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FD-33388 179291

WACHTELL, LIPTON, ROSEN & KATZ

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April 10, 1997

BY FEDERAL EXPRESS

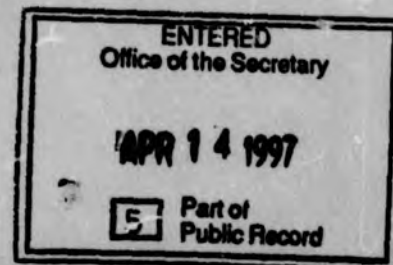
The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1201 Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423



**Re: Amendment No. 24 to Schedule 14D-1 and Amendment No. 34 to
Schedule 13D Filed Pursuant to 49 C.F.R. Section 1013.3(c);
CSX/Norfolk Southern Acquisition of Control of Conrail;
Finance Docket No. 33388**

Dear Secretary Williams:

Pursuant to Section 1013.3(c) of Title 49, Code of Federal Regulations, we deliver to you herewith, on behalf of CSX Corporation and its wholly owned subsidiary, Green Acquisition Corp., for filing ten (10) photocopies of Amendment No. 24 to CSX Corporation's Schedule 14D-1 and Amendment No. 34 to Schedule 13D, as filed via EDGAR with the Securities and Exchange Commission on April 10, 1997.



WACHTELL, LIPTON, ROSEN & KATZ

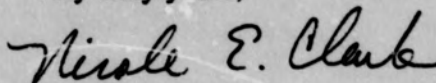
Surface Transportation Board

April 10, 1997

Page 2

The amendment filed herewith is a hard copy version of the computerized EDGAR filing with the Securities and Exchange Commission and, as filed with the Securities and Exchange Commission, contains the computerized equivalent of the necessary signatures.

Very truly yours,

A handwritten signature in cursive script that reads "Nicole E. Clark".

Nicole E. Clark

Enclosure

cc: Service List

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**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**Schedule 14D-1
Tender Offer Statement
(Amendment No. 24)**

Pursuant to
Section 14(d) (1) of the Securities Exchange Act of 1934

and
Amendment No. 34

to
Schedule 13D[†]

and
Amendment No. 11

to
Schedule 13D^{††}



ENTERED
Office of the Secretary

APR 14 1997

5 Part of
Public Record

Conrail Inc.
(Name of Subject Company)

**CSX Corporation
Norfolk Southern Corporation
Green Acquisition Corp.**
(Bidders)

Common Stock, Par Value \$1.00 Per Share
(Title of Class of Securities)
208368 10 0

(CUSIP Number of Class of Securities)

Series A ESOP Convertible Junior Preferred Stock, Without Par Value
(Title of Class of Securities)

Not Available
(CUSIP Number of Class of Securities)

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Telephone: (804) 782-1400

James C. Bishop, Jr.
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510
Telephone: (757) 629-2750

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications on Behalf of Bidder)

With a copy to:

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Telephone: (212) 403-1000

Randall H. Doud
Skadden, Arps, Slate, Meagher & Flom LLP
919 Third Avenue
New York, New York 10022
Telephone: (212) 735-3000

CALCULATION OF FILING FEE

Transaction Valuation*

\$8,396,903,710

Amount of Filing Fee**

\$1,679,381

- * For purposes of calculating the filing fee only. This calculation assumes the purchase of an aggregate of 73,016,554 Shares of Common Stock, par value \$1.00 per share, and Series A ESOP Convertible Junior Preferred Stock, without par value, of Conrail Inc. at \$115 net per Share in cash.
- ** The amount of the filing fee, calculated in accordance with Rule 0-11(d) of the Securities Exchange Act of 1934, as amended, equals 1/50th of one percent of the aggregate value of cash offered by Green Acquisition Corp. for such number of Shares.
- † of CSX Corporation and Green Acquisition Corp.
- †† of Norfolk Southern Corporation

☒ Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

Total Amount Previously Paid: \$2,014,438.59

Amount Previously Paid:
Form or Registration No.:
Filing Party:

\$403,586.59
Schedule 14D-1
CSX Corporation and
Green Acquisition Corp.
December 6, 1996

Amount Previously Paid:
Form or Registration No.:
Filing Party:

\$1,610,852
333-19523
CSX Corporation

Date Filed:

Date Filed:

January 10, 1997

SCHEDULE 14D-1

CUSIP No. 208368 10 0

Page 1 of 4 pages

1	NAMES OF REPORTING PERSONS S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON NORFOLK SOUTHERN CORPORATION (E.I.N.: 52-1188014)
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP <div style="float: right;"> (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/> </div>
3	SEC USE ONLY
4	SOURCE OF FUNDS BK, WC, OO
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) or 2(f) <div style="float: right;"><input type="checkbox"/></div>
6	CITIZENSHIP OR PLACE OF ORGANIZATION VIRGINIA
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 8,200,100 Common Shares*
8	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES <div style="float: right;"><input checked="" type="checkbox"/></div>
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) 9.9% of Outstanding Common Shares*
10	TYPE OF REPORTING PERSON HC and CO

* Excludes 17,775,124 Common Shares beneficially owned by CSX Corporation which Norfolk Southern Corporation may be deemed to beneficially own by reason of the CSX/NSC Letter Agreement referred to herein.

SCHEDULE 14D-1

CUSIP No. 208368 10 0

Page 2 of 4 pages

1	NAMES OF REPORTING PERSONS S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON ATLANTIC ACQUISITION CORPORATION (E.I.N.: 54-1823555)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) or 2(f)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION PENNSYLVANIA	
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 8,200,000 Common Shares*	
8	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES	<input type="checkbox"/>
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) 9.9% of outstanding Common Shares*	
10	REPORTING PERSON CO	

* Excludes 17,775,124 Common Shares beneficially owned by CSX Corporation which Norfolk Southern Corporation may be deemed to beneficially own by reason of the CSX/NSC Letter Agreement referred to herein.

SCHEDULE 14D-1

CUSIP No. 208368 10 0

Page 3 of 4 pages

1	NAMES OF REPORTING PERSONS S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON CSX CORPORATION	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS BK, WC, 00	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) or 2(f)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION VIRGINIA	
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 17,775,124 Common Shares.* See Section 13 of the Offer to Purchase, dated December 6, 1996 filed and all amendments thereto	
8	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES	<input checked="" type="checkbox"/>
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) Approximately 19.9% of outstanding Shares.*	
10	REPORTING PERSON HC and CO	

* Excludes 17,775,124 Common Shares beneficially owned by Norfolk Southern Corporation which CSX Corporation may be deemed to beneficially own by reason of CSX/NSC Letter Agreement referred therein.

SCHEDULE 14D-1

CUSIP No. 206368 10 0

Page 4 of 4 pages

1	NAMES OF REPORTING PERSONS S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON GREEN ACQUISITION CORP.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) or 2(f)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION PENNSYLVANIA	
7	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 17,775,124 Common Shares.*	
8	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES	<input checked="" type="checkbox"/>
9	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7) 19.9% of outstanding Shares.*	
10	REPORTING PERSON CO	

* Excludes 18,200,100 Common Shares beneficially owned by Norfolk Southern Corporation which CSX Corporation may be deemed to beneficially own by reason of the CSX/NSC Letter Agreement referred to herein.

This Statement amends and supplements the Tender Offer Statement on Schedule 14D-1 filed with the Securities and Exchange Commission (the "SEC") on December 6, 1996, as previously amended and supplemented (the "Schedule 14D-1"), by Green Acquisition Corp. ("Purchaser"), a Pennsylvania corporation, CSX Corporation, a Virginia corporation ("Parent" or "CSX"), and Norfolk Southern Corporation, a Virginia Corporation ("NSC") to purchase all shares of (i) Common Stock, par value \$1.00 per share (the "Common Shares"), and (ii) Series A ESOP Convertible Junior Preferred Stock, without par value (together with the Common Shares, the "Shares"), of Conrail Inc., a Pennsylvania corporation (the "Company"), including, in each case, the associated common stock purchase rights, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated December 6, 1996, the Supplement thereto, dated December 19, 1996 (the "First Supplement"), the Second Supplement thereto, dated March 7, 1997 (the "Second Supplement"), and the Third Supplement thereto, dated April 10, 1997 (the "Third Supplement"), and the related Letters of Transmittal (which, together with any amendments or supplements thereto, constitute the "Offer") at a purchase price of \$115 per Share, net to the tendering shareholder in cash. Capitalized terms used and not defined herein shall have the meanings assigned such terms in the Offer to Purchase, the First Supplement, the Second Supplement, the Third Supplement and the Schedule 14D-1.

ITEM 1. SECURITY AND SUBJECT COMPANY.

Item 1(b) is hereby amended and supplemented by reference to the Introduction to the Third Supplement, which Section is incorporated herein by reference.

Item 1(c) is hereby amended and supplemented by reference to Section 2 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 2. IDENTITY AND BACKGROUND.

Item 2 is hereby amended and supplemented by reference to Section 4 and Schedule A of the Third Supplement, which Section is incorporated herein by reference.

ITEM 3. PAST CONTACTS, TRANSACTIONS OR NEGOTIATIONS WITH THE SUBJECT COMPANY.

Item 3(a) is hereby amended and supplemented by reference to Section 3 of the Third Supplement, which Section is hereby incorporated by reference.

Item 3(b) is hereby amended and supplemented by reference to Section 4 and Section 6 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 4. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Item 4(a) is hereby amended and supplemented by reference to Section 5 of the Third Supplement, which Section is incorporated herein by reference.

Item 4(b) is hereby amended and supplemented by reference to Section 5 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.

Item 5 is hereby amended and supplemented by reference to Section 7 and Section 8 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 6. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

Item 6(a) is hereby amended and supplemented by reference to the Introduction to and Section 4 of the Third Supplement, which Section is incorporated herein by reference.

Item 6(b) is hereby amended and supplemented by reference to Section 4 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 7. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE SUBJECT COMPANY'S SECURITIES.

Item 7 is hereby amended and supplemented by reference to Section 8 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 8. PERSONS RETAINED, EMPLOYED OR TO BE COMPENSATED.

Item 8 is hereby amended and supplemented by reference to Section 11 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 9. FINANCIAL STATEMENTS OF CERTAIN BIDDERS.

Item 9 is hereby amended and supplemented by reference to Section 4 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 10. ADDITIONAL INFORMATION.

Item 10(b) is hereby amended and supplemented by reference to Section 10 of the Third Supplement, which Section is incorporated herein by reference.

Item 10(e) is hereby amended and supplemented by reference to Section 10 of the Third Supplement, which Section is incorporated herein by reference.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

- (a) (37) Text of Press Release issued by CSX and NSC on April 8, 1997.
- (a) (38) Third Supplement to Offer to Purchase, dated April 10, 1997.
- (a) (39) Revised Letter of Transmittal circulated with the Third Supplement.
- (a) (40) Revised Notice of Guaranteed Delivery circulated with the Third Supplement.
- (b) (2) Credit Agreement, dated as of February 10, 1997, by and among NSC, Morgan Guaranty Trust Company of New York, as administrative agent, Merrill Lynch Capital Corporation, as documentation agent, and the banks from time to time parties thereto (incorporated by reference to Exhibit (b) (2) of NSC's and Atlantic Acquisition Corporation's Tender Offer Statement on Schedule 14D-1, dated February 12, 1997).
- (c) (10) Deleted.
- (c) (14) Letter Agreement between CSX and NSC, dated April 8, 1997.
- (c) (15) Fourth Amendment to Agreement and Plan of Merger, dated as of April 8, 1997, by and among CSX, Purchaser and the Company.

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

CSX CORPORATION

By: /s/ MARK G. ARON

Name: Mark G. Aron

Title: Executive Vice President —
Law and Public Affairs

Dated: April 10, 1997

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

NORFOLK SOUTHERN CORPORATION

By: /s/ JAMES C. BISHOP, JR.

Name: James C. Bishop, Jr.

Title: Executive Vice President-Law

Dated: April 10, 1997

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

ATLANTIC ACQUISITION CORPORATION

By: /s/ JAMES C. BISHOP, JR.

Name: James C. Bishop, Jr.

Title: Vice President and General Counsel

Dated: April 10, 1997

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

GREEN ACQUISITION CORP.

By: /s/ MARK G. ARON

Name: Mark G. Aron

Title: General Counsel and Secretary

Dated: April 10, 1997

EXHIBIT INDEX

Exhibit No.	
* (a) (1)	Offer to Purchase, dated December 6, 1996.
* (a) (2)	Letter of Transmittal.
* (a) (3)	Notice of Guaranteed Delivery.
* (a) (4)	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
* (a) (5)	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
* (a) (6)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
* (a) (7)	Tender Offer Instructions for Participants of Conrail Inc. Dividend Reinvestment Plan.
* (a) (8)	Text of Press Release issued by Parent and the Company on December 6, 1996.
* (a) (9)	Form of Summary Advertisement, dated December 6, 1996.
* (a) (10)	Text of Press Release issued by Parent on December 5, 1996.
* (a) (11)	Text of Press Release issued by Parent and the Company on December 10, 1996.
* (a) (12)	Text of Advertisement published by Parent and the Company on December 10, 1996.
* (a) (13)	Text of Press Release issued by Parent on December 11, 1996.
* (a) (14)	Text of Advertisement published by Parent and the Company on December 12, 1996.
* (a) (15)	Supplement to Offer to Purchase, dated December 19, 1996.
* (a) (16)	Revised Letter of Transmittal.
* (a) (17)	Revised Notice of Guaranteed Delivery.
* (a) (18)	Text of Press Release issued by Parent and the Company on December 19, 1996.
* (a) (19)	Letter from Parent to shareholders of the Company, dated December 19, 1996.
* (a) (20)	Text of Press Release issued by Parent on December 20, 1996.
* (a) (21)	Text of Press Release issued by Parent and the Company on January 9, 1997.
* (a) (22)	Text of Press Release issued by Parent and the Company on January 13, 1997.
* (a) (23)	Text of Press Release issued by Parent and the Company on January 15, 1997.
* (a) (24)	Text of Press Release issued by Parent on January 17, 1997.
(a) (25)	Deleted.
* (a) (26)	Text of Letter issued by Parent and the Company dated January 22, 1997.
* (a) (27)	Text of Advertisement published by Parent and the Company on January 29, 1997.
* (a) (28)	Text of Press Release issued by Parent and the Company on January 31, 1997.
* (a) (29)	Text of Press Release issued by Parent on February 14, 1997.
* (a) (30)	Text of Press Release issued by Parent on March 3, 1997.
* (a) (31)	Second Supplement to Offer to Purchase, dated March 7, 1997.
* (a) (32)	Revised Letter of Transmittal.
* (a) (33)	Revised Notice of Guaranteed Delivery.
* (a) (34)	Text of Press Release issued by Parent on March 7, 1997.
* (a) (35)	Form of Summary Advertisement, dated March 10, 1997.
* (a) (36)	Letter from Parent to employees of the Company, published on March 12, 1997.
(a) (37)	Text of Press Release issued by CSX and NSC on April 8, 1997.
(a) (38)	Third Supplement to Offer to Purchase, dated April 10, 1997.
(a) (39)	Revised Letter of Transmittal circulated with the Third Supplement.
(a) (40)	Revised Notice of Guaranteed Delivery circulated with the Third Supplement.

Exhibit No.	
*(b)(1)	Credit Agreement, dated November 15, 1996 (incorporated by reference to Exhibit (b)(2) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
(b)(2)	Credit Agreement, dated as of February 10, 1997, by and among NSC, Morgan Guaranty Trust Company of New York, as administrative agent, Merrill Lynch Capital Corporation, as documentation agent, and the banks from time to time parties thereto (incorporated by reference to NSC's and Atlantic Acquisition Corporation's Tender Offer Statement on Schedule 14D-1, dated February 12, 1997).
*(c)(1)	Agreement and Plan of Merger, dated as of October 14, 1996, by and among Parent, Purchaser and the Company (incorporated by reference to Exhibit (c)(1) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
*(c)(2)	Company Stock Option Agreement, dated as of October 14, 1996, between Parent and the Company (incorporated by reference to Exhibit (c)(2) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
*(c)(3)	Parent Stock Option Agreement, dated as of October 14, 1996, between Parent and the Company (incorporated by reference to Exhibit (c)(3) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
*(c)(4)	Voting Trust Agreement, dated as of October 15, 1996, by and among Parent, Purchaser and Deposit Guaranty National Bank (incorporated by reference to Exhibit (c)(4) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
*(c)(5)	First Amendment to Agreement and Plan of Merger, dated as of November 5, 1996, by and among Parent, Purchaser and the Company (incorporated by reference to Exhibit (c)(7) to Parent and Purchaser's Tender Offer Statement on Schedule 14D-1, as amended, dated October 16, 1996).
*(c)(6)	Second Amendment to Agreement and Plan of Merger, dated as of December 18, 1996, by and among Parent, Purchaser and the Company.
*(c)(7)	Form of Amended and Restated Voting Trust Agreement.
(c)(8)	Deleted.
*(c)(9)	Text of STB Decision No. 5 of STB Finance Docket No. 33220, dated January 8, 1997.
(c)(10)	Deleted.
*(c)(11)	Text of opinion of Judge Donald VanArtsdalen of the United States District Court for the Eastern District of Pennsylvania as delivered from the bench on January 9, 1997.
*(c)(12)	Third Amendment to Agreement and Plan of Merger, dated as of March 7, 1997, by and among Parent, Purchaser and the Company.
*(c)(13)	Form of Amended and Restated Voting Trust Agreement.
(c)(14)	Letter Agreement between CSX and NSC, dated April 8, 1997.
(c)(15)	Fourth Amendment to Agreement and Plan of Merger, dated as of April 8, 1997, by and among CSX, Purchaser and the Company.
(d)	Not applicable.
(e)	Not applicable.
(f)	Not applicable.

* Previously filed.

Exhibit 99.A.37

CONTACTS: THOMAS E. HOPPIN
 CSX CORPORATION
 804-782-1450

 ROBERT FORT
 NORFOLK SOUTHERN CORPORATION
 757-629-2710

FOR IMMEDIATE RELEASE

CSX, NORFOLK SOUTHERN AGREE ON DIVISION OF CONRAIL;
JOINT ACQUISITION AND JOINT STB APPLICATION ALSO SET

RICHMOND and NORFOLK, Va. - April 8, 1997 - CSX Corporation (NYSE: CSX) and Norfolk Southern Corporation (NYSE: NSC) today announced that they have reached agreement on a division of the routes and assets of Conrail Inc.

The two companies said they will form a jointly owned entity to acquire all outstanding shares of Conrail for \$115 in cash per share. Norfolk Southern will contribute \$5.9 billion for its 58 percent share of the acquisition and CSX will contribute \$4.3 billion for its 42 percent share. The totals include amounts previously spent by Norfolk Southern and CSX to acquire Conrail shares.

The companies also said they will file a joint application with the Surface Transportation Board in June seeking approval of the Conrail acquisition and division.

CSX's pending tender offer for the remaining shares of Conrail will be amended to include Norfolk Southern and will be extended to May 23, 1997. The shares purchased in the offer will be placed in a joint voting trust pending STB approval of the proposed transaction.

As part of the agreement, CSX and Norfolk Southern will move to dismiss all pending litigation between the two companies.

Norfolk Southern and CSX said the plan will create balanced competition in the East, restore rail competition in regions now served only by Conrail, and improve service to customers.

The result will be two strong competitors that will provide single-line service between the New York metropolitan area and Chicago, between New York and St. Louis and between the New York area and markets to the south and southwest. Implementation of the plan is expected to bring new business and new jobs to the rail industry and the regions now served by both companies.

The companies said they are confident the plan will earn support from customers and the public, and are hopeful the STB will consider the joint application on an expedited schedule.

Under the plan, Norfolk Southern and CSX will divide all of Conrail's principal routes, which form an "X" crossing in Ohio, with each railroad operating two of the four legs of the "X". Norfolk Southern will obtain about 58 percent of Conrail and CSX about 42 percent, based on the revenues generated by Conrail's lines and facilities in 1995.

-- MORE --

In arriving at the proposed division, the companies focused on producing the best fit with their existing systems and optimizing service to customers.

CSX will operate the legs between Boston and Cleveland through Albany and Buffalo with connecting lines to Montreal, New York and New Jersey and between Cleveland and St. Louis (former New York Central mainlines). In addition, CSX will operate Conrail's line connecting New York and Philadelphia (a former Reading line) and the line that connects Crestline, Ohio and Chicago, a portion of which west of Fort Wayne, Ind., now is owned by Norfolk Southern. CSX will also operate the line between Toledo and Columbus, Ohio.

Norfolk Southern will operate legs of the "X" between Chicago and Cleveland (a former New York Central mainline) and the Conrail line between Cleveland and northern New Jersey via Pittsburgh and Harrisburg (mostly the former Pennsylvania Railroad mainline). In addition, Norfolk Southern will operate the Conrail line serving the metropolitan New York area between northern New Jersey and Buffalo through Binghamton, N.Y., (former Erie Lackawanna) and another between Buffalo and Harrisburg, Pa.

Norfolk Southern will operate most Conrail lines in Michigan, Maryland, Delaware and Pennsylvania. It also will operate the routes between Toledo and Detroit, Columbus and Cincinnati and between Columbus and Charleston, W. Va.

Norfolk Southern and CSX jointly will operate Conrail assets in major terminal areas such as Detroit and northern and southern New Jersey. The two companies also will share access to certain lines in Philadelphia and Indianapolis, and to the rail lines serving the Monongahela coal fields in southwestern Pennsylvania.

The joint STB application will address traffic flows, terminal operations and related matters; outline the capital investments each company plans to make in new connections and facilities and to increase capacity on critical routes; and detail operating savings and other public benefits resulting from the transaction. Norfolk Southern and CSX will jointly solve the few "2-to-1" points created by their division of Conrail.

