reference to Plan provisions on which the determination is based; (ii) a description of additional material necessary to perfect the claim and an explanation of why such material or information is necessary; and (iii) a description of the Plan's review procedures and the applicable time limits, including a statement of your right to bring a civil action following an adverse benefit determination on review.

Right To A Formal Review Of An Adverse Benefit Determination By Plan Administrator

Within 60 days of your receipt of notice of any adverse benefit determination, you may request in writing a formal review of such determination by the Plan Administrator.

You or your representative may submit written comments, documents, records, and any other information relating to your claim for benefits to the Plan Administrator. The Plan Administrator's review will take into account all comments, documents, records, and other information you submit relating to your claim for benefits, without regard to whether such information was submitted or considered in the initial benefit determination. The Plan Administrator will render a decision within a reasonable period of time, but not later than 60 days after receipt of written request for review, unless the Plan Administrator determines that special circumstances require an extension of time for processing the claim. If an extension of time for processing is required, you will be provided with written notice of the extension before the expiration of the initial 60-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan Administrator expects to render a decision. The extension will not exceed 120 days from receipt of a request for review.

The Plan Administrator will notify you of its benefit determination on review. In the case of an adverse benefit determination, the notice will include the specific reason or reasons for the adverse determination, reference to the specific Plan provisions on which the benefit determination is based, and a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits. The notice will also include a statement that the Plan does not have any additional mandatory appeal procedures and that you have the right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act, as amended.

Plan Sponsor

Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510-9228

Plan Administrator and Trustee

Board of Managers
Retirement Plan
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510-9228

Plan Year

The Plan's fiscal year begins on January 1 and ends on December 31.

Agent For Service Of Legal Process

Vice President - Law
Law Department
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510-9241

Service may also be made upon the Plan Administrator.

Name of Plan

Retirement Plan of Norfolk Southern Corporation and Participating Subsidiary Companies

Plan Number

001

Type of Plan

Defined Benefit Pension Plan

Employer Identification Number

The Employer Identification Number for Norfolk Southern Corporation is 52-1188014.

Your Rights Under Law

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

I. Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

II. Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plans. The people who operate your plans, called “fiduciaries”, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

III. Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

IV. Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 866-444-EBSA (3272).

GLOSSARY

Average Final Compensation — average monthly compensation paid during your highest five Compensation Years during the 10 years preceding retirement. In the case of termination of service or a return to agreement status, Average Final Compensation is the average monthly compensation paid during your highest five Compensation Years during the 10 years preceding

the date of termination of service or return to agreement status (not followed by a return to nonagreement status).

Compensation — for purposes of the Plan, Compensation includes:

- remuneration for service in a nonagreement position in the form of non-deferred salary, increased by the amount of your:
 - Pre-Tax or Catch-up Pre-Tax Contributions to the NS Thrift and Investment Plan,
 - ChoicePlus contributions under the NS Comprehensive Benefits Plan, or
 - Contributions to the NS Pre-Tax Transportation Plan.

Pension payments due to salary deferred under the Norfolk Southern Corporation's Officers Deferred Compensation Plan or the Executive Deferred Compensation Plan will be paid from the Supplemental Benefit Plan;

- non-deferred bonus (paid under the Norfolk Southern Bonus Program, Management Incentive Program or Executive Management Incentive Program) if paid while employed in a nonagreement position. Pension payments due to bonus deferred under the Norfolk Southern Corporation's Officers Deferred Compensation Plan or the Executive Deferred Compensation Plan will be paid from the Supplemental Benefit Plan; or
- payment in lieu of vacation, as reported for federal income tax purposes, not to exceed the dollar limitation provided in the Internal Revenue Code.

Compensation does **not** include severance payments and special award payments (such as payments made under safety, quality, recruitment, and retention programs).

Compensation Year — Any 12 month period of Creditable Service ending on the last day of the same month as the last month in which you are employed in a nonagreement position.

Eligible Surviving Child — your natural or adopted child (unless such natural or adopted child has been legally adopted by another individual) who at the time of your death is unmarried and under the age of 21 or totally and permanently disabled. An Eligible Surviving Child shall cease to be such as of the earlier of the last day of the month in which the child marries or attains the age of 21, or, if later, the last day of the month in which the child ceases to be totally and permanently disabled.

Eligible Surviving Parent — your natural mother or father or, if you were legally adopted, your adoptive parents in lieu of your natural parents.

Nonagreement Position — a position for which the rates of pay are not governed by the provisions of a collective bargaining agreement (but including those employees excepted under Section 4 of Supplemental Agreement "A" between Norfolk and Western Railway Company and Transportation Communications International Union). Positions in job class M11 (generally, relief yardmasters/supervisors) are excluded.

Predecessor Plans

NW Plan - Retirement Plan of Norfolk and Western Railway

AC&Y Plan - The Akron, Canton & Youngstown Railroad Company Pension and Insurance Plan

PLC Plan - Pocahontas Land Corporation Plan for Supplemental Pensions

VHC Plan - Virginia Holding Corporation Supplemental Pension Plan

CW Plan - Retirement Plan of Chesapeake Western Railway

NF&D Plan - Retirement Plan of Norfolk, Franklin and Danville Railway Company

Southern Plan - Southern Railway System Retirement Plan

K&IT Plan - Kentucky & Indiana Terminal Railroad Company Retirement Plan

LPD Plan - Retirement Plan of Lambert's Point Docks, Incorporated

DMU Plan - Des Moines Union Railway Defined Benefit Pension Plan and Trust

Projected Normal Retirement Benefit — your projected accrued benefit at age 65 assuming your Average Final Compensation remains the same until age 65.

Service Ratio — your actual Creditable Service divided by the Creditable Service you would have if you worked until age 65.

Surviving Spouse — your lawful spouse, as determined under the Internal Revenue Code, who was married to you on the date of your retirement, or the date of your death before retirement, and who is living at the time of your death.