CSX Corporation, headquartered in Richmond, Va., is an international transportation company offering a variety of rail, container-shipping, intermodal, trucking, barge and contract logistics management services. The company's 18,000 route-mile rail system links 20 states to the East and Midwest.

Norfolk Southern is a Virginia-based holding company with headquarters in Norfolk, Va. It owns a major freight railroad, Norfolk Southern Railway Company, which operates more than 14,300 miles of road in 20 states primarily in the Southeast and Midwest, and the Province of Ontario, Canada. The corporation also owns North American Van Lines, Inc., and Pocahontas Land Corporation, a natural resources company.

Note: Maps showing the proposed division of Conrail are available on the World Wide Web sites of CSX and Norfolk Southern.

(Norfolk Southern: <http://www.nscorp.com>; CSX: <http://www.csx.com>)

</TEXT>

</DOCUMENT>

Exhibit 99.A.38

THIRD SUPPLEMENT TO THE OFFER TO PURCHASE DATED DECEMBER 6, 1996

GREEN ACQUISITION CORP.
CURRENTLY A WHOLLY OWNED SUBSIDIARY OF
CSX CORPORATION
IS AMENDING THE SECOND OFFER TO INCLUDE
NORFOLK SOUTHERN CORPORATION
AS A CO-BIDDER AS DESCRIBED BELOW

THE SECOND OFFER HAS BEEN EXTENDED. THE SECOND OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON FRIDAY, MAY 23, 1997, UNLESS THE SECOND OFFER IS FURTHER EXTENDED.

CSX Corporation, a Virginia corporation ("CSX"), and Norfolk Southern Corporation, a Virginia corporation ("NSC"), have entered into a letter agreement, dated April 8, 1997 (the "CSX/NSC Letter Agreement"), which provides, among other things, (i) for the termination of the NSC tender offer commenced on February 12, 1997 (the "NSC Second Offer") and the dismissal of litigation between CSX and NSC, (ii) that Green Acquisition Corp. ("Purchaser") will, directly or indirectly, become a jointly owned subsidiary of CSX and NSC, (iii) that, through Purchaser, CSX and NSC will jointly acquire all Shares not already owned by CSX and NSC through the Second Offer and the Merger, and will jointly provide the funds necessary therefor, and (iv) that Conrail Inc. (the "Company") will continue to be managed by its Board of Directors until the requisite approval of the Surface Transportation Board (the "STB") is obtained and, following receipt of such approval, CSX and NSC will be separately allocated certain of the Company's railroad operations and will jointly operate certain other railroad operations of the Company. See Section 8 of this Third Supplement.

Except as otherwise set forth in this Third Supplement, the terms and conditions previously set forth in the Offer to Purchase, dated December 6, 1996, the Supplement thereto, dated December 19, 1996, and the Second Supplement thereto, dated March 7, 1997, remain applicable in all respects to the Second Offer, and this Third Supplement should be read in conjunction with the Offer to Purchase, the First Supplement and the Second Supplement. Unless the context requires otherwise, terms not defined herein have the meanings ascribed to them in the Offer to Purchase, the First Supplement and the Second Supplement.

THE BOARD OF DIRECTORS OF THE COMPANY HAS APPROVED THE SECOND OFFER AND THE MERGER, DETERMINED THAT THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY ARE IN THE BEST INTERESTS OF THE COMPANY AND RECOMMENDS THAT SHAREHOLDERS OF THE COMPANY ACCEPT THE SECOND OFFER AND TENDER THEIR SHARES PURSUANT TO THE SECOND OFFER.

IMPORTANT

Any shareholder desiring to tender all or any portion of such shareholder's shares of common stock, par value \$1.00 per share ("Common Shares"), or shares of Series A ESOP Convertible Junior Preferred Stock, without par value ("ESOP Preferred Shares" and, together with the Common Shares, the "Shares"), of the Company should either (i) complete and sign one of the (blue) Letters of Transmittal (or a facsimile thereof) circulated with the Offer to Purchase, the First Supplement or the Second Supplement or the (green) Letter of Transmittal circulated with this Third Supplement in accordance with the instructions in such Letter of Transmittal, have such shareholder's signature thereon guaranteed if required by Instruction 1 to such Letter of Transmittal, mail or deliver such Letter of Transmittal (or such facsimile thereof) and any other required documents to the Depository and either deliver the certificates for such Shares to the Depository along with such Letter of Transmittal (or a facsimile thereof) or deliver such Shares pursuant to the procedures for book-entry transfer set forth in Section 3 of the Offer to Purchase prior to the expiration of the Second Offer or (ii) request such shareholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such shareholder. A shareholder having Shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if such shareholder desires to tender such Shares. Any shareholder tendering Shares with a (blue) Letter of Transmittal (or a facsimile thereof) circulated with the Offer to Purchase, the First Supplement or the Second Supplement will be deemed to have tendered on the terms set forth in the (green) Letter of Transmittal circulated with this Third Supplement.

Any shareholder who desires to tender Shares and whose certificates for such Shares are not immediately available, or who cannot comply with the procedures for book-entry transfer described in the Offer to Purchase on a timely basis, may tender such Shares by following the procedures for guaranteed delivery set forth in Section 3 of the Offer to Purchase.

Questions and requests for assistance or for additional copies of this Third Supplement, the Second Supplement, the First Supplement, the Offer to Purchase, the Letter of Transmittal or other tender offer materials may be directed to the Information Agent or the Dealer Managers at their respective addresses and telephone numbers set forth on the back cover of this Third Supplement.

The Dealer Managers for the Second Offer are:
WASSESTEIN PERELLA & CO., INC.

J.P. MORGAN & CO.

MERRILL LYNCH & CO.

April 10, 1997

TO THE HOLDERS OF COMMON STOCK AND SERIES A ESOP CONVERTIBLE
JUNIOR PREFERRED STOCK OF CONRAIL INC.:

INTRODUCTION

The following information amends and supplements (i) the Offer to Purchase, dated December 6, 1996 (the "Offer to Purchase"), of Purchaser, (ii) the Supplement to the Offer to Purchase (the "First Supplement"), dated December 19, 1996, of Purchaser, and (iii) the Second Supplement to the Offer to Purchase (the "Second Supplement"), dated March 7, 1997, of Purchaser. Pursuant to an amendment to the Schedule 14D-1, NSC has been added as a co-bidder as described in Section 8 of this Third Supplement; and, pursuant to the CSX/NSC Letter Agreement, the NSC Second Offer has been terminated. Pursuant to the Second Offer, Purchaser is offering to purchase all Shares of the Company, at a price of \$115 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, as amended and supplemented by the First Supplement, the Second Supplement, this Third Supplement, and in the (green) Letter of Transmittal circulated with this Third Supplement (which together constitute the "Second Offer"). Any shareholder tendering shares with a (blue) Letter of Transmittal (or a facsimile thereof) circulated with the Offer to Purchase, the First Supplement or the Second Supplement will be deemed to have tendered on the terms set forth in the (green) Letter of Transmittal circulated with this Third Supplement.

This Third Supplement should be read in conjunction with the Offer to Purchase, the First Supplement, and the Second Supplement. Except as otherwise set forth in this Third Supplement and the revised Letters of Transmittal, the terms and conditions previously set forth in the Offer to Purchase, the First Supplement, the Second Supplement and the Letters of Transmittal mailed with the Offer to Purchase, the First Supplement, and the Second Supplement remain applicable in all respects to the Second Offer. Unless the context requires otherwise, terms not defined herein have the meanings ascribed to them in the Offer to Purchase, the First Supplement or the Second Supplement. All information contained herein relating to NSC and its subsidiaries has been solely provided by NSC; and all information contained herein relating to CSX and its subsidiaries (including Purchaser) has been solely provided by CSX.

On April 8, 1997, the Company, Purchaser and CSX entered into the Fourth Amendment (the "Fourth Amendment") to the Merger Agreement (as amended through the Fourth Amendment, the "Merger Agreement") in order to, among other things, facilitate entering into the CSX/NSC Letter Agreement and consummating the transactions contemplated thereby. See Section 8 of this Third Supplement.

CSX and NSC have entered into the CSX/NSC Letter Agreement, which provides, among other things, (i) for the termination of the NSC Second Offer and the dismissal of litigation between CSX and NSC (ii) that Purchaser will, directly or indirectly, become a jointly owned subsidiary of CSX and NSC, (iii) that, through Purchaser, CSX and NSC will jointly acquire all Shares not already owned by CSX and NSC through the Second Offer and the Merger, and will jointly provide the funds necessary therefor, and (iv) that the Company will continue to be managed by its Board of Directors until the requisite approval of the STB is obtained and, following the Control Date, CSX and NSC will be separately allocated certain of the Company's railroad operations and will jointly operate certain other railroad operations of the Company. See Section 8 of this Third Supplement. In accordance with the CSX/NSC Letter Agreement, on April 9, 1997, NSC terminated the NSC Second Offer.

The conditions to the Second Offer have not been changed. The Second Offer is conditioned upon, among other things, the Minimum Condition which requires that prior to the expiration of the Second Offer there shall have been validly tendered and not withdrawn such number of Shares which, together with the Common Shares already beneficially owned by CSX and by NSC, constitutes at least a majority of outstanding Shares on a fully diluted basis (as defined herein). The Company has informed CSX that as of March 31, 1997 there were outstanding 90,840,890 Shares and options or other rights to purchase Shares. CSX beneficially owns 17,775,124 Shares (excluding 15,955,477 Common Shares issuable upon exercise of the Company Stock Option, which is currently exercisable by CSX), all of which Shares were acquired by Purchaser in the First Offer. NSC beneficially owns 8,200,100 Shares, all except 100 Shares of which were acquired by NSC pursuant to its tender offer consummated on February 4, 1997 (the "NSC First Offer"),

and which will be included in the computation toward satisfaction of the Minimum Condition. For purposes of the Second Offer, "fully diluted basis" assumes the issuance of all Shares upon the exercise of all outstanding stock options (other than pursuant to the Company Stock Option) or in satisfaction of any performance shares or phantom stock awards, whether or not such stock options are presently exercisable or such performance shares or phantom stock awards are presently vested. Based on the foregoing and assuming no additional Shares (or options, warrants or rights exercisable for, or securities convertible into, Shares) have been or will be issued after March 31, 1997, if Purchaser were to purchase 32,432,834 Shares, the Minimum Condition would be satisfied. The Merger Agreement provides that, without the consent of the Company, Purchaser will not waive the Minimum Condition.

The Second Offer is being made pursuant to the Merger Agreement which provides that, following the completion (or expiration) of the Second Offer and the satisfaction or waiver of certain conditions, Green Merger Corp., a Pennsylvania corporation and a wholly owned subsidiary of Purchaser ("Merger Sub"), will be merged with and into the Company (the "Merger"), with the Company as the surviving corporation (the "Surviving Corporation"), in accordance with the Pennsylvania Law. As more fully described in Section 7 of the Second Supplement and Section 8 of this Third Supplement, in the Merger, each outstanding Share (other than Shares held in the treasury of the Company or owned by CSX, Purchaser, NSC or any of their respective subsidiaries or affiliates) will be converted into the right to receive \$115 in cash, without interest. The time at which the Merger is consummated in accordance with the Merger Agreement is hereinafter referred to as the "Effective Time."

The Merger may be approved by the affirmative vote of holders of a majority of the outstanding Shares. Therefore, if the Minimum Condition is satisfied and the Second Offer is consummated, CSX, Purchaser and NSC will beneficially own (through voting trusts) a sufficient number of Shares to ensure that the Merger is approved. In addition, the "short-form" merger provisions of the Pennsylvania Law provide that if, following consummation of the Second Offer, CSX, Purchaser and NSC beneficially own (through voting trusts) 80% or more of the Shares, they will be able to ensure that the Merger is consummated without the vote of the Company's other shareholders.

THE SECOND OFFER DOES NOT CONSTITUTE A SOLICITATION OF PROXIES FOR ANY MEETING OF COMPANY SHAREHOLDERS. ANY SUCH SOLICITATION WHICH CSX, NSC OR PURCHASER MIGHT MAKE WOULD BE MADE ONLY PURSUANT TO SEPARATE PROXY MATERIALS IN COMPLIANCE WITH THE REQUIREMENTS OF SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "EXCHANGE ACT").

Under the Pennsylvania Control Transaction Law, by virtue of entering into the CSX/NSC Letter Agreement, any holder of Shares may make written demand on either CSX, NSC or Purchaser for payment of cash in an amount equal to the "fair value" (as defined in the Pennsylvania Control Transaction Law) of each such Share as of the date of the CSX/NSC Letter Agreement. In order to make such written demand, certain procedures specified in the Pennsylvania Control Transaction Law must be strictly complied with by the demanding shareholder. SECTION 10 OF THIS THIRD SUPPLEMENT CONTAINS THE NOTICE REQUIRED UNDER THE PENNSYLVANIA CONTROL TRANSACTION LAW AND ALSO SETS FORTH THE PROCEDURES THAT MUST BE FOLLOWED BY A SHAREHOLDER WHO WISHES TO EXERCISE SUCH SHAREHOLDER'S RIGHTS THEREUNDER. SEE ALSO APPENDIX A TO THIS THIRD SUPPLEMENT WHICH SETS FORTH IN FULL THE TEXT OF THE PENNSYLVANIA CONTROL TRANSACTION LAW. CSX, NSC and Purchaser believe and intend to take the position with respect to any such demands that the "fair value" of each Share is \$115 in cash, the price being offered in the Second Offer. In addition, under the federal securities laws, none of CSX, NSC or Purchaser may, directly or indirectly, purchase or make any arrangement to purchase any Shares otherwise than pursuant to the Second Offer (which would include under the Pennsylvania Control Transaction Law), until after consummation (or termination) of the Second Offer. Accordingly, any holder of Shares who does not tender Shares pursuant to the Second Offer and who elects instead to comply with the procedures set forth in the Pennsylvania Control Transaction Law (see Section 10 of this Third Supplement) by making a demand that such holder be paid the "fair value" of his Shares, will not receive payment for his Shares until a date subsequent to the date that Shares are acquired in the Second Offer. CSX, NSC and Purchaser believe that it is unlikely that a demanding shareholder will receive more than \$115 per Share.

Procedures for tendering Shares are set forth in Section 3 of the Offer to Purchase. Tendering shareholders may use the original (blue) Letter of Transmittal and the original (gray) Notice of Guaranteed Delivery previously circulated with the Offer to Purchase or the revised (blue) Letters of Transmittal and revised (gray) Notices of Guaranteed Delivery circulated with the First Supplement and the Second Supplement and the revised (green) Letter of Transmittal and the revised (pink) Notice of Guaranteed Delivery circulated with this Third Supplement. While the original Letter of Transmittal circulated with the Offer to Purchase refers to the Offer to Purchase, the revised Letter of Transmittal circulated with the First Supplement refers to the Offer to Purchase and the First Supplement, the revised Letter of Transmittal circulated with the Second Supplement refers to the Offer to Purchase, the First Supplement and the Second Supplement and the Letter of Transmittal circulated with this Third Supplement refers to the Offer to Purchase, the First Supplement, the Second Supplement and this Third Supplement, shareholders using any such document to tender Shares will nevertheless receive \$115 per Share for each Share validly tendered and not withdrawn and accepted for payment pursuant to the Second Offer, subject to the conditions of the Second Offer (including that Purchaser shall be entitled to receive any dividends, including regular quarterly cash dividends, declared or paid on or after April 8, 1997, on the Shares with a record date on or prior to May 30, 1997 or make a reduction in the purchase price for Shares purchased in the Second Offer in lieu of such receipt), and no proration will apply. In the Fourth Amendment, the Company has agreed that it will not declare or pay any dividend (including regular quarterly cash dividends) on the Company's capital stock with a record date on or prior to May 30, 1997. Accordingly, if Purchaser purchases Shares pursuant to the Second Offer on the currently scheduled expiration date of May 23, 1997, shareholders whose Shares are purchased in the Second Offer will not be entitled to receive any further dividends on their Shares. Shareholders who have previously validly tendered and not withdrawn Shares pursuant to the Second Offer are not required to take any further action in order to receive, subject to the conditions of the Second Offer (including as set forth above), the tender price of \$115 per Share, if the Shares are accepted for payment and paid for by Purchaser pursuant to the Second Offer, except as may be required by the guaranteed delivery procedures if such procedures were utilized. See Section 3 of the Offer to Purchase and Sections 1 and 9 of this Third Supplement.

THE OFFER TO PURCHASE, THE FIRST SUPPLEMENT, THE SECOND SUPPLEMENT, THIS THIRD SUPPLEMENT AND THE LETTERS OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE SECOND OFFER.

1. Amended Terms of the Second Offer; Expiration Date. The discussion set forth in Section 1 of the Offer to Purchase, Section 1 of the First Supplement, Section 1 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

The term "Expiration Date" means 5:00 P.M., New York City time, on Friday, May 23, 1997 unless and until Purchaser, in its sole discretion (but subject to the terms of the Merger Agreement), shall have extended the period of time during which the Second Offer is open, in which event the term "Expiration Date" shall refer to the latest time and date at which the Second Offer, as so extended by Purchaser, shall expire.

This Third Supplement, the revised (green) Letter of Transmittal and other relevant materials will be mailed to record holders of Shares whose names appear on the Company's shareholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the shareholder list or, if applicable, who are listed as participants in a clearing agency's security position listing.

2. Price Range of Shares; Dividends. The discussion set forth in Section 6 of the Offer to Purchase, Section 3 of the First Supplement, Section 3 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

The high and low sales prices per Common Share on the NYSE composite tape for the first quarter of 1997 were \$113 1/4 and \$98 1/2, respectively. The high and low sales prices per Common Share on the NYSE composite tape for the second quarter of 1997 (through April 9, 1997) were \$113 3/4 and \$112 3/4, respectively. On April 9, 1997, the last full trading day prior to the date of this Third Supplement, the reported closing sale

price per Common Share on the NYSE composite tape was \$113 5/8. SHAREHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE COMMON SHARES.

According to published financial sources, the Company paid its regular quarterly cash dividend of \$.475 per Common Share on March 17, 1997.

3. Certain Information Concerning the Company. The discussion set forth in Section 8 of the Offer to Purchase and the amendments thereto are hereby amended and supplemented as follows:

Certain Operating Relationships Between the Company and NSC. Various subsidiaries of each of NSC, on the one hand, and the Company, on the other hand, have operating relationships with each other. The principal interchange points between railroads of NSC and the Company are located at Hagerstown, Maryland, Buffalo, New York, and Cincinnati and Toledo, Ohio. In 1993, 1994 and 1995, the percentage of total loads handled by NSC which were interchanged to or from the Company was 6.6%, 6.2% and 6.3%, respectively. In connection with interchanges, either or both railroads of NSC and the Company may be the party billing the shipper of such interchange freight, and in cases where one of the parties bills for the entire shipment, such party periodically will remit to the other party the net amount of the proceeds due to such other carrier in accordance with standard industry practice. In addition, NSC and the Company, together with other railroads, cooperate in terminal switching operations at certain major locations and also have proprietary interests in various terminal companies in their service territories.

In addition to the foregoing, the railroads of NSC and the Company are parties to various trackage rights and haulage agreements. Haulage generally involves movement by the owning railroad, with its crews, of traffic in the account of the using railroad to and from points on the owning railroad. Under trackage rights agreements the using railroad operates its own trains with its employees carrying traffic in its account over the lines of the owning railroad. Among the various cooperative arrangements between NSC and the Company are: (i) NSC trackage rights on the Company's line between Cincinnati and Columbus, Ohio, (ii) haulage by NSC of the Company's automotive traffic from Bloomington, Illinois, to Lafayette, Indiana, and haulage by NSC of certain other Company traffic between Peoria, Illinois and Lafayette, Indiana, and (iii) NSC trackage rights on the Company's line at Cincinnati, Ohio. In addition to the foregoing, NSC and the Company (together with Union Pacific Railroad) operate a fleet of intermodal containers that are free to move over the lines of each participant.

Between 1993 and 1995, NSC purchased from the Company, for approximately \$11 million, approximately 120 miles of the Company's Fort Wayne line extending from Tolleston to Fort Wayne, Indiana. At various times during this period, NSC operated over some or all of that line under trackage rights agreements. Currently, the Company continues to serve several customers in the Fort Wayne area using trackage rights over former Company lines now owned by NSC.

Triple Crown Services Company. On April 1, 1993, NSC and the Company formed Triple Crown Services Company ("TCS"), a Delaware partnership, to provide intermodal services previously operated by a wholly owned subsidiary of NSC. The Company paid NSC \$15.0 million for a one-half interest in TCS. Since 1993 both NSC and the Company have made additional capital contributions to TCS and guaranteed financing of TCS equipment purchases. TCS provides intermodal services throughout the eastern United States. Intermodal services involve the movement of traffic both over the highway and on rail lines. Major TCS initiatives, policies, budgets, and other matters are subject to approval by a Management Committee consisting of equal numbers of NSC and Company senior officers. The TCS Management Committee establishes overall strategy for TCS. Relationships among TCS, NSC and the Company are governed by bilateral and trilateral written agreements. TCS's revenues for 1993 (after April 1, 1993) were \$101.7 million; for 1994 and 1995, they were \$148.2 million and \$143.0 million, respectively.

Doublestack Clearances. In connection with the creation of the TCS partnership, NSC and the Company agreed to cooperate to eliminate clearance impediments for doublestack traffic between New Jersey on the Company's lines, and Atlanta, Georgia, on lines of NSC's railroads. Doublestacking of intermodal containers permits one container to be placed on top of another container for movement in specialized railcars. However, because the height of doublestacked containers often is greater than that of a standard railcar, certain structures over rail lines, such as tunnels, overpasses and bridges, must be modified to permit

doublestack service to be operated. NSC's cost for clearance work between its connections with the Company at Hagerstown, Maryland and Atlanta, Georgia, was approximately \$4.0 million.

4. Certain Information Concerning Purchaser, CSX and NSC. The discussion set forth in Section 9 of the Offer to Purchase and the amendments thereto are hereby amended and supplemented as follows:

CSX. Set forth below is certain selected historical consolidated financial information relating to CSX and its subsidiaries which has been excerpted or derived from audited financial statements presented in CSX's 1996 Annual Report on Form 10-K for the fiscal year ended December 27, 1996.

CSX CORPORATION

SELECTED CONSOLIDATED FINANCIAL INFORMATION (IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

<Table>
<Caption>

	FISCAL YEAR ENDED		
	DEC. 27, 1996	DEC. 29, 1995	DEC. 30, 1994
	<C>	<C>	<C>
INCOME STATEMENT DATA:			
Operating revenue.....	\$10,536	\$10,304	\$ 9,409
Operating expense.....	9,014	9,178	8,227
Operating income.....	1,522	1,126	1,182
Net earnings.....	855	618	652
PER SHARE INFORMATION:			
Earnings per share(1).....	\$ 4.00	\$ 2.94	\$ 3.12

</Table>

<Table>
<Caption>

	AT		
	DEC. 27, 1996	DEC. 29, 1995	DEC. 30, 1994
	<C>	<C>	<C>
BALANCE SHEET DATA:			
Current assets.....	\$ 2,772	\$ 1,935	\$ 1,665
Properties -- net.....	11,906	11,297	11,044
Total assets.....	16,965	14,282	13,724
Long-term debt, current portion.....	101	486	312
Total current liabilities.....	2,757	2,991	2,505
Long-term debt, excluding current portion.....	4,331	2,222	2,618
Total shareholders' equity.....	4,995	4,242	3,731

</Table>

- (1) All per share data has been adjusted a for two-for-one stock split distributed on December 21, 1995.

NSC. NSC is a Virginia corporation with its principal executive offices located at Three Commercial Place, Norfolk, Virginia 23510. NSC is a holding company that owns all the common stock of and controls a major freight railroad, Norfolk Southern Railway Company; a motor carrier, North American Van Lines, Inc. ("North American"); and a natural resources company, Pocahontas Land Corporation ("Pocahontas Land"). The railroad system's lines extend over more than 14,300 miles of road in 20 states, primarily in the Southeast and Midwest, and the Province of Ontario, Canada. North American provides household moving and specialized freight handling services in the United States and Canada, and offers certain motor carrier services worldwide. Pocahontas Land manages approximately 900,000 acres of coal, natural gas and timber resources in Alabama, Illinois, Kentucky, Tennessee, Virginia and West Virginia.

NSC is subject to the information and reporting requirements of the Exchange Act and is required to file reports and other information with the SEC relating to its business, financial condition and other matters. Information, as of particular dates, concerning NSC's directors and officers, their remuneration, stock options granted to them, the principal holders of NSC's securities, any material interests of such persons in

transactions with NSC and other matters is required to be disclosed in proxy statements distributed to NSC's shareholders and filed with the SEC. These reports, proxy statements and other information should be available for inspection and copies may be obtained in the same manner as set forth for the Company in Section 8 of the Offer to Purchase. NSC's common stock is listed on the NYSE, and reports, proxy statements and other information concerning NSC should also be available for inspection at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

Set forth below is certain selected historical consolidated financial information relating to NSC and its subsidiaries which has been excerpted or derived from audited financial statements presented in NSC's 1996 Annual Report to Stockholders. More comprehensive financial information is included in such reports and other documents filed by NSC with the SEC. The financial information summary set forth below is qualified in its entirety by reference to such reports and other documents which have been filed with the SEC, including the financial information and related notes contained therein, which are incorporated herein by reference. Such reports and other documents may be inspected at and copies may be obtained from the offices of the SEC or the NYSE in the manner set forth above.

NORFOLK SOUTHERN CORPORATION

SELECTED CONSOLIDATED FINANCIAL DATA

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

<Table>

<Caption>

	YEAR ENDED DECEMBER 31.		
	1996	1995	1994
	<C>	<C>	<C>
<S>			
INCOME STATEMENT DATA:			
Operating revenues.....	\$ 4,770.0	\$ 4,668.0	\$ 4,581.3
Operating expenses.....	3,573.0	3,581.7	3,515.9
Operating income.....	1,197.0	1,086.3	1,065.4
Net income to common shareholders.....	770.4	712.7	667.8
PER SHARE INFORMATION:			
Net earnings per common share.....	6.09	5.44	4.90
BALANCE SHEET DATA:			
Current assets.....	\$ 1,456.8	\$ 1,342.8	\$ 1,337.5
Property, less accumulated depreciation.....	9,529.1	9,258.8	8,897.1
Total assets.....	11,416.4	10,904.8	10,587.8
Current liabilities.....	1,190.3	1,205.8	1,131.8
Long-term debt, excluding current portion.....	1,800.3	1,553.3	1,547.8
Total shareholders' equity.....	4,977.6	4,829.0	4,684.8

</Table>

The name, citizenship, business address, principal occupation or employment and five-year employment history for each of the directors and executive officers of NSC are set forth in Schedule A hereto.

On October 18, 1996, Atlantic Investment Company, a wholly owned subsidiary of NSC ("Atlantic"), purchased in a market transaction 100 Common Shares at a price of \$86 per Share. On October 23, 1996, Atlantic transferred beneficial ownership of such shares to Atlantic Acquisition Corporation, a Pennsylvania corporation and a wholly owned subsidiary of NSC ("AAC"), which AAC subsequently transferred back to Atlantic on February 4, 1997. On February 4, 1997, AAC accepted for payment 8,200,000 Common Shares pursuant to the NSC First Offer at a price of \$115 per Share. In addition, L.I. Prillaman, the Executive Vice President-Marketing of NSC, owns 20 Common Shares, and Kathryn B. McQuade, Vice President-Internal Audit of NSC, owns 50 Common Shares. Further, the spouse of E.B. Leisenring, Jr., a director of NSC, is (i) the sole beneficiary of three trusts, the trustee of which is Mellon Bank, that hold 5,869 Common Shares and (ii) a one-fourth beneficiary of a trust (the "CSB Trust"), the trustee of which is CoreStates Bank, that holds 1,500 Common Shares. On October 18, 1996, the CSB Trust sold 500 Common Shares at \$85.625 per Share. Except as set forth in this Third Supplement, none of NSC or, to the best knowledge of NSC or AAC, any of the persons listed in Schedule A hereto, or any associate or majority-owned subsidiary of such persons, beneficially owns any equity security of the Company, and none of NSC, AAC or, to the best knowledge of

NSC or ACC, any of the other persons referred to above, or any of the respective directors, executive officers or subsidiaries of any of the foregoing, has effected any transaction in any equity security of the Company during the past 60 days.

Except as set forth in this Third Supplement, none of NSC, AAC or, to the best knowledge of NSC or AAC, any of the persons listed in Schedule A hereto has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company, including, without limitation, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any securities of the Company, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies. Except as set forth in this Third Supplement, none of NSC, AAC or, to the best knowledge of NSC or AAC, any of the persons listed in Schedule A hereto has had any transactions with the Company or any of its executive officers, directors or affiliates that would require reporting under the rules of the SEC.

For a number of years, certain members of senior management of NSC, including David R. Goode, Chairman, President and Chief Executive Officer of NSC, have spoken numerous times with senior management of the Company, including the Company's Chairman and Chief Executive Officer, David M. LeVan, concerning a possible business combination between NSC and the Company.

Except as set forth in the Offer to Purchase, the First Supplement, the Second Supplement or this Third Supplement, there have been no contacts, negotiations or transactions between NSC, its subsidiaries or, to the best knowledge of NSC, any of the persons listed in Schedule A hereto, on the one hand, and the Company or its executive officers, directors or affiliates, on the other hand, concerning a merger, consolidation or acquisition, tender offer or other acquisition of securities, election of directors, or a sale or other transfer of a material amount of assets.

5. Source and Amount of Funds. The discussion set forth in Section 10 of the Offer to Purchase, Section 4 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

Purchaser estimates that the total amount of funds required to purchase all outstanding Shares pursuant to the Second Offer will be approximately \$7.6 billion (including related fees and expenses). See "Fees and Expenses" in Section 17 of the Offer to Purchase. The necessary funds are expected to be provided by CSX and NSC, as provided in the CSX/ NSC Letter Agreement. It is expected that, if all outstanding Shares are purchased pursuant to the Second Offer, NSC will contribute or otherwise pay approximately \$5.1 billion (including related fees and expenses) and CSX will contribute or otherwise pay approximately \$2.5 billion (including related fees and expenses).

CSX plans to obtain the funds for contributions from its available cash and working capital, through the issuance of long- or short-term debt and other similar securities (including, without limitation, commercial paper notes) through borrowings under the Facility or through a combination of these sources.

NSC plans to obtain the necessary funds from its available cash and working capital, and either through the issuance of long-term or short-term debt securities (including, without limitation, commercial paper notes), preferred stock, depositary shares or common stock or under a new bank credit facility (that would replace the NSC Credit Agreement (as defined and described below)), or through a combination of the above sources. NSC has filed with the SEC a Registration Statement on Form S-3 under the Securities Act of 1933, as amended, to register the sale of up to \$4.3 billion of debt securities, preferred stock, depositary shares and common stock which may be issued, in whole or in part, to finance NSC's portion of the purchase price for Shares pursuant to the Second Offer and the Merger.

NSC's commercial paper program involves the private placement of unsecured, commercial paper notes with varying maturities of up to 270 days. The commercial paper issuances generally have an effective interest rate approximating the then market rate of interest for commercial paper of similar rating. Currently the weighted average interest rate for commercial paper outstanding is approximately 5.4%. NSC may refinance any commercial paper borrowings used to finance the purchase of Shares pursuant to the Second Offer and the

Merger through private placements of additional commercial paper, borrowings under the NSC Credit Facility (as defined below) or under any successor facility or, depending on market or business conditions and subject to certain restrictions on the incurrence of indebtedness set forth in the NSC Credit Agreement (as defined below) or in any successor agreement, through such other financing as NSC may deem appropriate.

To finance payment of the NSC First Offer, NSC issued and sold \$1.0 billion in commercial paper, supported by the NSC Credit Agreement.

As of February 10, 1997, NSC entered into a Credit Agreement (the "NSC Credit Agreement") with Morgan Guaranty Trust Company of New York, as administrative agent (the "Administrative Agent"), Merrill Lynch Capital Corporation, as documentation agent (in such capacity and together with the Administrative Agent, the "Arrangers"), and certain financial institutions (the "Lenders"), under which the Lenders agreed to provide NSC with a senior credit facility (the "NSC Credit Facility") providing an aggregate principal amount not to exceed \$13 billion in loans to finance NSC's acquisition of Shares, to pay related fees and expenses, to refinance NSC's and NSC's share of the Company's existing debt and for working capital purposes. On April 9, 1997, NSC terminated the term loan commitments previously available to it under the NSC Credit Agreement, but retained the revolving credit facility.

As currently constituted, the NSC Credit Facility consists of a revolving credit facility, under which NSC has not borrowed, providing up to \$1.65 billion of revolving loans, which will bear interest at a rate per annum equal to, at the option of NSC, any of (i) the Eurodollar rate plus a margin of 0.1%, (ii) an adjusted CD rate plus a margin of 0.225% or (iii) the higher of Morgan's prime rate or the federal funds rate plus .50% (the "Base Rate") or a money market rate, and will mature on August 1, 1998. The NSC Credit Facility also provides for a facility fee accruing on the total amount available or outstanding thereunder at a rate which will initially be .25% per annum and may be adjusted depending upon NSC's senior unsecured long-term debt ratings to between .125% and .375% per annum. In addition, during all times that both NSC's senior unsecured long-term debt and the loans under the NSC Credit Facility have ratings below investment grade, such loans will bear interest at a rate per annum equal to the rates described above that would otherwise be applicable to such loans plus an additional margin of .125%.

The NSC Credit Agreement contains certain financial covenants as well as certain restrictions on, among other things, (i) maturities or amortization of indebtedness prior to six months after the final maturity of the loans under the NSC Credit Facility, (ii) indebtedness of subsidiaries, (iii) liens, (iv) mergers, consolidations, liquidations, dissolutions and sales of assets, (v) transactions with affiliates, and (vi) the ability of subsidiaries to pay dividends. The financial covenants require NSC to maintain specified (i) minimum interest coverage ratios, (ii) minimum consolidated net worth, and (iii) maximum leverage ratios. The covenants also restrict payments, transfers or other distributions from NSC to the Company prior to the later of the consummation of the Merger or the date on which the approval of the STB shall have been obtained.

In connection with the NSC Credit Agreement, NSC has agreed to pay the Arrangers and the Lenders certain fees, to reimburse the Arrangers and the Lenders for certain expenses and to provide certain indemnities, as is customary for commitments of the type described herein.

It is anticipated that any indebtedness incurred by NSC under the NSC Credit Facility will be repaid from funds generated internally by NSC and its subsidiaries (including, after the Merger, if consummated, funds generated through operation of certain routes and assets of the Company and its subsidiaries), through additional borrowings, or through a combination of such sources. No final decisions have been made concerning the method NSC will employ to repay such indebtedness. Such decisions when made will be based on NSC's review from time to time of the advisability of particular actions, as well as on prevailing interest rates and financial and other economic conditions. Prior to consummation of the Second Offer, NSC intends to enter into a new credit agreement, and if successful in doing so, expects to terminate the revolving credit facility under the NSC Credit Agreement.

The foregoing description of the NSC Credit Agreement is qualified in its entirety by reference to the full text of the NSC Credit Agreement, a copy of which has been filed with the SEC as an exhibit to the Schedule 14D-1.

6. Background of the Second Offer Since March 7, 1996; Contacts with the Company. The discussion set forth in Section 11 of the Offer to Purchase, Section 3 of the First Supplement, Section 5 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

On March 7, 1997, the United States Court of Appeals for the Third Circuit affirmed the November 19, 1996 and January 9, 1997 orders of the United States District Court for the Eastern District of Pennsylvania.

Following execution of the Third Amendment, CSX and NSC entered into negotiations respecting a joint acquisition of the Company, which negotiations culminated in execution of the Fourth Amendment, followed by execution of the CSX/NSC Letter Agreement, on April 8, 1997.

7. Purpose of the Second Offer and the Merger; Plans for the Company. The discussion set forth in Section 12 of the Offer to Purchase, Section 6 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

See the summary of the CSX/NSC Letter Agreement under Section 8 of this Third Supplement for a discussion of certain provisions relating to CSX's and NSC's plans for the Company.

Based upon discussions with the Company, CSX believes that the total quantifiable benefits to CSX from the Merger and the transactions contemplated by the CSX/NSC Letter Agreement will be approximately \$280 million annually (versus Conrail's current operations), based on the realization of operating cost savings of \$165 million and a reduction in the requirement for annual capital spending of \$40 million (from operating efficiencies, facility consolidations, overhead rationalization and other activities) and new traffic volumes (contributing \$75 million) generated by enhanced service.

8. Merger Agreement; Other Agreements. The discussion set forth in Section 13 of the Offer to Purchase, Section 4 of the First Supplement, Section 7 of the Second Supplement and the amendments thereto are hereby amended and supplemented as set forth below.

The following summary of certain provisions of the CSX/NSC Letter Agreement is qualified in its entirety by reference to the CSX/NSC Letter Agreement, a copy of which has been filed with the SEC as an exhibit to the Schedule 14D-1. Certain capitalized terms used herein without definition have the meanings assigned to such terms in the CSX/NSC Letter Agreement.

Formation of CSX/NSC Acquisition Sub. The CSX/NSC Letter Agreement provides that, promptly following the execution of the CSX/NSC Letter Agreement, CSX (or CSX and NSC) will form a new entity in a form to be selected ("CSX/NSC Acquisition Sub"). The authorized capital stock or similar equity interests or units of CSX/NSC Acquisition Sub (the "Equity") will consist solely of two classes with identical economic and other rights, except that one class will have voting rights and the other class will not have voting rights. CSX/NSC Acquisition Sub will be capitalized by CSX and NSC through the Stock Contributions, which will have a deemed aggregate valuation of \$2,898,263,640, and Cash Contributions, all as described below. Upon and immediately following the Stock Contributions as described below, the Equity with voting rights of CSX/NSC Acquisition Sub will be owned 50% by CSX and 50% by NSC (with a deemed aggregate valuation of \$1,886,000,000), and the Equity without voting rights of CSX/NSC Acquisition Sub will be owned solely by CSX (or its controlled subsidiary) (with a deemed aggregate valuation of \$1,012,263,640) and will represent 34.94% of the aggregate Equity represented by the outstanding voting and non-voting Equity of CSX/NSC Acquisition Sub. In connection with each Cash Contribution made under the CSX/NSC Letter Agreement by CSX (or its controlled subsidiary) or NSC (or its controlled subsidiary), non-voting Equity will be issued to the contributing party with a deemed valuation equal to the amount of the related Cash Contribution.

Contributions. The CSX/NSC Letter Agreement provides that, through the mechanics described herein, concurrently with the formation of CSX/NSC Acquisition Sub, CSX will contribute to CSX/NSC Acquisition Sub all the capital stock of Purchaser and NSC will contribute to CSX/NSC Acquisition Sub all of its interest in 8,200,000 Shares (such transactions, the "Stock Contributions"). In connection with the Stock Contributions, CSX will be permitted to retain 100 Shares outside of CSX/NSC Acquisition Sub (corresponding to the 100 Shares being retained by NSC outside of CSX/NSC Acquisition Sub). The CSX/NSC Letter Agreement provides that all Shares currently owned by Purchaser (other than the 100 Shares described above) and held in a voting trust and all Shares currently owned by AAC and held in a voting trust and all additional Shares acquired pursuant to the Second Offer and the Merger, will continue to be held in voting trusts for the benefit of CSX/NSC Acquisition Sub until the Control Date. In furtherance thereof, without prejudice to CSX's and NSC's obligations to make the Stock Contributions upon the formation of CSX/NSC Acquisition Sub as promptly as practicable following the execution of the CSX/NSC Letter Agreement, upon consummation of the Second Offer, CSX and NSC will cause the Shares currently held in the CSX and AAC voting trusts to be transferred to a consolidated voting trust for the benefit of CSX/NSC Acquisition Sub, to which all additional Shares acquired pursuant to the Second Offer and the Merger will be transferred for the benefit of CSX/NSC Acquisition Sub. The CSX/NSC Letter Agreement provides that, in addition to the Stock Contributions described above, each of CSX (or its controlled subsidiary) and NSC (or its controlled subsidiary) will contribute cash to CSX/NSC Acquisition Sub to fulfill its obligations under the CSX/NSC Letter Agreement (including, without limitation, for the purpose of purchasing in the Second Offer and the Merger all Shares not already held in the CSX and AAC voting trusts) (each, a "Cash Contribution") in amounts such that the aggregate cash amount expended (excluding legal, investment banking and other advisory fees and associated expenses and including only the amounts paid for the Shares and amounts specifically required under the CSX/NSC Letter Agreement to be shared by Percentage) to acquire Shares by CSX, NSC and CSX/NSC Acquisition Sub is borne 42% by CSX and 58% by NSC (the 42%/CSX and 58%/NSC is referred to as the "Percentage"), valuing all Shares acquired prior to the date of the CSX/NSC Letter Agreement by CSX at \$110 per share and by NSC at \$115 per share; provided that CSX will not be required to make Cash Contributions to CSX/NSC Acquisition Sub unless and until NSC shall have made at least \$1,757,125,979 in Cash Contributions to CSX/NSC Acquisition Sub. Such Cash Contributions will be made in accordance with the terms under the subsection entitled "Formation of CSX/NSC Acquisition Sub" above and at such times as are required to fulfill obligations under the CSX/NSC Letter Agreement (including, without limitation, for Purchaser to purchase Shares in the Second Offer and the Merger). All cash contributed by CSX and NSC to CSX/NSC Acquisition Sub to purchase Shares in the Second Offer and the Merger in accordance with the CSX/NSC Letter Agreement will be contributed by CSX/NSC Acquisition Sub to Purchaser to be used by Purchaser (or Merger Sub) to purchase Shares in accordance with the Merger Agreement.

The CSX/NSC Letter Agreement provides that CSX's and NSC's obligations to make the Stock Contributions and the Cash Contributions and their other obligations under the CSX/NSC Letter Agreement are not subject to the condition that definitive documentation has been agreed to by CSX and NSC. The only conditions to CSX's and NSC's obligations to make the Cash Contributions for the consummation of the Second Offer and the Merger will be those same conditions applicable to CSX and Purchaser as set forth in the Second Offer and in the Merger Agreement, respectively. In addition, notwithstanding whether the conditions to consummation of the Second Offer or Merger are satisfied, CSX and NSC will be obligated to make Cash Contributions as provided in the CSX/NSC Letter Agreement or indemnity payments as provided in the CSX/NSC Letter Agreement in order to satisfy any claims made against CSX and NSC following the date of the CSX/NSC Letter Agreement under the Merger Agreement or the CSX/NSC Letter Agreement.

Governance of CSX/NSC Acquisition Sub. The CSX/NSC Letter Agreement provides that each of CSX and NSC will have equal decision-making authority with respect to matters relating to CSX/NSC Acquisition Sub and its subsidiaries (which, following the Stock Contributions, will include Purchaser and Merger Sub); and that, until the Stock Contributions, CSX will not take any action concerning the formation, organization, governance or activities of CSX/NSC Acquisition Sub, without the prior agreement of NSC. Following the Stock Contributions, each of CSX and NSC will have and may exercise a 50% voting interest in CSX/NSC Acquisition Sub (which may also be held in one or more controlled subsidiaries) and will have the

right to appoint 50% of CSX/NSC Acquisition Sub's directors or similar governing representatives. Each of CSX and NSC will be entitled to appoint a full time Co-Chief Executive Officer of CSX/NSC Acquisition Sub, and all CSX/NSC Acquisition Sub executive appointments will be subject to approval by the board of directors or similar governing body of CSX/NSC Acquisition Sub. In addition, CSX and NSC will establish a protocol for the management of CSX/NSC Acquisition Sub as well as a list of those items that will require board approval. Such provisions will apply equally to the governance of the Company following the Control Date in order to effectuate the transactions contemplated by the CSX/NSC Letter Agreement (including on-going operation of Shared Assets) as approved by the STB.

Second Offer. The CSX/NSC Letter Agreement provides that each of CSX and NSC will have equal decision-making authority with respect to the Second Offer and the Merger Agreement including any amendment thereof. In furtherance of the foregoing, neither CSX nor NSC will, without the prior agreement of the other party, (x) agree to any modifications of the terms, conditions and/or timing of the Second Offer or make any determination as to the satisfaction of any conditions thereto or (y) agree to any modifications of the terms and conditions of, or give any consent or waiver or exercise any right of termination under, the Merger Agreement, including without limitation any decision regarding the exercise of the Company Stock Option or under the provisions of the Merger Agreement summarized in Section 7 of the Second Supplement under "Interim Operations of the Company". In addition, upon consummation of the Second Offer, the Company Stock Option will be cancelled without any consideration paid to CSX. The CSX/NSC Letter Agreement provides that CSX will not take any action that would reasonably be expected to result in the Company having a right to terminate the Merger Agreement in accordance with its terms (and NSC will not take any action including, without limitation, by withholding consent or making determinations, in any case, that could reasonably be expected to result in the Company having a right to terminate the Merger Agreement, including as a result of a breach by CSX of the Merger Agreement). In addition, CSX will consult and agree with NSC prior to providing any notices to the Company under the Merger Agreement and will promptly provide NSC with copies of all written notices provided by CSX to the Company or received by CSX from the Company under the Merger Agreement.

Allocation of Assets. The CSX/NSC Letter Agreement provides that, subject to necessary regulatory approvals and implementation, the Company's routes, assets in proximity to such routes and certain facilities will be made available to CSX and NSC, and CSX and NSC will have shared access to certain specified shared assets, all as specified in an agreed map and certain schedules. The map reprinted inside the back cover of this Third Supplement shows the approximate division of the Company's routes as contemplated by the CSX/NSC Letter Agreement. Such map is intended to be illustrative only and is qualified in its entirety by reference to the CSX/NSC Letter Agreement itself. Pursuant to this arrangement, subject to certain exceptions, following the implementation date, (i) NSC will have use of and responsibility for the management and costs (including lease costs, if any) of the Altoona and Hollidaysburg shops, and (ii) CSX will have use of and responsibility for the management and costs (including lease costs) of the Company headquarters building and the Company information technology facilities in Philadelphia. Notwithstanding the foregoing, CSX and NSC will jointly use and have responsibility for certain designated system support operations, including the management of a portion of the Company headquarters function and management at system support operations sufficient for the management of the Surviving Corporation.

The CSX/NSC Letter Agreement provides that generally: rolling stock, locomotives and work equipment will be allocated to, and made available for use by, CSX and NSC in accordance with their respective Percentages; all Company rolling-stock-related inventory and supplies (including rolling-stock-related system stockpiles) at the Altoona and Hollidaysburg shops as of the Control Date will be made available to NSC; all Company furniture, fixtures, computers, office supplies and equipment (other than equipment and system stockpiles of supplies and inventory, which will be made available as otherwise provided) will be allocated to the party to whom the related assets are made available; and all other assets not otherwise specifically made available by the CSX/NSC Letter Agreement will be pooled assets and will be made available or shared based on Percentage.

Further Actions. The CSX/NSC Letter Agreement provides that, following the Control Date, Company lines and assets proposed to be operated by CSX or by NSC will be segregated from other Company lines and

assets through the creation of subsidiaries or operating divisions or through other means. Subject to any necessary regulatory approval, CSX and NSC will take and will cause the Company to take such action as is necessary to name NSC nominees as the officers and directors of the subsidiary or other entity holding the lines and assets to be operated by NSC, and to name CSX nominees as the officers and directors of the subsidiary or other entity holding the line and assets to be operated by CSX.

The CSX/NSC Letter Agreement provides that it is the parties' current intention that the Surviving Corporation will be preserved following the Merger, that the division of the Company assets and the assumption of liabilities relating to Company assets will be specified in more detail in definitive documentation and that the Company assets and liabilities will be shared pursuant to long-term operating agreements, leases, one or more partnerships and/or limited liability companies and indemnity arrangements which will be set forth in definitive documentation.

Allocation of Liabilities. The CSX/NSC Letter Agreement contains provisions regarding the allocation of the Company's liabilities, including employee-related liabilities, as between CSX and NSC, providing that certain liabilities will be shared by Percentage, certain liabilities will be allocated solely to either CSX or NSC and certain liabilities will be allocated to the party to which the assets related to such liabilities are allocated.

Definitive Documentation. The CSX/NSC Letter Agreement provides that, promptly after execution of the CSX/NSC Letter Agreement, CSX and NSC will negotiate in good faith toward reaching and will enter into and execute fuller documentation with respect to the transactions contemplated by the CSX/NSC Letter Agreement, which documentation will supersede the CSX/NSC Letter Agreement.

STB. The CSX/NSC Letter Agreement provides for coordination by CSX and NSC in seeking STB approval for the transactions contemplated by the Merger Agreement and the CSX/NSC Letter Agreement.

NSC Second Offer. Pursuant to the CSX/NSC Letter Agreement, NSC has terminated the NSC Second Offer. NSC had agreed that, upon consummation of the Second Offer as modified in accordance with the CSX/NSC Letter Agreement, NSC will withdraw its letter relating to the Company's 1997 Annual Meeting of Shareholders and, until such withdrawal, will take no action in furtherance of the matters covered by such letter without CSX's consent, unless the date of the Company's 1997 Annual Meeting of Shareholders is changed.

Litigation. The CSX/NSC Letter Agreement provides that, promptly following execution of the CSX/NSC Letter Agreement, CSX and NSC will take such action as is necessary to dismiss with prejudice all pending lawsuits between the parties relating to the acquisition of the Company, and CSX, under the Merger Agreement, will not consent to the taking of any action by the Company respecting, and, following the Merger will request pursuant to the Merger Agreement the dismissal with prejudice of, all claims and litigation against NSC, its officers and affiliates relating to the Company acquisition. In addition, CSX will request pursuant to the Merger Agreement that the Company join in a stay or similar adjournment of any such proceeding.

Certain Obligations; Indemnification. The CSX/NSC Letter Agreement provides that CSX and NSC will cause the Surviving Corporation to honor all commitments of the Surviving Corporation under the Merger Agreement. Except as may otherwise be provided in the CSX/NSC Letter Agreement, to the extent that, following the date of the CSX/NSC Letter Agreement, any claims are made under or in connection with the Merger Agreement against the Surviving Corporation, CSX or NSC or any of their respective affiliates, CSX and NSC will share any liability thereunder by Percentage, and each of CSX and NSC will indemnify the other for its proportionate share according to Percentage, except to the extent that any such liability results from a breach by the indemnified party of the terms of the CSX/NSC Letter Agreement. However, the indemnification contemplated in the foregoing sentence will not cover certain liabilities to be borne solely by CSX or NSC.

The following summary of certain provisions of the Merger Agreement, as amended through the Fourth Amendment, is qualified in its entirety by the full text of the Merger Agreement and the amendments thereto, copies of which have been filed with the SEC as exhibits to the Schedule 14D-1.

The Merger. Under the Fourth Amendment, upon the terms and subject to the conditions set forth in the Merger Agreement, and in accordance with the Pennsylvania Law, Merger Sub will be merged with and into the Company at the Effective Time. The Company will be the surviving corporation of the Merger and will succeed to and assume all rights and obligations of Merger Sub in accordance with the Pennsylvania Law. The articles of incorporation and by-laws of Merger Sub, as in effect immediately prior to the Effective Time, will be the articles of incorporation and by-laws, respectively, of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law, provided that the articles of incorporation of the Surviving Corporation will provide that the Surviving Corporation will be named "Conrail Inc."

Voting Trust. Under the Fourth Amendment, CSX and the Company have agreed that, simultaneously with the purchase by CSX, Purchaser or their affiliates of Shares pursuant to the Second Offer, the Company Stock Option Agreement or otherwise, such Shares will be deposited in a voting trust (the "Voting Trust") in accordance with the terms and conditions of a voting trust agreement substantially in the form attached to the Merger Agreement (the "Voting Trust Agreement"). Subject to applicable law and to the rules, regulations and practices of the STB, the Voting Trust may be modified or amended, and other voting trusts may be employed with respect to Common Shares, at any time by CSX in its sole discretion (provided that the terms of the Voting Trust governing the voting of or transfer or disposition of Common Shares will not be amended prior to the consummation of the Second Offer without the Company's consent and provided further that the Company has consented to the adoption of an amended and restated voting trust agreement substantially in the form attached to the Fourth Amendment (the "CSX/NSC Voting Trust Agreement"), the CSX/NSC Voting Trust Agreement not to be effective prior to the consummation of the Second Offer without the Company's consent).

Conveyance of Shares. Under the Fourth Amendment, each share of Common Stock, par value \$1.00 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time will, at the Effective Time, by virtue of the Merger and without any action on the part of any person, become one duly authorized, validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation.

Representations and Warranties. Under the Fourth Amendment, the Company has made representations and warranties with respect to the Rights Agreement and state anti-takeover laws.

In connection with the Fourth Amendment, other than with respect to the Pennsylvania Control Transaction Law, the Company has represented that its Board of Directors has taken all action necessary or advisable so as to render inoperative with respect to the transactions contemplated by the Merger Agreement (including the Offer, the Second Offer, the Merger and the execution, delivery and performance of the transactions contemplated by the CSX/NSC Letter Agreement) or by the Company Stock Option Agreement or the CSX/NSC Letter Agreement all applicable state anti takeover statutes.

In connection with the Fourth Amendment, the Company has represented that the Company Rights Agreement has been amended (collectively, the "Company Rights Plan Amendment") to (i) render the Company Rights Agreement inapplicable to the Offer, the Second Offer, the Merger and the other transactions contemplated by the Merger Agreement, the Company Stock Option Agreement and the CSX/NSC Letter Agreement or any purchases of Shares under the Pennsylvania Control Transaction Law, and (ii) ensure that (y) neither CSX nor any of its controlled subsidiaries nor NSC nor any of its controlled subsidiaries nor any other entity formed for the purpose of acquiring the Company wholly owned by CSX and NSC is an Acquiring Person (as defined in the Company Rights Agreement) pursuant to the Company Rights Agreement and (z) a Shares Acquisition Date, Distribution Date or Trigger Event (in each case as defined in the Company Rights Agreement) does not occur by reason of the approval, execution or delivery of the Merger Agreement, the Company Stock Option Agreement or the CSX/NSC Letter Agreement, or the consummation of the Offer, the Second Offer or the Merger or the consummation of the other transactions contemplated by the Merger Agreement, the Company Stock Option Agreement or the CSX/NSC Letter Agreement or any purchases of Shares under the Pennsylvania Control Transaction Law, and the Company Rights Agreement may not be further amended by the Company without the prior consent of CSX in its sole discretion.

Interim Operations of the Company. Under the Fourth Amendment, the Company has agreed that, following the date of the Third Amendment, its Board of Directors will not declare, and the Company will not pay, any dividend on the Company's capital stock with a record date on or prior to May 30, 1997.

Shareholders' Meetings. Under the Fourth Amendment, the Company has agreed not to take any action to change the date set for its 1997 Annual Meeting from December 19, 1997 without the prior consent of CSX in its sole discretion.

Anti-Takeover Laws. Under the Fourth Amendment, the Company has agreed to (i) take all action necessary to ensure that no state anti-takeover statute or similar statute or regulation is or becomes operative with respect to the Second Offer, the Merger, the Merger Agreement, the Company Stock Option Agreement, the CSX/NSC Letter Agreement or any of the transactions contemplated by the Merger Agreement, the CSX/NSC Letter Agreement or the Company Stock Option Agreement and (ii) if any state anti-takeover statute or similar statute or regulation is or becomes operative with respect to the Second Offer, the Merger, the Merger Agreement, the Company Stock Option Agreement, the CSX/NSC Letter Agreement or any transaction contemplated by the Merger Agreement, the CSX/NSC Letter Agreement or the Company Stock Option Agreement, take all action necessary to ensure that the Second Offer, the Merger and the other transactions contemplated by the Merger Agreement, the CSX/NSC Letter Agreement and the Company Stock Option Agreement may be consummated as promptly as practicable on the terms contemplated by the Merger Agreement, the CSX/NSC Letter Agreement and the Company Stock Option Agreement and otherwise to minimize the effect of such statute or regulation on the Merger and the other transactions contemplated by the Merger Agreement, the CSX/NSC Letter Agreement and the Company Stock Option Agreement.

Rights Agreement. Under the Fourth Amendment, the Company has agreed that its Board of Directors will take all further action (in addition to that referred to above) reasonably requested in writing by CSX (including redeeming the Company Rights immediately prior to the Effective Time or amending the Company Rights Agreement) in order to render the Company Rights inapplicable to the Offer, the Second Offer, the Merger and the other transactions contemplated by the Merger Agreement, the Company Stock Option Agreement and the CSX/NSC Letter Agreement. Except as provided above with respect to the Offer, the Merger and the other transactions contemplated by the Merger Agreement, the Company Stock Option Agreement and the CSX/NSC Letter Agreement, the Board of Directors of the Company will not (a) amend the Company Rights Agreement or (b) take any action with respect to, or make any determination under, the Company Rights Agreement, including a redemption of the Company Rights or any action to facilitate a Takeover Proposal in respect of the Company.

9. Dividends and Distributions. The discussion set forth in Section 14 of the Offer to Purchase and the amendments thereto are hereby amended and supplemented as follows:

The Company has agreed in the Fourth Amendment that, following April 8, 1997, its Board of Directors will not declare, and the Company will not pay, any dividend on the Company's capital stock with a record date on or prior to May 30, 1997.

In connection with the foregoing, the (green) Letter of Transmittal provides that, by executing a Letter of Transmittal as set forth above, or failing to withdraw a Letter of Transmittal already executed and delivered, a tendering shareholder irrevocably appoints designees of Purchaser as such shareholder's proxies, each with full power of substitution, to the full extent of such shareholder's rights with respect to the Shares tendered by such shareholder and accepted for payment by Purchaser (and any and all cash or noncash dividends (other than regular quarterly cash dividends except as provided below), distributions, rights, other Shares, or other securities issued or issuable in respect of such Shares on or after the date of the Merger Agreement and any cash dividends, including regular quarterly cash dividends, declared or paid on or after April 8, 1997 with a record date on or prior to May 30, 1997). See the (green) Letter of Transmittal circulated with this Third Supplement.

10. Certain Legal Matters; Regulatory Approvals. The discussion set forth in Section 16 of the Offer to Purchase, Section 6 of the First Supplement, Section 9 of the Second Supplement and the amendments thereto are hereby amended and supplemented as follows:

STB Matters; Acquisition of Control. STB approval or exemption of the Merger is not a condition to the Merger. However, the acquisition of control over the Company by CSX, NSC and their respective affiliates requires STB approval or exemption. CSX and NSC intend to file a joint application with the STB for control and division of the Company and for such other matters involved in such division as might be required to be approved by the STB. CSX and NSC are filing a new Notice of Intent to File Railroad Control Application and are requesting a waiver that would permit them to file their joint application prior to the date that is three months from the date of the filing of the Notice of Intent. CSX and NSC are also requesting that the respective dockets previously established by the STB for the separate CSX and NSC applications for control of the Company be dismissed. In addition, CSX and NSC are filing a request that the STB establish an expedited procedural schedule to consider CSX's and NSC's joint application in light of the fact that the STB will not be required to consider two competing applications for control of the Company. The STB approval process described in "STB Matters; Acquisition of Control," "Conditions" and "Judicial Review -- Stay" in Section 16 of the Offer to Purchase, as amended by Section 6 of the First Supplement and Section 9 of the Second Supplement, would be applicable to the joint application to be filed by CSX and NSC seeking STB approval of acquisition of control over, or division of, the Company.

STB Matters; The Voting Trust. The Amended Voting Trust Agreement described in Section 9 of the Second Supplement has not been executed by the parties or submitted to the STB staff for an informal opinion that the use of the Amended Voting Trust Agreement would effectively insulate CSX and its affiliates from a violation of the governing statute and STB policy that would result from an unauthorized acquisition by CSX of a sufficient interest in the Company to result in control of the Company. CSX intends that the provisions of the original Voting Trust Agreement, dated October 15, 1996, between CSX, Purchaser and the Voting Trustee (which is currently in effect), or the Amended Voting Trust Agreement will govern the Voting Trust until the consummation of the Second Offer.

CSX and NSC intend to enter into the CSX/NSC Voting Trust Agreement which provides for a consolidated voting trust to hold the Shares currently beneficially owned by CSX and NSC and held in voting trusts and Shares to be acquired pursuant to the Second Offer. In that regard, it is contemplated that, effective upon the consummation of the Second Offer and the Merger, NSC will cause 8,200,000 Shares currently beneficially owned by NSC and held in the AAC voting trust to be transferred to the Voting Trustee to be held as Trust Stock under the CSX/NSC Voting Trust Agreement. The parties to the CSX/NSC Voting Trust Agreement would be CSX, NSC, Purchaser and CSX/NSC Acquisition Sub.

CSX and NSC have not reached final agreement on the terms of the CSX/NSC Voting Trust Agreement. It is contemplated that the CSX/NSC Voting Trust Agreement would become effective only upon the consummation of the Second Offer.

If CSX determines that it wishes the Amended Voting Trust Agreement to govern the Voting Trust until the consummation of the Second Offer, CSX will obtain an opinion of counsel that STB approval is not required for such amendment and will seek an informal opinion from the STB staff that use of the Voting Trust under the Amended Voting Trust Agreement would effectively insulate CSX and its affiliates from a violation of the governing statute and STB policy. In addition, if CSX and NSC reach an agreement as to the CSX/NSC Voting Trust Agreement, CSX and NSC would obtain an opinion of counsel and seek an informal opinion from the STB staff that use of the CSX/NSC Voting Trust Agreement would effectively insulate CSX, NSC and their affiliates from a violation of the governing statute and STB policy. CSX believes that the Amended Voting Trust Agreement is consistent with the STB's policies regarding voting trusts, and CSX and NSC intend that the CSX/NSC Voting Trust Agreement would be consistent with the STB's policies regarding voting trusts, but there can be no assurance that the STB staff will provide the requested opinion.

It is also possible that the U.S. Department of Justice or railroad competitors of CSX or NSC, or others, may argue that CSX, NSC and their respective affiliates should not be permitted to use the voting trust

mechanism to acquire Shares and effectuate the Merger prior to final STB approval of the acquisition of control of the Company. CSX and NSC believe it is unlikely that such arguments would prevail, but there can be no assurance in this regard.

Pennsylvania Control Transaction Law -- General. The following summary of the provisions of the Pennsylvania Control Transaction Law is qualified in its entirety by reference to such law, the full text of which is attached hereto as Appendix A. THIS DISCUSSION AND APPENDIX SHOULD BE REVIEWED CAREFULLY BY ANY SHAREHOLDER WHO WISHES TO EXERCISE STATUTORY APPRAISAL RIGHTS OR WHO WISHES TO PRESERVE THE RIGHT TO DO SO BECAUSE FAILURE STRICTLY TO COMPLY WITH ANY OF THE PROCEDURAL REQUIREMENTS OF THE LAW MAY RESULT IN A FORFEITURE OR WAIVER OF RIGHTS. All references to a shareholder or a Company shareholder in the Pennsylvania Control Transaction Law and this summary are to the record holder of Company stock as to which appraisal rights under the Pennsylvania Control Transaction Law are asserted. A person having a beneficial interest in Shares that is held of record in the name of another person, such as a broker or nominee, must follow the steps summarized below to perfect rights under the Pennsylvania Control Transaction Law.

THE FOLLOWING CONSTITUTES NOTICE UNDER THE PENNSYLVANIA CONTROL TRANSACTION LAW AS REQUIRED THEREUNDER.

Under the Pennsylvania Control Transaction Law, by virtue of entering into the CSX/NSC Letter Agreement, which may be considered a "control transaction" for purposes of the Pennsylvania Control Transaction Law, any holder of record of Shares as of April 8, 1997 is entitled to make written demand on CSX, NSC or Purchaser for payment of cash in an amount equal to the "fair value" (as defined in the Pennsylvania Control Transaction Law) of each Share as of the date on which the "control transaction" occurs. Under the Pennsylvania Control Transaction Law, "fair value" is defined as a value not less than the highest price paid per share by the controlling person or group at any time during the 90-day period ending on and including the date of the control transaction (i.e., from January 9, 1997 through April 8, 1997) plus an increment representing any value (including, without limitation, any proportion of any value for acquisition of control of the corporation) that may not be reflected in such price. Under this definition of "fair value", the minimum value that a holder of Shares would be entitled to receive would be the \$115 per Share paid in the NSC First Offer.

CSX, NSC and Purchaser believe and intend to take the position that "fair value" under the Pennsylvania Control Transaction Law is \$115 per Share without interest thereon. However, if a holder of record of Shares believes that the "fair value" of his Shares is higher than \$115 per Share, he is entitled to an appraisal procedure for determining the fair value of his Shares. To facilitate this procedure, as required by the Pennsylvania Control Transaction Law, CSX, NSC and Purchaser have filed a petition with the caption In Re: Conrail Inc. Statutory Proceeding Pursuant to Subchapter 25E of the Pennsylvania Business Corporation Law/Petition For Determination of Fair Value Pursuant to 15 Pa. C.S. sec. 2545 and 2547 in the Court of Common Pleas of Philadelphia County (the "Court"), April Term, 1997, No. 704. The Court is located at 280 City Hall, Philadelphia, PA 19107, and any holder electing to proceed with a court-appointed appraiser under the Pennsylvania Control Transaction Law should send the required forms (as described below) to the Court at such address before the date indicated in the next paragraph.

Procedure for Demand. To validly perfect a demand under the Pennsylvania Control Transaction Law, a record holder must, within 20 days following the date of this Third Supplement, make written demand on CSX, NSC or Purchaser for payment of the "fair value" of such record holder's Shares. Any such demand must state the number and class or series of the Shares owned by the demanding shareholder with respect to which the demand is made. Such notice should be sent to Green Acquisition Corp. c/o CSX Corporation, One James Center, 901 East Cary Street, Richmond, Virginia 23219, Attention: Mark G. Aron, with a copy to Norfolk Southern Corporation, Three Commercial Place, Norfolk, Virginia 23510, Attention: James C. Bishop, Jr. If, within 10 days after the date that Purchaser accepts for payment Shares pursuant to the Second Offer or terminates the Second Offer (the 10th such day referred to herein as the "Impasse Date"), CSX, NSC or Purchaser, on the one hand, and any demanding shareholder, on the other hand, are unable to agree

on the fair value of the Shares or a binding procedure for the determination of fair value with respect to which the demand has been made, then any such demanding shareholder who desires to obtain the rights and remedies described below may, at any time until 30 days following the Impasse Date, surrender to the Court certificates for the Shares, duly endorsed for transfer to CSX, NSC or Purchaser, with a notice stating that the certificates are being surrendered to the Court in connection with the petition filed with the Court discussed above. Any shareholder failing to give such notice and surrender his certificates will have no further right to receive payment under the Pennsylvania Control Transaction Law for such Shares, and in accordance with the Merger Agreement such Shares will be converted in the Merger into the right to receive the Merger Consideration. All certificates surrendered to the Court will be held in escrow for CSX, NSC and Purchaser; and, following the expiration of the period in which certificates may be validly surrendered, the Court will provide a notice to CSX, NSC and Purchaser as to the number of Shares so surrendered. Under the Pennsylvania Control Transaction Law, CSX, NSC or Purchaser will then be required to make a "partial payment" for Shares so surrendered within 10 business days of receipt of the Court's notice at a per Share price equal to the "partial payment" amount, which amount shall be paid by the Court to the demanding shareholders who have validly surrendered certificates. Under the Pennsylvania Control Transaction Law, a "partial payment" is \$115 in cash, which is the highest price paid per Share by the controlling person or group from January 9, 1997 through April 8, 1997.

Payment of Fair Value. Pursuant to Section 14(d) of the Exchange Act and rules promulgated thereunder by the SEC, none of Purchaser, CSX or NSC may, directly or indirectly, purchase or make any arrangement to purchase any Shares otherwise than pursuant to the Second Offer during the pendency of the Second Offer. Consequently, CSX, NSC and Purchaser will not make payment on any demand for payment until after the Second Offer is consummated or terminated; and the Impasse Date has been set by CSX, NSC and Purchaser in recognition of the foregoing restrictions under the Exchange Act applicable to Purchaser, CSX and NSC. Promptly after consummation or termination of the Second Offer, CSX, NSC or Purchaser shall take the position that the "fair value" of such Shares is, and offer payment to holders of Shares who have made demand under the Pennsylvania Control Transaction Law in the amount of, \$115 per Share in cash without interest.

Appraisal Procedure. Upon receipt of any Share certificate surrendered as provided above, the Court shall, as soon as practicable but in any event within 30 days, appoint an appraiser with experience in appraising share values of companies of like nature to the Company to determine the fair value for the Shares so surrendered. The appraiser so appointed by the Court shall, as soon as reasonably practicable, determine the "fair value" of the Shares subject to its appraisal and the appropriate market rate of interest on the amount then owed by CSX, NSC and Purchaser to the holders of such Shares. The determination of any appraiser so appointed by the Court shall be final and binding on CSX, NSC and Purchaser and on all shareholders who so surrendered their Share certificates to the Court, except that the determination of the appraiser shall be subject to review to the extent and within the time provided or prescribed by law in the case of other appointed judicial officers.

Shareholders who surrender certificates for Shares as described above to the Court will retain the right to vote their Shares and receive dividends or other distributions thereon until the Court receives payment in full for each of the Shares so surrendered of the "partial payment" amount, and thereafter such rights shall become those of CSX, NSC and Purchaser. In addition, the fair value (as determined by the appraiser) of any such dividends or other distributions so received by the surrendering shareholder shall be subtracted from any amount owing to such shareholder under the Pennsylvania Control Transaction Law.

Costs and Expenses of Valuation Proceedings. The costs and expense of any appraiser or other agents appointed by the Court in the appraisal procedure will be assessed against CSX, NSC and Purchaser. The costs and expenses of any other procedure to determine fair value shall be paid as agreed to by the parties agreeing to the procedure.

Norfolk Southern Litigation and Shareholder Litigation. The CSX/NSC Letter Agreement provides that, promptly following execution of the CSX/NSC Letter Agreement, CSX and NSC will take such action as is necessary to dismiss with prejudice all pending lawsuits between the parties relating to the acquisition of the Company, and CSX, under the Merger Agreement, will not consent to the taking of any action by the

Company respecting, and, following the Merger will request pursuant to the Merger Agreement the dismissal with prejudice of, all claims and litigation against NSC, its officers and affiliates relating to the Company acquisition. In addition, CSX will request pursuant to the Merger Agreement that the Company join in a stay or similar adjournment of any such proceeding.

11. Fees and Expenses. The discussion set forth in Section 17 of the Offer to Purchase and the amendments thereto are hereby amended and supplemented as follows:

Except as set forth below, NSC will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Second Offer. Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities Inc. (the "NSC Dealer Managers") together with Wasserstein Perella & Co., Inc. are acting as Dealer Managers in connection with the Second Offer and the Merger. NSC paid each of the NSC Dealer Managers an advisory fee of \$2,500,000 upon the commencement of the NSC First Offer. Upon the earliest to occur of (i) the successful closing of any tender offer by NSC or one or more persons formed by or affiliated with NSC (an "NSC Affiliate") for securities of the Company (defined as the acceptance for payment by NSC or an NSC Affiliate of a majority of the Company's outstanding capital stock), (ii) the execution of a definitive agreement providing for (a) any merger, consolidation, reorganization or other business combination pursuant to which the business of the Company is combined with NSC or one or more persons formed by or affiliated with NSC, including without limitation, any joint venture (a "Business Combination"), (b) the acquisition by NSC or an NSC Affiliate by way of a tender or exchange offer, negotiated purchase or other means of a majority of the then outstanding capital stock of the Company, (c) the acquisition, directly or indirectly, by NSC or an NSC Affiliate of all or a substantial portion of the assets, revenues or income of the Company (an "Asset Acquisition"), or (d) the acquisition, directly or indirectly, by NSC or an NSC Affiliate of control of the Company through a proxy contest, NSC has agreed to pay each of the NSC Dealer Managers an additional advisory fee of \$2,500,000. In addition, NSC has agreed to pay each of the NSC Dealer Managers a success fee of .125% of the aggregate transaction value (less the amount of any previously paid advisory fees) upon the consummation of a Business Combination or Asset Acquisition. Parent has also agreed to reimburse, directly or indirectly, the NSC Dealer Managers (in their capacities as NSC Dealer Managers and financial advisors) for their reasonable out-of-pocket expenses, including the reasonable fees and expenses of their legal counsel, incurred in connection with their engagement and to indemnify such firms and certain related persons against certain liabilities and expenses in connection with their engagement, including certain liabilities under the federal securities laws. The NSC Dealer Managers have rendered various investment banking and other advisory services to NSC and its affiliates in the past and are expected to continue to render such services for which they have received and will continue to receive customary compensation from NSC and its affiliates. The NSC Dealer Managers and/or their affiliates, in their capacity as arrangers and/or lenders, may also receive fees from NSC in connection with the activities.

GREEN ACQUISITION CORP.

April 10, 1997

SCHEDULE A

INFORMATION CONCERNING THE DIRECTORS AND EXECUTIVE
OFFICERS OF NSC AND AAC

1. Directors and Executive Officers of NSC. Set forth below is the name, current business address, citizenship and the present principal occupation or employment and material occupations, positions, offices or employments for the past five years of each director and executive officer of NSC. Unless otherwise indicated, each person identified below is employed by NSC. The principal address of NSC and, unless otherwise indicated below, the current business address for each individual listed below is Three Commercial Place, Norfolk, Virginia 23510. Directors are identified by an asterisk. Each such person is a citizen of the United States.

<Table>

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NAME AND PRINCIPAL BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
<S>	<C>
David R. Goode*.....	Chairman, President and Chief Executive Officer (since September 1992); President (from October 1991 to September 1992); and prior thereto was Executive Vice President -- Administration; Director, Caterpillar, Inc. (since June 1993); Director, Georgia -- Pacific Corporation (since July 1992); Director, TRINOVA Corporation (since January 1993); Director, Texas Instruments Incorporated (since February 1996).
James C. Bishop, Jr.....	Executive Vice President -- Law (since March 1996); and prior thereto was Vice President -- Law.
R. Alan Brogan..... P.O. Box 988 Fort Wayne, IN 46801 -- 0988	Executive Vice President -- Transportation Logistics and President, North American Van Lines, Inc. (since December 1992); Vice President -- Quality Management (from April 1991 to December 1992); and prior thereto was Vice President -- Material Management and Property Services.
L.I. Prillaman.....	Executive Vice President -- Marketing (since October 1995); Vice President -- Properties (from December 1992 to October 1995); and prior thereto was Vice President and Controller.
Stephen C. Tobias.....	Executive Vice President -- Operations (since July 1994); Senior Vice President -- Operations (from October 1993 to July 1994); Vice President -- Strategic Planning (from December 1992 to October 1993); and prior thereto was Vice President -- Transportation; Director, TTX Company (since January 1993).
Henry C. Wolf.....	Executive Vice President -- Finance (since June 1993); and prior thereto was Vice President -- Taxation; Director, Greater Norfolk Corporation (since May 1994); Director, Shenandoah Life (since November 1995).
William B. Bales..... 110 Franklin Rd., S.E. Roanoke, VA 24012	Senior Vice President -- International (since October 1995); Vice President -- Coal Marketing (from August 1993 to October 1995); and prior thereto was Vice President -- Coal and Ore Traffic.
Paul N. Austin.....	Vice President -- Personnel (since June 1994); Assistant Vice President -- Personnel (from February 1993 to June 1994); and prior thereto was Director -- Compensation.

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NAME AND PRINCIPAL BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
<S>	<C>
James W. McClellan.....	Vice President -- Strategic Planning (since October 1993); Assistant Vice President -- Corporate Planning (from March 1992 to October 1993); and prior thereto was Director -- Corporate Development.
Kathryn B. McQuade..... 110 Franklin Rd., S.E. Roanoke, VA 24042	Vice President -- Internal Audit (since December 1992); Director -- Income Tax Administration (from May 1991 to December 1992); and prior thereto was Director -- Federal Income Tax Administration.
Charles W. Moorman.....	Vice President -- Information Technology (since October 1993); Vice President -- Employee Relations (from December 1992 to October 1993); Vice President -- Personnel and Labor Relations (from February to December 1992); Assistant Vice President -- Stations, Terminals and Transportation Planning (from March 1991 to February 1992); and prior thereto was Senior Director Transportation Planning.
Phillip R. Ogden..... 99 Spring Street, S.W. Atlanta, GA 30303	Vice President -- Engineering (since December 1992); and prior thereto was Assistant Vice President -- Maintenance; Director, Norfolk and Portsmouth Belt Line Railroad Company (since December 1993).
John P. Rathbone.....	Vice President and Controller (since December 1992); and prior thereto was Assistant Vice President -- Internal Audit.
William J. Romig.....	Vice President and Treasurer (since April 1992); and prior thereto was Assistant Vice President -- Finance.
Donald W. Seale.....	Vice President -- Merchandise Marketing (since August 1993); Assistant Vice President -- Sales and Service (from May 1992 to August 1993); and prior thereto was Director -- Metals, Waste and Construction.
Robert S. Spenski.....	Vice President -- Labor Relations (since June 1994); and prior thereto was Senior Assistant Vice President -- Labor Relations.
Rashe W. Stephens.....	Vice President -- Quality Management (since December 1996); and prior thereto was Assistant Vice President -- Public Affairs.
William C. Wooldridge.....	Vice President -- Law (since March 1996); prior thereto was General Counsel -- Corporate.
Dezora M. Martin.....	Corporate Secretary (since April 1995); Assistant Corporate Secretary (from October 1993 to April 1995); and prior thereto was Assistant Corporate Secretary -- Planning.
Gerald L. Baliles*..... Hunton & Williams 951 E. Byrd St. Riverfront Plaza, East Tower Richmond, VA 23219-4074	Director (since 1990); Partner, Hunton & Williams (since 1990); Director, Dibrell Brothers, Inc. (from March 1992 to March 1995) and Newport News Shipbuilding Inc. (since 1997).
Carroll A. Campbell, Jr.*..... American Council of Life Insurance 1001 Pennsylvania Ave., N.W. Washington, DC 20004	Director (since July 1996); President and Chief Executive Officer, American Council of Life Insurance (since January 1995); Governor of South Carolina (from January 1987 to January 1995); Director, AVX Corporation (since July 1995), Director, FLUOR Corporation (since January 1995).

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NAME AND PRINCIPAL BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
<S>	<C>
Gene R. Carter*..... Association for Supervision and Curriculum Development 1250 N. Pitt Street Alexandria, VA 22314-1403	Director (since 1992); Executive Director, Association for Supervision and Curriculum Development (since July 1992); Superintendent of Schools, Norfolk, Virginia (from July 1983 to June 1992).
L. E. Coleman*..... 7 Trillium Lane, Eastman Graham, NH 03753	Director (since 1982); Chairman, The Lubrizol Corporation (from January 1996 to March 1996); Chairman of the Board and CEO (from April 1982 to December 1995); Director, The Lubrizol Corporation (since at least 1991); and Director, Harris Corporation (since January 1985).
T. Marshall Hahn, Jr.*..... Georgia-Pacific Corporation P.O. Box 105605 Atlanta, GA 30348-5605	Director (since 1985); Honorary Chairman of the Board, Georgia-Pacific Corporation (since December 1993); Chairman of the Board (from May 1993 to December 1993); Chairman of the Board and Chief Executive Officer (from February 1985 to May 1993); Director, SunTrust Banks, Inc. (since July 1984); Director, Trust Company Bank of Georgia (since 1987); Director, Coca-Cola Enterprises (since 1987).
Landon Hilliard*..... Brown Brothers Harriman & Co. 59 Wall Street New York, NY 10005	Director (since 1992); Partner, Brown Brothers Harriman & Co. (since January 1979); Director, Owens-Corning Fiberglas Corporation (since April 1989).
E. B. Lisenring, Jr.*..... The Philadelphia Contributionship One Tower Bridge, Suite 501 West Conshohocken, PA 19428	Director (since 1982); Chairman of The Philadelphia Contributionship (since January 1996); Chairman and Chief Executive Officer, Penn Virginia Corporation (from December 1933 to April 1992); Director, Penn Virginia Corporation (from September 1952 to October 1992); Director, Westmoreland Coal Company (from September 1952 to June 1996); Director, Fidelity Bank, N.A. (a wholly owned subsidiary of First Fidelity Bancorporation) (from 1960 to January 1994); Director, PICO Products, Inc. (since November 1994); Director, SKF USA Inc. (a controlled subsidiary of Aktiebolaget SKF, a Swedish corporation) (from January 1966 to March 1996).
Arnold B. McKinnon*.....	Director (since 1986); Chairman and Chief Executive Officer, Norfolk Southern Corporation (from September 1991 to August 1992); Chairman, President and Chief Executive Officer, Norfolk Southern Corporation (from March 1987 to September 1991).
Jane Margaret O'Brien*..... St. Mary's College of Maryland St. Mary's City, MD 20686	Director (since 1994); President, St. Mary's College of Maryland (since July 1996); President, Hollins College (from July 1991 to June 1996); Dean of the Faculty, Middlebury College (from 1989 to 1991); Director, Landmark Communications, Inc. (since 1994).
Harold W. Pote*..... The Beacon Group 399 Park Avenue New York, NY 10022	Director (since 1988); Partner, The Beacon Group (since April 1993); President, PBS Properties, Inc. (since November 1990), President and Chief Executive Officer, First Fidelity Bancorporation (from April 1984 to December 1988); Director, Turecamo Maritime, Inc. (from June 1990 to June 1996).

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2. Directors and Executive Officers of AAC. Set forth below is the name, current business address, citizenship and the present principal occupation or employment and material occupations, positions, offices or employments for the past five years of each director and officer of AAC. Unless otherwise indicated, each person identified below is employed by AAC and has held such position since the formation of AAC on October 23, 1996. The principal address of AAC and, unless otherwise indicated below, the current business address for each individual listed below is Three Commercial Place, Norfolk, Virginia 23510. Directors are identified by an asterisk. Each such person is a citizen of the United States.

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<Caption>

NAME AND PRINCIPAL BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
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<S>	<C>
David R. Goode*	President; see part 1 above for five-year employment history.
James C. Bishop, Jr.*	Vice President and General Counsel; see part 1 above for five-year employment history.
L.I. Prillman	Vice President; see part 1 above for five-year employment history.
Henry C. Wolf*	Vice President and Treasurer; see part 1 above for five-year employment history.
Dezora M. Martin	Corporate Secretary; see part 1 above for five-year employment history.

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PENNSYLVANIA BUSINESS CORPORATION LAW

TITLE 15. CORPORATIONS AND UNINCORPORATED ASSOCIATIONS
PART II. CORPORATIONS
SUBPART B. BUSINESS CORPORATIONS
ARTICLE C. DOMESTIC BUSINESS CORPORATION ANCILLARIES
CHAPTER 25. REGISTERED CORPORATIONS
SUBCHAPTER E. CONTROL TRANSACTIONS

sec.2541. APPLICATION AND EFFECT OF SUBCHAPTER

(a) General rule. -- Except as otherwise provided in this section, this subchapter shall apply to a registered corporation unless:

(1) the registered corporation is one described in section 2502(1)(ii) or (2) (relating to registered corporation status);

(2) the bylaws, by amendment adopted either: (i) by March 23, 1984; or (ii) on or after March 23, 1988, and on or before June 21, 1988; and, in either event, not subsequently rescinded by an article amendment, explicitly provide that this subchapter shall not be applicable to the corporation in the case of a corporation which on June 21, 1988, did not have outstanding one or more classes or series of preference shares entitled, upon the occurrence of a default in the payment of dividends or another similar contingency, to elect a majority of the members of the board of directors (a bylaw adopted on or before June 21, 1988, by a corporation excluded from the scope of this paragraph by the restriction of this paragraph relating to certain outstanding preference shares shall be ineffective unless ratified under paragraph (3));

(3) the bylaws of which explicitly provide that this subchapter shall not be applicable to the corporation by amendment ratified by the board of directors on or after December 19, 1990, and on or before March 19, 1991, in the case of a corporation: (i) which on June 21, 1988, had outstanding one or more classes or series of preference shares entitled, upon the occurrence of a default in the payment of dividends or another similar contingency, to elect a majority of the members of the board of directors; and (ii) the bylaws of which on that date contained a provision described in paragraph (2); or

(4) the articles explicitly provide that this subchapter shall not be applicable to the corporation by a provision included in the original articles, by an article amendment adopted prior to the date of the control transaction and prior to or on March 23, 1988, pursuant to the procedures then applicable to the corporation, or by an articles amendment adopted prior to the date of the control transaction and subsequent to March 23, 1988, pursuant to both: (i) the procedures then applicable to the corporation; and (ii) unless such proposed amendment has been approved by the board of directors of the corporation, in which event this subparagraph shall not be applicable, the affirmative vote of the shareholders entitled to cast at least 80% of the votes which all shareholders are entitled to cast thereon. A reference in the articles or bylaws to former section 910 (relating to right of shareholders to receive payment for shares following a control transaction) of the act of May 5, 1933 (P.L. 364, No. 106), known as the Business Corporation Law of 1933, shall be deemed a reference to this subchapter for the purposes of this section. See section 101(c) (relating to references to prior statutes).

(b) Inadvertent transactions. -- This subchapter shall not apply to any person or group that inadvertently becomes a controlling person or group if that controlling person or group, as soon as practicable, divests itself of a sufficient amount of its voting shares so that it is no longer a controlling person or group.

(c) Certain subsidiaries. -- This subchapter shall not apply to any corporation that on December 23, 1983, was a subsidiary of any other corporation.

sec.2542. DEFINITIONS

The following words and phrases when used in this subchapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Control transaction." The acquisition by a person or group of the status of a controlling person or group.

"Controlling person or group." A controlling person or group as defined in section 2543 (relating to controlling person or group).

"Fair value." A value not less than the highest price paid per share by the controlling person or group at any time during the 90-day period ending on and including the date of the control transaction plus an increment representing any value, including, without limitation, any proportion of any value payable for acquisition of control of the corporation, that may not be reflected in such price.

"Partial payment amount." The amount per share specified in section 2545(c)(2) (relating to contents of notice).

"Subsidiary." Any corporation as to which any other corporation has or has the right to acquire, directly or indirectly, through the exercise of all warrants, options and rights and the conversion of all convertible securities, whether issued or granted by the subsidiary or otherwise, voting power over voting shares of the subsidiary that would entitle the holders thereof to cast in excess of 50% of the votes that all shareholders would be entitled to cast in the election of directors of such subsidiary, except that a subsidiary will not be deemed to cease being a subsidiary as long as such corporation remains a controlling person or group within the meaning of this subchapter.

"Voting shares." The term shall have the meaning specified in section 2552 (relating to definitions).

sec.2543. CONTROLLING PERSON OR GROUP

(a) General rule. -- For the purpose of this subchapter, a "controlling person or group" means a person who has, or a group of persons acting in concert that has, voting power over voting shares of the registered corporation that would entitle the holders thereof to cast at least 20% of the votes that all shareholders would be entitled to cast in an election of directors of the corporation. (b) Exceptions generally.--Notwithstanding subsection (a):

(1) A person or group which would otherwise be a controlling person or group within the meaning of this section shall not be deemed a controlling person or group unless, subsequent to the later of March 23, 1988, or the date this subchapter becomes applicable to a corporation by bylaw or article amendment or otherwise, that person or group increases the percentage of outstanding voting shares of the corporation over which it has voting power to in excess of the percentage of outstanding voting shares of the corporation over which that person or group had voting power on such later date, and to at least the amount specified in subsection (a), as the result of forming or enlarging a group or acquiring, by purchase, voting power over voting shares of the corporation.

(2) No person or group shall be deemed to be a controlling person or group at any particular time if voting power over any of the following voting shares is required to be counted at such time in order to meet the 20% minimum: (i) Shares which have been held continuously by a natural person since January 1, 1983, and which are held by such natural person at such time. (ii) Shares which are held at such time by any natural person or trust, estate, foundation or other similar entity to the extent the shares were acquired solely by gift, inheritance, bequest, devise or other testamentary distribution or series of these transactions, directly or indirectly, from a natural person who had acquired the shares prior to January 1, 1983. (iii) Shares which were acquired pursuant to a stock split, stock dividend, reclassification or similar recapitalization with respect to shares described under this paragraph that have been held continuously since their issuance by the corporation by the natural person or entity that acquired them from the corporation or that were acquired, directly or indirectly, from such natural person or entity, solely pursuant to a transaction or series of transactions described in subparagraph (ii), and that are held

at such time by a natural person or entity described in subparagraph (ii). (iv) Control shares as defined in section 2562 (relating to definitions) which have not yet been accorded voting rights pursuant to section 2564(a) (relating to voting rights of shares acquired in a control-share acquisition). (v) Shares, the voting rights of which are attributable to a person under subsection (d) if: (A) the person acquired the option or conversion right directly from or made the contract, arrangement or understanding or has the relationship directly with the corporation; and (B) the person does not at the particular time own, or otherwise effectively possess the voting rights of the shares. (vi) Shares acquired directly from the corporation or an affiliate or associate, as defined in section 2552 (relating to definitions), of the corporation by a person engaged in business as an underwriter of securities who acquires the shares through his participation in good faith in a firm commitment underwriting registered under the Securities Act of 1933.

(3) In determining whether a person or group is or would be a controlling person or group at any particular time, there shall be disregarded voting power arising from a contingent right of the holders of one or more classes or series of preference shares to elect one or more members of the board of directors upon or during the continuation of a default in the payment of dividends on such shares or another similar contingency.

(c) Certain record holders. -- A person shall not be a controlling person under subsection (a) if the person holds voting power, in good faith and not for the purpose of circumventing this subchapter, as an agent, bank, broker, nominee or trustee for one or more beneficial owners who do not individually or, if they are a group acting in concert, as a group have the voting power specified in subsection (a), or who are not deemed a controlling person or group under subsection (b).

(d) Existence of voting power. -- For the purposes of this subchapter, a person has voting power over a voting share if the person has or shares, directly or indirectly, through any option, contract, arrangement, understanding, conversion right or relationship, or by acting jointly or in concert or otherwise, the power to vote, or to direct the voting of, the voting share.

sec.2544. RIGHT OF SHAREHOLDERS TO RECEIVE PAYMENT FOR SHARES

Any holder of voting shares of a registered corporation that becomes the subject of a control transaction who shall object to the transaction shall be entitled to the rights and remedies provided in this subchapter.

sec.2545. NOTICE TO SHAREHOLDERS

(a) General rule. -- Prompt notice that a control transaction has occurred shall be given by the controlling person or group to: (1) Each shareholder of record of the registered corporation holding voting shares. (2) The court, accompanied by a petition to the court praying that the fair value of the voting shares of the corporation be determined pursuant to section 2547 (relating to valuation procedures) if the court should receive, pursuant to section 2547, certificates from shareholders of the corporation or an equivalent request for transfer of uncertificated securities.

(b) Obligations of the corporation. -- If the controlling person or group so requests, the corporation shall, at the option of the corporation and at the expense of the person or group, either furnish a list of all such shareholders to the person or group or mail the notice to all such shareholders.

(c) Contents of notice. -- The notice shall state that: (1) All shareholders are entitled to demand that they be paid the fair value of their shares. (2) The minimum value the shareholder can receive under this subchapter is the highest price paid per share by the controlling person or group within the 90-day period ending on and including the date of the control transaction, and stating that value. (3) If the shareholder believes the fair value of his shares is higher, this subchapter provides an appraisal procedure for determining the fair value of such shares, specifying the name of the court and its address and the caption of the petition referenced in subsection (a)(2), and stating that the information is provided for the possible use by the shareholder in electing to proceed with a court-appointed appraiser under section 2547. There shall be included in, or enclosed with, the notice a copy of this subchapter.

(d) Optional procedure. -- The controlling person or group may, at its option, supply with the notice referenced in subsection (c) a form for the shareholder to demand payment of the partial payment amount directly from the controlling person or group without utilizing the court-appointed appraiser procedure of section 2547, requiring the shareholder to state the number and class or series, if any, of the shares owned by him, and stating where the payment demand must be sent and the procedures to be followed.

sec.2546. SHAREHOLDER DEMAND FOR FAIR VALUE

(a) General rule. -- After the occurrence of the control transaction, any holder of voting shares of the registered corporation may, prior to or within a reasonable time after the notice required by section 2545 (relating to notice to shareholders) is given, which time period may be specified in the notice, make written demand on the controlling person or group for payment of the amount provided in subsection (c) with respect to the voting shares of the corporation held by the shareholder, and the controlling person or group shall be required to pay that amount to the shareholder pursuant to the procedures specified in section 2547 (relating to valuation procedures).

(b) Contents of demand. -- The demand of the shareholder shall state the number and class or series, if any, of the shares owned by him with respect to which the demand is made.

(c) Measure of value. -- A shareholder making written demand under this section shall be entitled to receive cash for each of his shares in an amount equal to the fair value of each voting share as of the date on which the control transaction occurs, taking into account all relevant factors, including an increment representing a proportion of any value payable for acquisition of control of the corporation.

(d) Purchases independent of subchapter. -- The provisions of this subchapter shall not preclude a controlling person or group subject to this subchapter from offering, whether in the notice required by section 2545 or otherwise, to purchase voting shares of the corporation at a price other than that provided in subsection (c), and the provisions of this subchapter shall not preclude any shareholder from agreeing to sell his voting shares at that or any other price to any person.

sec.2547. VALUATION PROCEDURES

(a) General rule. -- If, within 45 days (or such other time period, if any, as required by applicable law) after the date of the notice required by section 2545 (relating to notice to shareholders), or, if such notice was not provided prior to the date of the written demand by the shareholder under section 2546 (relating to shareholder demand for fair value), then within 45 days (or such other time period, if any, required by applicable law) of the date of such written demand, the controlling person or group and the shareholder are unable to agree on the fair value of the shares or on a binding procedure to determine the fair value of the shares, then each shareholder who is unable to agree on both the fair value and on such a procedure with the controlling person or group and who so desires to obtain the rights and remedies provided in this subchapter shall, no later than 30 days after the expiration of the applicable 45-day or other period, surrender to the court certificates representing any of the shares that are certificated shares, duly endorsed for transfer to the controlling person or group, or cause any uncertificated shares to be transferred to the court as escrow agent under subsection (c) with a notice stating that the certificates or uncertificated shares are being surrendered or transferred, as the case may be, in connection with the petition referenced in section 2545 or, if no petition has theretofore been filed, the shareholder may file a petition within the 30-day period in the court praying that the fair value (as defined in this subchapter) of the shares be determined.

(b) Effect of failure to give notice and surrender certificates. -- Any shareholder who does not so give notice and surrender any certificates or cause uncertificated shares to be transferred within such time period shall have no further right to receive, with respect to shares the certificates of which were not so surrendered or the uncertificated shares which were not so transferred under this section, payment under this subchapter from the controlling person or group with respect to the control transaction giving rise to the rights of the shareholder under this subchapter.

(c) Escrow and notice. -- The court shall hold the certificates surrendered and the uncertificated shares transferred to it in escrow for, and shall promptly, following the expiration of the time period during which the certificates may be surrendered and the uncertificated shares transferred, provide a notice to the controlling person or group of the number of shares so surrendered or transferred.

(d) Partial payment for shares. -- The controlling person or group shall then make a partial payment for the shares so surrendered or transferred to the court, within ten business days of receipt of the notice from the court, at a per-share price equal to the partial payment amount. The court shall then make payment as soon as practicable, but in any event within ten business days, to the shareholders who so surrender or transfer their shares to the court of the appropriate per-share amount received from the controlling person or group.

(e) Appointment of appraiser. -- Upon receipt of any share certificate surrendered or uncertificated share transferred under this section, the court shall, as soon as practicable but in any event within 30 days, appoint an appraiser with experience in appraising share values of companies of like nature to the registered corporation to determine the fair value of the shares.

(f) Appraisal procedure. -- The appraiser so appointed by the court shall, as soon as reasonably practicable, determine the fair value of the shares subject to its appraisal and the appropriate market rate of interest on the amount then owed by the controlling person or group to the holders of the shares. The determination of any appraiser so appointed by the court shall be final and binding on both the controlling person or group and all shareholders who so surrendered their share certificates or transferred their shares to the court, except that the determination of the appraiser shall be subject to review to the extent and within the time provided or prescribed by law in the case of other appointed judicial officers. See 42 Pa.C.S. ss 5105(a)(3) (relating to right to appellate review) and 5571(b) (relating to appeals generally).

(g) Supplemental payment. -- Any amount owed, together with interest, as determined pursuant to the appraisal procedures of this section shall be payable by the controlling person or group after it is so determined and upon and concurrently with the delivery or transfer to the controlling person or group by the court (which shall make delivery of the certificate or certificates surrendered or the uncertificated shares transferred to it to the controlling person or group as soon as practicable but in any event within ten business days after the final determination of the amount owed) of the certificate or certificates representing shares surrendered or the uncertificated shares transferred to the court, and the court shall then make payment, as soon as practicable but in any event within ten business days after receipt of payment from the controlling person or group, to the shareholders who so surrendered or transferred their shares to the court of the appropriate per-share amount received from the controlling person or group.

(h) Voting and dividend rights during appraisal proceedings. -- Shareholders who surrender their shares to the court pursuant to this section shall retain the right to vote their shares and receive dividends or other distributions thereon until the court receives payment in full for each of the shares so surrendered or transferred of the partial payment amount (and, thereafter, the controlling person or group shall be entitled to vote such shares and receive dividends or other distributions thereon). The fair value (as determined by the appraiser) of any dividends or other distributions so received by the shareholders shall be subtracted from any amount owing to such shareholders under this section.

(i) Powers of the court. -- The court may appoint such agents, including the transfer agent of the corporation, or any other institution, to hold the share certificates so surrendered and the shares surrendered or transferred under this section, to effect any necessary change in record ownership of the shares after the payment by the controlling person or group to the court of the amount specified in subsection (h), to receive and disburse dividends or other distributions, to provide notices to shareholders and to take such other actions as the court determines are appropriate to effect the purposes of this subchapter.

(j) Costs and expenses. -- The costs and expenses of any appraiser or other agents appointed by the court shall be assessed against the controlling person or group. The costs and expenses of any other procedure to determine fair value shall be paid as agreed to by the parties agreeing to the procedure.

(k) Jurisdiction exclusive. -- The jurisdiction of the court under this subchapter is plenary and exclusive and the controlling person or group, and all shareholders who so surrendered or transferred their shares to the court shall be made a party to the proceeding as in an action against their shares.

(l) Duty of corporation. -- The corporation shall comply with requests for information, which may be submitted pursuant to procedures maintaining the confidentiality of the information, made by the court or the appraiser selected by the court. If any of the shares of the corporation are not represented by certificates, the transfer, escrow or retransfer of those shares contemplated by this section shall be registered by the corporation, which shall give the written notice required by section 1528(f) (relating to uncertificated shares) to the transferring shareholder, the court and the controlling shareholder or group, as appropriate in the circumstances.

(m) Payment under optional procedure. -- Any amount agreed upon between the parties or determined pursuant to the procedure agreed upon between the parties shall be payable by the controlling person or group after it is agreed upon or determined and upon and concurrently with the delivery of any certificate or certificates representing such shares or the transfer of any uncertificated shares to the controlling person or group by the shareholder.

(n) Title to shares. -- Upon full payment by the controlling person or group of the amount owed to the shareholder or to the court, as appropriate, the shareholder shall cease to have any interest in the shares.

sec.2548. COORDINATION WITH CONTROL TRANSACTION

(a) General rule. -- A person or group that proposes to engage in a control transaction may comply with the requirements of this subchapter in connection with the control transaction, and the effectiveness of the rights afforded in this subchapter to shareholders may be conditioned upon the consummation of the control transaction.

(b) Notice. -- The person or group shall give prompt written notice of the satisfaction of any such condition to each shareholder who has made demand as provided in this subchapter.

Facsimile copies of the Letter of Transmittal, properly completed and duly signed, will be accepted. The Letter of Transmittal, certificates for the Shares and any other required documents should be sent by each shareholder of the Company or such shareholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

The Depositary for the Second Offer is:

CITIBANK, N.A.

<Table>

<S>

By Hand:
Citibank, N.A.
Corporate Trust Window
111 Wall Street, 5th Floor
New York, New York 10043

<C>

By Mail:
Citibank, N.A.
c/o Citicorp Data
Distribution, Inc.
P.O. Box 7072
Paramus, New Jersey 07653

<C>

By Overnight Carrier:
Citibank, N.A.
c/o Citicorp Data
Distribution, Inc.
404 Sette Drive
Paramus, New Jersey 07652

</Table>

Facsimile for Eligible Institutions: (201) 262-3240
To confirm fax only: (800) 422-2077

Any questions or requests for assistance or additional copies of the Offer to Purchase, the First Supplement, the Second Supplement, this Third Supplement, the Letter of Transmittal and the Notice of Guaranteed Delivery may be directed to the Information Agent or the Dealer Managers at their respective telephone numbers and locations listed below. You may also contact your broker, dealer, commercial bank or trust company or other nominee for assistance concerning the Second Offer.

The Information Agent for the Second Offer is:
mackenzie loo

156 Fifth Avenue
New York, New York 10010
(212) 929-5500 (call collect)
or
CALL TOLL FREE (800) 322-2885

The Dealer Managers for the Second Offer are:

<Table>

<S>

WASSERSTEIN PERELLA & CO., INC.
31 West 52nd Street
New York, New York 10019
Call Collect:
(212) 969-2700

<C>

J.P. MORGAN & CO.
60 Wall Street
Mail Stop 2860
New York, New York 10260
(800) 576-5070 (toll free)

<C>

MERRILL LYNCH & CO.
World Financial Center
North Tower
New York, New York 10281-1305
(212) 449-8211 (call collect)

</Table>

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Exhibit 99.A.39

LETTER OF TRANSMITTAL
TO TENDER SHARES OF
COMMON STOCK AND SERIES A ESOP
CONVERTIBLE JUNIOR PREFERRED STOCK
(including, in each case, the associated Common Stock Purchase Rights)
OF

CONRAIL INC.
PURSUANT TO THE OFFER TO PURCHASE
DATED DECEMBER 6, 1996,
THE SUPPLEMENT THERETO
DATED DECEMBER 19, 1996,
THE SECOND SUPPLEMENT THERETO
DATED MARCH 7, 1997,
AND THE THIRD SUPPLEMENT THERETO
DATED APRIL 10, 1997
BY

GREEN ACQUISITION CORP.
CSX CORPORATION
AND
NORFOLK SOUTHERN CORPORATION

THE SECOND OFFER HAS BEEN EXTENDED. THE SECOND OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON FRIDAY, MAY 23, 1997, UNLESS THE SECOND OFFER IS FURTHER EXTENDED.

The Depository for the Second Offer is:
CITIBANK, N.A.

<Table>

<S>

By Hand:
Citibank, N.A.
Corporate Trust Window
111 Wall Street, 5th Floor
New York, New York 10043

<C>

By Mail:
Citibank, N.A.
c/o Citicorp Data Distribution,
Inc.
P.O. Box 7072
Paramus, New Jersey 07653

<C>

By Overnight Carrier:
Citibank, N.A.
c/o Citicorp Data Distribution,
Inc.
404 Sette Drive
Paramus, New Jersey 07652

</Table>

Facsimile for Eligible Institutions: (201) 262-3240
To confirm fax only: (800) 422-2077

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE OR TELEX TRANSMISSION OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY. YOU MUST SIGN THIS LETTER OF TRANSMITTAL WHERE INDICATED BELOW AND COMPLETE THE SUBSTITUTE FORM W-9 PROVIDED BELOW.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal is to be completed by shareholders of Conrail Inc. either if certificates ("Share Certificates") evidencing shares of common stock, par value \$1.00 per share (the "Common Shares"), or shares of Series A ESOP Convertible Junior Preferred Stock, without par value (the "ESOP Preferred Shares" and, together with the Common Shares, the "Shares"), are to be forwarded herewith or if delivery of Shares is to be made by book-entry transfer to the Depository's account at The Depository Trust Company or the Philadelphia Depository Trust Company (each, a "Book-Entry Transfer Facility" and collectively, the "Book-Entry Transfer Facilities") pursuant to the book-entry transfer procedures described in "Procedures for Tendering Shares" of the Offer to Purchase (as defined below). Delivery of documents to a Book-Entry Transfer Facility in accordance with such Book-Entry Transfer Facility's procedures does not constitute delivery to the Depository.

This revised Letter of Transmittal circulated with the Third Supplement (as defined below), the Letter of Transmittal circulated with the Second Supplement (as defined below), the First Supplement (as defined below) or the Letter of Transmittal circulated with the Offer to Purchase is to be completed by shareholders either if certificates evidencing Shares (as defined below) are to be forwarded herewith or if delivery of Shares is to be made by book-entry transfer to the Depository's account at The Depository Trust Company or the Philadelphia Depository Trust Company (each a "Book-Entry Transfer Facility" and collectively, the "Book-Entry Transfer Facilities") pursuant to the book-entry transfer procedures described in Section 3 of the Offer to Purchase (as defined below). DELIVERY OF DOCUMENTS TO A BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITORY.

Holders of Shares will be required to tender one Right (as defined below) for each Share tendered to effect a valid tender of such Share. Until the Distribution Date (as defined in the Offer to Purchase) occurs, the Rights are represented by and transferred with the Shares. Accordingly, if the Distribution Date does not occur prior to the Expiration Date (as defined in the Third Supplement), a tender of Shares will constitute a tender of the associated Rights. If a Distribution Date has occurred, certificates representing a number of Rights equal to the number of Shares being tendered must be delivered to the Depository in order for such Shares to be validly tendered. If a Distribution Date has occurred, a tender of Shares without Rights constitutes an agreement by the tendering shareholder to deliver certificates representing a number of Rights equal to the number of Shares tendered pursuant to the Second Offer (as defined below) to the Depository within three New York Stock Exchange, Inc. trading days after the date such certificates are distributed. Purchaser (as defined below) reserves the right to require that it receive such certificates prior to accepting Shares for payment. Payment for Shares tendered and purchased pursuant to the Second Offer will be made only after timely receipt by the Depository of, among other things, such certificates, if such certificates have been distributed to holders of Shares. Purchaser will not pay any additional consideration for the Rights tendered pursuant to the Second Offer.

Shareholders whose Share Certificates are not immediately available or who cannot deliver their Share Certificates and all other documents required hereby to the Depository prior to the Expiration Date or who cannot complete the procedures for delivery by book-entry transfer on a timely basis and who wish to tender their Shares must do so pursuant to the guaranteed delivery procedure described in "Procedures for Tendering Shares" of the Offer to Purchase. See Instruction 2.

- [] CHECK HERE IF SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER TO THE DEPOSITORY'S ACCOUNT AT ONE OF THE BOOK-ENTRY TRANSFER FACILITIES AND COMPLETE THE FOLLOWING:

Name of Tendering Institution: _____

Check Box of Applicable Book-Entry Transfer Facility:

- [] The Depository Trust Company
[] Philadelphia Depository Trust Company

Account Number _____ Transaction Code Number _____

- [] CHECK HERE IF SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITORY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s): _____

Window Ticket No. (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution which Guaranteed Delivery: _____

If Delivered by Book-Entry Transfer, Check Box of Book-Entry Transfer Facility:

- [] The Depository Trust Company
[] Philadelphia Depository Trust Company

Account Number _____ Transaction Code Number _____

<PAGE> 3

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<Caption>

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DESCRIPTION OF SHARES TENDERED

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NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S)
(PLEASE FILL IN, IF BLANK)

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SHARE CERTIFICATE(S) TENDERED
(ATTACH ADDITIONAL LIST IF NECESSARY)

<Caption>

CERTIFICATE NUMBER(S)* TOTAL NUMBER OF SHARES NUMBER OF SHARE.
REPRESENTED BY CERTIFICATE(S) TENDERED**

<S>

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TOTAL SHARES

* Need not be completed by shareholders tendering by book-entry transfer.
** Unless otherwise indicated, it will be assumed that all Shares being delivered to the
Depository are being tendered. See Instruction 4.

</Table>

NOTE: SIGNATURES MUST BE PROVIDED BELOW.
PLEASE READ THE INSTRUCTIONS SET FORTH IN THIS
LETTER OF TRANSMITTAL CAREFULLY.

Ladies and Gentlemen:

The undersigned hereby tenders to Green Acquisition Corp., a Pennsylvania corporation ("Purchaser") the above-described shares of common stock, par value \$1.00 per share (the "Common Shares"), or shares of Series A ESOP Convertible Junior Preferred Stock, without par value (the "ESOP Preferred Shares") and, together with the Common Shares, the "Shares"), of Conrail Inc., a Pennsylvania corporation (the "Company"), including, in each case, the associated common stock purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of July 19, 1989, between the Company and First Chicago Trust Company of New York, as Rights Agent (as amended, the "Rights Agreement"), pursuant to Purchaser's offer to purchase all Shares, including, in each case, the associated Rights, at a price of \$115 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated December 6, 1996 (the "Offer to Purchase"), as amended and supplemented by the Supplement thereto, dated December 19, 1996 (the "First Supplement"), the Second Supplement thereto, dated March 7, 1997 (the "Second Supplement"), and the Third Supplement thereto, dated April 10, 1997 (the "Third Supplement"), receipt of which is hereby acknowledged, and in the related Letters of Transmittal (which, as amended from time to time, together constitute the "Second Offer"). All references herein to Common Shares, ESOP Preferred Shares or Shares includes the associated Rights.

The undersigned understands that Purchaser reserves the right to transfer or assign, in whole at any time, or in part from time to time, to one or more of its affiliates, the right to purchase all or any portion of the Shares tendered pursuant to the Second Offer, but any such transfer or assignment will not relieve Purchaser of its obligations under the Second Offer and will in no way prejudice the rights of tendering shareholders to receive payment for Shares validly tendered and accepted for payment pursuant to the Second Offer.

Subject to, and effective upon, acceptance for payment of the Shares tendered herewith, in accordance with the terms of the Second Offer (including, if the Second Offer is further extended or amended, the terms and conditions of any such extension or amendment), the undersigned hereby sells, assigns and transfers to, or upon the order of, Purchaser all right, title and interest in and to all the Shares that are being tendered hereby (and any and all non-cash dividends, distributions, rights, other Shares or other securities issued or issuable in respect of such Shares or declared, paid or distributed in respect of such Shares on or after December 6, 1996 and any cash dividends and other distributions declared on or after April 8, 1997 and payable to holders of Shares of record on a date on or prior to May 30, 1997 (collectively, "Distributions")), and irrevocably appoints the Depository the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares and all Distributions, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver certificates for such Shares (individually, a "Share Certificate") and all Distributions, or transfer ownership of such Shares and all Distributions on the account books maintained by a Book-Entry Transfer Facility, together, in either case, with all accompanying evidence of transfer and authenticity to, or upon the order of Purchaser, (ii) present such Shares and all Distributions for transfer on the books of the Company and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares and all Distributions, all in accordance with the terms of the Second Offer.

If, on or after December 6, 1996, the Company should declare or pay (x) any cash or stock dividend, other than regular quarterly cash dividends, or make any distribution with respect to the Shares that is payable or distributable to stockholders of record on a date prior to the transfer to the name of Purchaser or its nominee or transferee on the Company's stock transfer records of the Shares accepted for payment pursuant to the Second Offer or (y) any cash dividend or other distribution with respect to the Shares, including regular quarterly cash dividends, that is payable to stockholders of record on a date on or prior to May 30, 1997, then, subject to the provisions of Section 14 of the Offer to Purchase and Section 9 of the Third Supplement, any such dividend, distribution or right to be received by the tendering shareholder will be received and held by such tendering shareholder for the account of Purchaser and will be required to be promptly remitted and transferred by each such tendering shareholder to the Depository for the account of Purchaser, accompanied by appropriate documentation of transfer or, in lieu of such receipt, in the case of any cash dividend or distribution, the purchase price per Share payable by Purchaser pursuant to the Second Offer will be reduced by the amount of any such cash dividend or distribution. If, on or after the date of the Fourth Amendment (as defined in the Third Supplement), the Company's Board of Directors should declare or the Company should pay then, subject to the provisions of Section 14 of the Offer to Purchase and Section [9] of the Third Supplement, the purchase price per Share payable by Purchaser pursuant to the Second Offer may be reduced by the amount of any such cash dividend or other distribution in lieu of such cash dividend or other distribution to be received by the tendering shareholder being received and held by such tendering shareholder for the account of Purchaser and being required to be promptly remitted and transferred by each such tendering shareholder to the Depository for the account of Purchaser, accompanied by appropriate documentation of transfer. Pending such remittance, Purchaser will be entitled to all rights and privileges as owner of any such non-cash dividend, distribution or right and may withhold the entire purchase price or deduct from the purchase price the amount of value thereof, as determined by Purchaser in its sole discretion.

By executing this Letter of Transmittal, the undersigned irrevocably appoints John W. Snow, Mark G. Aron and Alan A. Rudnick as proxies of the undersigned, each with full power of substitution, to the full extent of the undersigned's rights with respect to the Shares tendered by the undersigned and accepted for payment by Purchaser (and any and all Distributions). All such proxies shall be considered coupled with an interest in the tendered Shares. This appointment will be effective if, when, and only to the extent that, Purchaser accepts such Shares for payment pursuant to the Second Offer. Upon such acceptance for payment, all prior proxies given by the undersigned with respect to such Shares, Distributions and other securities will, without further action, be revoked, and no subsequent proxies may be given. The individuals named above as proxies will, with respect to the Shares, Distributions and other securities for which the appointment is effective, be empowered (subject to the terms of the Voting Trust Agreement (as defined in the Offer to Purchase), the Amended Voting Trust Agreement (as defined in the Second Supplement), or the CSX/NSC Voting Trust Agreement (as defined in the Third Supplement), as applicable, so long as it shall be in effect with respect to the Shares) to exercise all voting and other rights of the undersigned as they in their sole discretion may deem proper at any annual, special, adjourned or postponed meeting of the Company's shareholders, by written consent or otherwise, and Purchaser reserves the right to require that, in order for Shares, Distributions or other securities to be deemed validly tendered, immediately upon Purchaser's acceptance for payment of such Share, Purchaser must be able to exercise full voting rights with respect to such Shares.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby and all Distributions, that the undersigned own(s) the Shares tendered hereby and that when such Shares are accepted for payment by Purchaser, Purchaser will acquire good, marketable and unencumbered title thereto and to all Distributions, free and clear of all liens, restrictions, charges and encumbrances, and that none of such Shares and Distributions will be subject to any adverse claim. The undersigned, upon request, shall execute and deliver all additional documents deemed by the Depositary or Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby and all Distributions. In addition, the undersigned shall remit and transfer promptly to the Depositary for the account of Purchaser all Distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer, and, pending such remittance and transfer or appropriate assurance thereof, Purchaser shall be entitled to all rights and privileges as owner of each such Distribution and may withhold the entire purchase price of the Shares tendered hereby or deduct from such purchase price, the amount or value of such Distribution as determined by Purchaser in its sole discretion.

No authority herein conferred or agreed to be conferred shall be affected by, and all such authority shall survive, the death or incapacity of the undersigned. All obligations of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, the First Supplement, the Second Supplement or the Third Supplement this tender is irrevocable.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described in "Procedures for Tendering Shares" of the Offer to Purchase and in the Instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Second Offer. Purchaser's acceptance for payment of Shares tendered pursuant to the Second Offer will constitute a binding agreement between the undersigned and Purchaser upon the terms and subject to the conditions of the Second Offer. The undersigned recognizes that under certain circumstances set forth in the Offer to Purchase, the First Supplement, the Second Supplement or the Third Supplement Purchaser may not be required to accept for payment any of the Shares tendered hereby.

Unless otherwise indicated herein in the box entitled "Special Payment Instructions," please issue the check for the purchase price of all Shares purchased, and return all Share Certificates evidencing Shares not purchased or not tendered, in the name(s) of the registered holder(s) appearing above under "Description of Shares Tendered." Similarly, unless otherwise indicated in the box entitled "Special Delivery Instructions," please mail the check for the purchase price of all Shares purchased and all Share Certificates evidencing Shares not tendered or not purchased (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing above under "Description of Shares Tendered." In the event that the boxes entitled "Special Payment Instructions" and "Special Delivery Instructions" are both completed, please issue the check for the purchase price of all Shares purchased and return all Share Certificates evidencing Shares not purchased or not tendered i.e. the name(s) of, and mail such check and Share Certificates to, the person(s) so indicated. Unless otherwise indicated herein in the box entitled "Special Payment Instructions," please credit any Shares tendered hereby and delivered by book-entry transfer, but which are not purchased, by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that Purchaser has no obligation, pursuant to the Special Payment Instructions, to transfer any Shares from the name of the registered holder(s) thereof if Purchaser does not accept for payment any of the Shares tendered hereby.

SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7 OF
THIS LETTER OF TRANSMITTAL)

To be completed ONLY if certificates for Shares not tendered or not purchased and/or the check for the purchase price of Shares purchased are to be issued in the name of someone other than the undersigned, or if Shares delivered by book-entry transfer which are not purchased are to be returned by credit to an account maintained at a Book-Entry Transfer Facility other than that designated above.

Issue check and/or certificates to:

Name

(PLEASE PRINT)

Address

(ZIP CODE)

(TAXPAYER IDENTIFICATION OR SOCIAL SECURITY NUMBER)

(ALSO COMPLETE SUBSTITUTE FORM W-9 BELOW)

[] Credit unpurchased Shares delivered by book-entry transfer to the Book-Entry Transfer Facility account set forth below:

Check appropriate box:

- [] The Depository Trust Company
[] Philadelphia Depository Trust Company

(ACCOUNT NUMBER)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7
OF THIS LETTER OF TRANSMITTAL)

To be completed ONLY if certificates for Shares not tendered or not purchased and/or the check for the purchase price of Shares purchased are to be sent to someone other than the undersigned, or to the undersigned at an address other than that shown above.

Mail check and/or certificates to:

Name

(PLEASE PRINT)

Address

(ZIP CODE)

SIGN HERE
(COMPLETE SUBSTITUTE FORM W-9 ON REVERSE)

X

X

(SIGNATURE(S) OF HOLDER(S))

Date , 1997

(Must be signed by registered holder(s) exactly as name(s) appear(s) on common or preferred stock certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please provide the following information. See Instruction 5 of this Letter of Transmittal.)

Name(s)

(PLEASE PRINT)

Capacity (Full Title)

Address

(INCLUDE ZIP CODE)

Area Code and Telephone Number

Tax Identification or Social Security No.

(COMPLETE SUBSTITUTE FORM W-9 ON REVERSE)

GUARANTEE OF SIGNATURE(S)

(SEE INSTRUCTIONS 1 AND 5 OF THIS LETTER OF TRANSMITTAL)

Authorized Signature

Name

(PLEASE PRINT)

Title

Name of Firm

Address

(INCLUDE ZIP CODE)

Area Code and Telephone Number

Date

, 1997

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a firm which is a bank, broker, dealer, credit union, savings association, or other entity that is a member in good standing of the Securities Transfer Agent's Medallion Program (each, an "Eligible Institution"). No signature guarantee is required on this Letter of Transmittal (a) if this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this document, shall include any participant in a Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Shares) of Shares tendered herewith, unless such holder(s) has completed either the box entitled "Special Delivery Instructions" or the box entitled "Special Payment Instructions" on the reverse hereof, or (b) if such Shares are tendered for the account of an Eligible Institution. See Instruction 5. If a Share Certificate is registered in the name of a person other than the signer of this Letter of Transmittal, or if payment is to be made, or a Share Certificate not accepted for payment or not tendered is to be returned, to a person other than the registered holder(s), then the Share Certificate must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on the Share Certificate, with the signature(s) on such Share Certificate or stock powers guaranteed as described above. See Instruction 5.

2. Delivery of Letter of Transmittal and Share Certificates. This Letter of Transmittal is to be used either if Share Certificates are to be forwarded herewith or if Shares are to be delivered by book-entry transfer pursuant to the procedures set forth in "Procedures for Tendering Shares" of the Offer to Purchase. Share Certificates evidencing all tendered Shares, or confirmation of a book-entry transfer of such Shares, if such procedure is available, into the Depository's account at one of the Book-Entry Transfer Facilities pursuant to the procedures set forth in "Procedures for Tendering Shares" of the Offer to Purchase, together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message, as defined below) and any other documents required by this Letter of Transmittal, must be received by the Depository at one of its addresses set forth on the reverse hereof prior to the Expiration Date (as defined in "Amended Terms of the Second Offer; Expiration Date" of the Third Supplement). If Share Certificates are forwarded to the Depository in multiple deliveries, a properly completed and duly executed Letter of Transmittal must accompany each such delivery. Stockholders whose Share Certificates are not immediately available, who cannot deliver their Share Certificates and all other required documents to the Depository prior to the Expiration Date or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Shares pursuant to the guaranteed delivery procedure described in "Procedures for Tendering Shares" of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by Purchaser herewith, must be received by the Depository prior to the Expiration Date; and (iii) in the case of a guarantee of Shares, the Share Certificates, in proper form for transfer, or a confirmation of a book-entry transfer of such Shares, if such procedure is available, into the Depository's account at one of the Book-Entry Transfer Facilities, together with a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message), and any other documents required by this Letter of Transmittal, must be received by the Depository within three New York Stock Exchange, Inc. trading days after the date of execution of the Notice of Guaranteed Delivery, all as described in "Procedures for Tendering Shares" of the Offer to Purchase. The term "Agent's Message" means a message, transmitted by a Book-Entry Transfer Facility to, and received by the Depository and forming a part of a Book-Entry Confirmation, which states that such Book-Entry Transfer Facility has received an express acknowledgment from the participant in such Book-Entry Transfer Facility tendering the Shares, that such participant has received and agrees to be bound by the terms of this Letter of Transmittal and that the Purchaser may enforce such agreement against the participant.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH ANY BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING SHAREHOLDER, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITORY. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. By execution of this Letter of Transmittal (or a facsimile hereof), all tendering stockholders waive any right to receive any notice of the acceptance of their Shares for payment.

3. Inadequate Space. If the space provided herein under "Description of Shares Tendered" is inadequate, the Share Certificate numbers, the number of Shares evidenced by such Share Certificates and the number of Shares tendered should be listed on a separate schedule and attached hereto.

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4. Partial Tenders. (Not applicable to stockholders who tender by book-entry transfer.) If fewer than all the Shares evidenced by any Share Certificate delivered to the Depositary herewith are to be tendered hereby, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered." In such cases, new Share Certificate(s) evidencing the remainder of the Shares that were evidenced by the Share Certificates delivered to the Depositary herewith will be sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the box entitled "Special Delivery Instructions," as soon as practicable after the expiration or termination of the Second Offer. All Shares evidenced by Share Certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal; Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Share Certificates evidencing such Shares without alteration, enlargement or any other change whatsoever.

If any Share tendered hereby is owned of record by two or more persons, all such persons must sign this Letter of Transmittal. If any of the Shares tendered hereby are registered in the names of different holders, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of such certificates.

If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, no endorsements of Share Certificates or separate stock powers are required, unless payment is to be made to, or Share Certificates evidencing Shares not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s), in which case, the Share Certificate(s) evidencing the Shares tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered hereby, the Share Certificate(s) evidencing the Shares tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal or any Share Certificate(s) or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to Purchaser of such person's authority so to act must be submitted.

6. Stock Transfer Taxes. Except as otherwise provided in this Instruction 6, Purchaser will pay all stock transfer taxes with respect to the sale and transfer of any Shares to it or its order pursuant to the Second Offer. If, however, payment of the purchase price of any Shares purchased is to be made to, or Share Certificate(s) evidencing Shares not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s), the amount of any stock transfer taxes (whether imposed on the registered holder(s), such other person or otherwise) payable on account of the transfer to such other person will be deducted from the purchase price of such Shares purchased, unless evidence satisfactory to Purchaser of the payment of such taxes, or exemption therefrom, is submitted.

EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE SHARE CERTIFICATE(S) EVIDENCING THE SHARES TENDERED HEREBY.

7. Special Payment and Delivery Instructions. If a check for the purchase price of any Shares tendered hereby is to be issued, or Share Certificate(s) evidencing Shares not tendered or not purchased are to be issued, in the name of a person other than the person(s) signing this Letter of Transmittal or if such check or any such Share Certificate is to be sent to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal, but at an address other than that shown in the box entitled "Description of Shares Tendered," the appropriate boxes on this Letter of Transmittal must be completed. Shares tendered hereby by book-entry transfer may request that Shares not purchased be credited to such account maintained at a Book-Entry Transfer Facility as such stockholder may designate in the box entitled "Special Payment Instructions" on the reverse hereof. If no such instructions are given, all such Shares not purchased will be returned by crediting the account at the Book-Entry Transfer Facility designated on the reverse hereof as the account from which such Shares were delivered.

8. Requests for Assistance or Additional Copies. Requests for assistance may be directed to the Information Agent or Dealer Managers at their respective addresses or telephone numbers set forth below. Additional copies of the Offer to Purchase, the First Supplement, the Second Supplement, the Third Supplement, this Letter of Transmittal, the Notice of Guaranteed Delivery and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be obtained from the Information Agent or the Dealer Managers or from brokers, dealers, commercial banks or trust companies.

9. Substitute Form W-9. Each tendering shareholder is required to provide the Depository with a correct Taxpayer Identification Number ("TIN") on the Substitute Form W-9 which is provided under "Important Tax Information" below, and to certify, under penalties of perjury, that such number is correct and that such shareholder is not subject to backup withholding of federal income tax. If a tendering shareholder has been notified by the Internal Revenue Service that such shareholder is subject to backup withholding, such shareholder must cross out item (2) of the Certification box of the Substitute Form W-9, unless such shareholder has since been notified by the Internal Revenue Service that such shareholder is no longer subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the tendering shareholder to 31% federal income tax withholding on the payment of the purchase price of all Shares purchased from such shareholder. If the tendering shareholder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such shareholder should write "Applied For" in the space provided for the TIN in Part I of the Substitute Form W-9, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I and the Depository is not provided with a TIN within 60 days, the Depository will withhold 31% on all payments of the purchase price to such stockholder until a TIN is provided to the Depository.

10. Lost, Destroyed or Stolen Certificates. If any certificate(s) representing Shares has been lost, destroyed or stolen, the shareholder should promptly notify the Depository. The shareholder will then be instructed as to the steps that must be taken in order to replace the certificate(s). This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR FACSIMILE HEREOF), PROPERLY COMPLETED AND DULY EXECUTED, WITH ANY REQUIRED SIGNATURE GUARANTEES, OR AN AGENT'S MESSAGE (TOGETHER WITH SHARE CERTIFICATES OR CONFIRMATION OF BOOK-ENTRY TRANSFER AND ALL OTHER REQUIRED DOCUMENTS) OR A PROPERLY COMPLETED AND DULY EXECUTED NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE DEPOSITORY PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE THIRD SUPPLEMENT).

IMPORTANT TAX INFORMATION

Under the federal income tax law, a shareholder whose tendered Shares are accepted for payment is required by law to provide the Depository (as payer) with such shareholder's correct TIN on Substitute Form W-9 below. If such shareholder is an individual, the TIN is such shareholder's social security number. If the Depository is not provided with the correct TIN, the shareholder may be subject to a \$50 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such shareholder with respect to Shares and Rights purchased pursuant to the Second Offer may be subject to backup withholding of 31%.

Certain shareholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, such individual must submit a statement, signed under penalties of perjury, attesting to such individual's exempt status. Forms of such statements can be obtained from the Depository. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional instructions.

If backup withholding applies with respect to a shareholder, the Depository is required to withhold 31% of any payments made to such shareholder. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding on payments that are made to a shareholder with respect to Shares purchased pursuant to the Second Offer, the shareholder is required to notify the Depository of such shareholder's correct TIN by completing the form below certifying (a) that the TIN provided on Substitute Form W-9 is correct (or that such shareholder is awaiting a TIN), and (b) that (i) such shareholder has not been notified by the Internal Revenue Service that such shareholder is subject to backup withholding as a result of a failure to report all interest or dividends or (ii) the Internal Revenue Service has notified such shareholder that such shareholder is no longer subject to backup withholding.

WHAT NUMBER TO GIVE THE DEPOSITARY

The shareholder is required to give the Depositary the social security number or employer identification number of the record holder of the Shares tendered hereby. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidance on which number to report. If the tendering shareholder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, the shareholder should write "Applied For" in the space provided for the TIN in Part I, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I and the Depositary is not provided with a TIN within 60 days, the Depositary will withhold 31% of all payments of the purchase price to such stockholder until a TIN is provided to the Depositary.

PAYER'S NAME: CITIBANK, N.A., AS DEPOSITARY

<Table>

<S>	<C>	<C>
SUBSTITUTE FORM W-9 DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (TIN)	PART I -- PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.	Social Security Number OR Employer Identification Number (If awaiting TIN write "Applied For")
	PART II -- For Payees Exempt From Backup Withholding, see the enclosed Guidelines and complete as instructed therein. CERTIFICATION -- Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or a Taxpayer Identification Number has not been issued to me and either (a) I have mailed or delivered an application to receive a Taxpayer Identification Number to the appropriate Internal Revenue Service ("IRS") or Social Security Administration office or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a Taxpayer Identification Number within sixty (60) days, 31% of all reportable payments made to me thereafter will be withheld until I provide a number), and (2) I am not subject to backup withholding either because I have not been notified by the IRS that I am subject to backup withholding as a result of failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding.	
	CERTIFICATION INSTRUCTIONS -- You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2). (Also see instructions in the enclosed Guidelines.)	
	SIGNATURE	DATE _____, 1997

</Table>

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE SECOND OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

Questions and requests for assistance or additional copies of the Offer to Purchase, the First Supplement, the Second Supplement, the Third Supplement, the Letter of Transmittal and other tender offer materials may be directed to the Information Agent or the Dealer Managers as set forth below:

The Information Agent for the Second Offer is:

mackenzie logo

156 Fifth Avenue
New York, New York 10010
(212) 929-5500 (call collect)
or
CALL TOLL FREE (800) 322-2885

The Dealer Managers for the Second Offer is:

<Table>

<S>	<C>	<C>
WASSERSTEIN PERELLA & CO., INC. 31 West 52nd Street New York, New York 10019 Call Collect: (212) 969-2700	J.P. MORGAN & CO. 60 Wall Street Mail Stop 2860 New York, New York 10260 (800) 576-5070 (toll free)	MERRILL LYNCH & CO. World Financial Center North Tower New York, New York 10281-1305 (212) 449-8211 (call collect)

</Table>

Exhibit 99.A.40

NOTICE OF GUARANTEED DELIVERY
FOR TENDER OF SHARES OF
COMMON STOCK AND SERIES A ESOP CONVERTIBLE JUNIOR PREFERRED STOCK
(including, in each case, the associated Common Stock Purchase Rights)
OF
CONRAIL INC.
TO

GREEN ACQUISITION CORP.
CSX CORPORATION
AND
NORFOLK SOUTHERN CORPORATION
(Not to be Used for Signature Guarantees)

This Notice of Guaranteed Delivery, or one substantially in the form hereof, must be used to accept the Second Offer (as defined below) if (i) certificates ("Share Certificates") evidencing shares of common stock, par value \$1.00 per share (the "Common Shares"), or shares of Series A ESOP Convertible Junior Preferred Stock, without par value (the "ESOP Preferred Shares" and, together with the Common Shares, the "Shares"), of Conrail Inc., a Pennsylvania corporation (the "Company"), including the associated common stock purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated July 19, 1989, between the Company and First Chicago Trust Company of New York, as Rights Agent, are not immediately available, (ii) time will not permit all required documents to reach Citibank, N.A., as Depositary (the "Depositary"), prior to the Expiration Date (as defined in "Amended Terms of the Second Offer; Expiration Date" of the Third Supplement (as defined below)) or (iii) the procedures for book-entry transfer cannot be completed on a timely basis. All references herein to the Common Shares, ESOP Preferred Shares or Shares include the associated Rights. This Notice of Guaranteed Delivery may be delivered by hand or transmitted by telegram, facsimile transmission or mail to the Depositary. See "Procedures for Tendering Shares" of the Offer to Purchase.

The Depositary for the Second Offer is:

CITIBANK, N.A.

<Table>

<Caption>

	By Hand:	By Mail:	By Overnight Carrier:
<S>	Citibank, N.A. Corporate Trust Window 111 Wall Street, 5th Floor New York, New York 10043	<C> Citibank, N.A. c/o Citicorp Data Distribution, Inc. P.O. Box 7072 Paramus, New Jersey 07653 Facsimile for Eligible Institutions: (201) 262-3240 To confirm fax only: (800) 422-2077	<C> Citibank, N.A. c/o Citicorp Data Distribution, Inc. 404 Sette Drive Paramus, New Jersey 07652

</Table>

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TRANSMISSION OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

THIS FORM IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

<PAGE> 2

Ladies and Gentlemen:

The undersigned hereby tenders to Green Acquisition Corp., a Pennsylvania corporation, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated December 6, 1996 (the "Offer to Purchase"), as amended and supplemented by the Supplement thereto, dated December 15, 1996, the Second Supplement thereto, dated March 7, 1997, the Third Supplement thereto, dated April 10, 1997 (the "Third Supplement"), and the (green) Letter of Transmittal circulated with the Third Supplement (which, as amended from time to time, collectively constitute the "Second Offer"), receipt of each of which is hereby acknowledged, the number of Shares specified below pursuant to the guaranteed delivery procedures described in "Procedures for Tendering Shares" of the Offer to Purchase.

<Table>

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Number of Shares:

<C>

Name(s) of Record Holder(s):

Certificate Nos. (if available):

PLEASE PRINT

Check ONE box if Shares will be tendered by book-entry transfer:

☐ The Depository Trust Company

Address(es):

☐ Philadelphia Depository Trust Company

ZIP CODE

Account Number:

Area Code and Tel. No.:

Dated:, 1997

</Table>

GUARANTEE

(NOT TO BE USED FOR SIGNATURE GUARANTEES)

The undersigned, a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States, hereby guarantees delivery to the Depository at one of its addresses set forth above, of certificates evidencing the Shares tendered hereby in proper form for transfer, or confirmation of book-entry transfer of such Shares into the Depository's accounts at The Depository Trust Company or the Philadelphia Depository Trust Company, in each case with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantees, or an Agent's Message (as defined in "Acceptance for Payment and Payment for Shares" of the Offer to Purchase), and any other documents required by the Letter of Transmittal, (a) in the case of Shares, within three New York Stock Exchange, Inc. trading days after the date of execution of this Notice of Guaranteed Delivery, or (b) in the case of Rights, a period ending the latter of (i) three New York Stock Exchange, Inc. trading days after the date of execution of this Notice of Guaranteed Delivery or (ii) three business days after the date Right Certificates are distributed to stockholders.

The Eligible Institution that completes this form must communicate the guarantee to the Depository and must deliver the Letter of Transmittal and certificates for Shares to the Depository within the time period shown herein. Failure to do so could result in financial loss to such Eligible Institution.

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<S>

NAME OF FIRM

<C>

AUTHORIZED SIGNATURE

ADDRESS

TITLE

Name:

ZIP CODE

PLEASE PRINT

Area Code and Tel. No.:

Date:, 1997

</Table>

NOTE: DO NOT SEND CERTIFICATES FOR SHARES WITH THIS NOTICE.
SHARE CERTIFICATES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

</TEXT>

</DOCUMENT>

Exhibit 99.C.14

EXHIBIT (c)(14)

April 8, 1997

Mr. David R. Goode
Chairman, President and
Chief Executive Officer
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510

Dear David:

This letter sets forth our agreement concerning the basis on which CSX Corporation ("CSX") and Norfolk Southern Corporation ("NSC") would jointly participate in the acquisition of Conrail Inc. ("CRR") consistent with CSX's merger agreement, as amended through the third amendment, dated March 7, 1997 (the "Third Amendment"), and as further amended consistent with the terms hereof through the fourth amendment dated the date hereof (the "Fourth Amendment"), with CRR (the "Merger Agreement"). Under this Agreement, CSX and NSC jointly will acquire all CRR shares not already owned by CSX and NSC through CSX's outstanding tender offer (such outstanding tender offer as supplemented to include NSC's participation as set forth herein, the "Amended Second Offer") and the subsequent merger contemplated by the Merger Agreement (the "Merger"). CRR will be the "Surviving Corporation" in the Merger, as provided in the Merger Agreement. While this letter is provided as an outline of our agreements and will be followed by Definitive Documentation (as hereinafter defined), it is a binding obligation with respect to the matters described herein. As used in this Agreement, "CSX" and "NSC" will include the respective rail subsidiaries of CSX and NSC, as the context requires.

1. CSX/NS Acquisition Sub.


Formation. Promptly following the execution of this Agreement, and subject to NSC's consent as provided below, CSX (or CSX and NSC) will form a new entity under the laws of a jurisdiction to be determined, which may be in corporate, partnership or limited liability company form ("CSX/NS Acquisition Sub"). The authorized capital stock or similar equity interests or units of CSX/NS Acquisition Sub (the "Equity") will consist solely of two classes with identical economic and other rights, except that one class will have voting rights and the other class will not have voting rights. CSX/NS Acquisition Sub will be capitalized by CSX and NSC through the Stock Contributions, which will have a deemed aggregate valuation of \$2,898,263,640, and Cash Contributions, all as provided

Mr. David R. Goode
April 8, 1997
Page 2

below. Upon and immediately following the Stock Contributions as provided below, the Equity with voting rights of CSX/NS Acquisition Sub will be owned 50% by CSX and 50% by NSC (with a deemed aggregate valuation of \$1,886,000,000), and the Equity without voting rights of CSX/NS Acquisition Sub will be owned solely by CSX (or its controlled subsidiary) (with a deemed aggregate valuation of \$1,012,263,640) and will represent 34.94% of the aggregate Equity represented by the outstanding voting and non-voting Equity of CSX/NS Acquisition Sub. In connection with each Cash Contribution made under this Agreement by CSX (or its controlled subsidiary) or NSC (or its controlled subsidiary), non-voting Equity will be issued to the contributing party with a deemed valuation equal to the amount of the related Cash Contribution.

Contributions. CSX, through Green Acquisition Corp. ("Tender Sub"), currently has (and, except with respect to 100 CRR shares to be retained by CSX, upon the Stock Contributions Tender Sub will have) a beneficial interest in 17,775,124 CRR shares now held in a voting trust; and NSC, through Atlantic Acquisition Corporation ("AAC"), currently has a beneficial interest in 8,200,000 CRR shares now held in a voting trust. Neither Tender Sub nor AAC has incurred any obligations or liabilities or engaged in any business or activities other than, in the case of Tender Sub, as contemplated in the Merger Agreement and, in the case of AAC, in connection with the NSC tender offer and related matters. Through the mechanics described in the following paragraph, concurrently with the formation of CSX/NS Acquisition Sub, CSX will contribute to CSX/NS Acquisition Sub all the capital stock of Tender Sub and NSC will contribute to CSX/NS Acquisition Sub all of its interest in such 8,200,000 CRR shares (such transactions, the "Stock Contributions"). In connection with the Stock Contributions, (1) CSX will have exclusive authority with respect to amendments to the CSX voting trust until consummation of the Amended Second Offer and (2) CSX will be permitted to retain 100 CRR shares outside of CSX/NS Acquisition Sub by conveyance from Tender Sub prior to the Stock Contributions, by amendment to the Tender Sub voting trust agreement to segregate such shares or otherwise. In addition, in connection with the Stock Contributions, NSC will have exclusive authority with respect to amendments to the AAC voting trust until consummation of the Amended Second Offer. Notwithstanding anything to the contrary in the preceding two sentences, no amendments shall be made to the Tender Sub voting trust or the AAC voting trust that would impair the ability of the parties to consummate the transactions contemplated herein in accordance with the terms hereof.

All CRR shares currently owned by Tender Sub and AAC, and all additional CRR shares acquired pursuant to the Amended Second Offer and the Merger, will continue to be held in voting trusts until the effective date of Surface Transportation Board ("STB") approval of the transactions contemplated by the Merger Agreement and by this Agreement. In furtherance thereof, without prejudice to CSX's and NSC's obligations to make the Stock Contributions upon the formation of CSX/NS Acquisition Sub as promptly as practicable following the execution hereof as provided herein, upon consummation of the Amended Second Offer, CSX and NSC will cause the CRR shares currently held in the Tender Sub and AAC voting trusts to be transferred to a new or consolidated voting trust, in a form as agreed to by CSX and NSC, for the benefit of CSX/NS Acquisition Sub, to which all additional CRR shares acquired pursuant to the Amended Second Offer and the Merger will be transferred for the benefit of CSX/NS Acquisition Sub. CSX and NSC also will cause the trustee of the new or consolidated voting trust to issue to CSX/NS Acquisition Sub trust certificates representing all such CRR shares. Following consummation of the Amended Second Offer and the Merger, CSX/NS Acquisition Sub (or its wholly owned



Mr. David R. Goode
April 8, 1997
Page 3

subsidiary) will own voting trust certificates representing 100% of the stock of the Surviving Corporation.

In addition to the Stock Contributions provided for above, each of CSX (or its controlled subsidiary) and NSC (or its controlled subsidiary) will contribute cash to CSX/NS Acquisition Sub to fulfill its obligations under this Agreement (including, without limitation, for the purpose of purchasing in the Amended Second Offer and the Merger all CRR shares not already held by the Tender Sub and AAC voting trusts) (each, a "Cash Contribution") in amounts such that the aggregate cash amount expended (excluding legal, investment banking and other advisory fees and associated expenses (collectively, "Advisor Expenses") and including only the amounts paid for the shares and amounts specifically required under this Agreement to be shared by Percentage) to acquire CRR shares by CSX, NSC and CSX/NS Acquisition Sub is borne 42% by CSX and 58% by NSC (the 42%/CSX and 58%/NSC is hereinafter referred to as the "Percentage"), valuing all CRR shares acquired prior to the date hereof by CSX at \$110 per share and by NSC at \$115 per share; provided that CSX will not be required to make Cash Contributions to CSX/NS Acquisition Sub unless and until NSC shall have made at least \$1,757,125,979 in Cash Contributions to CSX/NS Acquisition Sub. Such Cash Contributions will be made in accordance with the terms under the subsection entitled "Formation" above and at such times as are required to fulfill obligations hereunder (including, without limitation, for Tender Sub to purchase CRR shares in the Amended Second Offer and the Merger). All cash contributed by CSX and NSC to CSX/NS Acquisition Sub to purchase CRR shares in the Amended Second Offer and the Merger in accordance with this Agreement will be contributed by CSX/NS Acquisition Sub to Tender Sub to be used by Tender Sub (or its wholly owned subsidiary formed to consummate the Merger) to purchase CRR shares in accordance with the Merger Agreement.

CSX's and NSC's obligations to make the Stock Contributions and the Cash Contributions required hereunder and their other obligations hereunder are not subject to the condition that Definitive Documentation has been agreed to by CSX and NSC. The only conditions to CSX's and NSC's obligations to make the Cash Contributions for the consummation of the Amended Second Offer and the Merger will be those same conditions applicable to CSX and Tender Sub as set forth in Section 15 of the CSX Offer to Purchase, dated December 6, 1996, as amended (the "Offer to Purchase"), and in the Merger Agreement, respectively. In addition, notwithstanding whether the conditions to consummation of the Amended Second Offer or Merger are satisfied, CSX and NSC shall be obligated to make Cash Contributions as provided in this Agreement or indemnity payments as provided in this Agreement in order to satisfy any claims made against CSX and NSC following the date hereof under the Merger Agreement or this Agreement (including without limitation under the "put" provisions of the Pennsylvania Control Transaction Law (as defined in the Offer to Purchase)) in accordance with "Other Liabilities" in Section 3 of this Agreement.

Governance. As described above, following the Stock Contributions, each of CSX and NSC will have equal decision-making authority with respect to matters relating to CSX/NS Acquisition Sub and its subsidiaries (which, following the Stock Contributions, will include Tender Sub and Merger Sub (as defined in the Merger Agreement)), including

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matters concerning the formation, organization, governance and activities thereof. In furtherance of the foregoing, until the Stock Contributions, CSX will not take any action concerning the formation, organization, governance or activities of CSX/NS Acquisition Sub, without the prior agreement of NSC.

Following the Stock Contributions, each of the parties will have and may exercise a 50% voting interest in CSX/NS Acquisition Sub (which may also be held in one or more controlled subsidiaries) and will have the right to appoint 50% of CSX/NS Acquisition Sub's directors or similar governing representatives. Each of the parties will be entitled to appoint a full time Co-Chief Executive Officer of CSX/NS Acquisition Sub, and all CSX/NS Acquisition Sub executive appointments will be subject to approval by the board of directors or similar governing body of CSX/NS Acquisition Sub. In addition, the parties will establish a protocol for the management of CSX/NS Acquisition Sub as well as a list of those items that will require board approval. The provisions of this paragraph will apply equally to the governance of CRR following the Control Date (as hereinafter defined) in order to effectuate the transactions contemplated hereby (including on-going operation of Shared Assets) as approved by the STB.

Subject to the other provisions hereof, in the event any shares of common stock or other Equity in CSX/NS Acquisition Sub are redeemed at any time, the parties agree that such redemption will occur in a way to ensure that at all times CSX and NSC will have equal voting rights in CSX/NS Acquisition Sub.

Further Actions. Following the Control Date, CRR lines and assets proposed to be operated by NSC or by CSX will be segregated from other CRR lines and assets through the creation of CRR or Surviving Corporation subsidiaries or operating divisions or through other means. Subject to any necessary regulatory approval, NSC and CSX will take and will cause CRR to take such action as is necessary to name NSC nominees as the officers and directors of the subsidiary or other entity holding the lines and assets to be operated by NSC, and to name CSX nominees as the officers and directors of the subsidiary or other entity holding the line and assets to be operated by CSX.

2. Acquisition; Amended Second Offer; Merger Agreement.

Amended Second Offer. As promptly as practicable following the execution hereof, the CSX Second Offer will be amended to add NSC and CSX/NS Acquisition Sub as joint bidders and to extend the expiration date thereof to 5:00 p.m. (New York City time) on May 23, 1997. Each of CSX and NSC will agree to the form of, and will be responsible for the accuracy and completeness of the information it provides in connection with, CSX's pending tender offer, any amendment thereto or of the Amended Second Offer and any related publications and filings, including any notices required to be given pursuant to the Pennsylvania Control Transaction Law.

Decision-making. Each of CSX and NSC will have equal decision-making authority with respect to the Amended Second Offer and the Merger Agreement including any amendment thereof. In furtherance of the foregoing, neither CSX nor NSC will, without the prior agreement of the other party, (x) agree to any modifications of the terms, conditions and/or timing of the Amended Second Offer or make any determination as to the satisfaction of any conditions thereto or (y) agree to any modifications of the terms and conditions of, or give any consent or waiver or exercise any right of termination under, the

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Merger Agreement, including without limitation any decision regarding the exercise of the Green Option (as defined in the Merger Agreement) or under Section 4.1 of the Merger Agreement. In this regard, CSX will not, without NSC's prior consent, agree to any determinations with respect to, or direct CRR to take any action with respect to, CRR's Employee Stock Ownership Plan, Pension Plan, Stock Employee Compensation Trust or any other CRR benefit plan. The foregoing provisions are intended to provide that immediately upon execution of this Agreement, NSC effectively will possess joint participation and decision-making on an equal footing with CSX in providing any consents under Section 4.1 of the Merger Agreement. In addition, upon consummation of the Amended Second Offer, CSX agrees that the Green Option shall be cancelled without any consideration paid to CSX.

CSX will not take any action that would reasonably be expected to result in CRR having a right to terminate the Merger Agreement in accordance with its terms (and NSC will not take any action including, without limitation, by withholding consent or making determinations under the preceding paragraph, in any case, that could reasonably be expected to result in CRR having a right to terminate the Merger Agreement, including as a result of a breach by CSX of the Merger Agreement). In addition, CSX will consult and agree with NSC prior to providing any notices to CRR under the Merger Agreement and shall promptly provide NSC with copies of all written notices provided by CSX to CRR or received by CSX from CRR under the Merger Agreement.

CSX has supplied NSC with executed copies of an amendment to CRR's Rights Plan and the Fourth Amendment and with certain resolutions of the CRR Board which CSX has been advised have been enacted, approved and delivered by the CRR Board immediately prior to the execution and delivery of this Agreement, and NSC hereby consents to the taking of such actions.

3. CRR Division. (a) Division of Assets. Subject to necessary regulatory approvals and implementation, CRR's routes ("Routes"), assets in proximity to such Routes ("Assets Related to the Routes") and certain facilities (the "Facilities") will be divided and made available to CSX and NSC, and where indicated CSX and NSC will have Joint Use/Shared Access relating to "Shared Assets" (as defined below) all as specified in the map and the schedules thereto which are attached as part of Exhibit A (it being understood that the portion of Exhibit A entitled "Conrail Line Allocation" is not intended to represent the precise cutpoints of Routes, which will be determined in connection with the negotiation of the Definitive Documentation based on operational practicalities, but rather is intended to be descriptive of the line segments agreed to by the parties in Exhibit A). Pursuant to this division, except as provided more specifically hereafter or more fully explained herein, following the implementation date of this division, (i) NSC will acquire use of and responsibility for the management and costs (including lease costs, if any) of the Altoona and Hollidaysburg shops, and (ii) CSX will acquire use of and responsibility for the management and costs (including lease costs) of the CRR headquarters building and the CRR information technology facilities in Philadelphia; provided that to the extent that a Facility referred to in (i) or (ii) immediately prior to such implementation date was operated by CRR for the benefit of the CRR system as a whole, the party to which such Facility is allocated will accommodate the needs of the other party for a transition period following such implementation date, as will be provided in the Definitive Documentation.

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Notwithstanding (i) and (ii) above, CSX and NSC will jointly use and have responsibility for the following ("System Support Operations"): the customer service center in Pittsburgh; the crew management facility in Dearborn; the system maintenance-of-way equipment center in Canton; the signal repair center in Columbus; and the management of a portion of CRR headquarters function and management at System Support Operations sufficient for the management of the Surviving Corporation ("Continuing Conrail Management"). The Continuing Conrail Management will be comprised of those employees of CRR selected by both CSX and NSC to operate the Surviving Corporation (including the System Support Operations). The costs of Continuing Conrail Management and of operating the Surviving Corporation will be shared based on the Percentage.

It is the parties' current intention that the Surviving Corporation will be preserved following the Merger, that the division of CRR assets and the assumption of liabilities relating to CRR assets will be specified in more detail in the Definitive Documentation and that CRR assets and liabilities will be allocated pursuant to long-term operating agreements, leases, one or more partnerships and/or limited liability companies and indemnity arrangements which will be set forth in the Definitive Documentation. However, the parties intend that, other than as described herein, the division of CRR routes and assets described in Exhibit A will be final and do not intend additional negotiation of such CRR routes and assets, except as agreed upon by CSX and NSC to provide additional detail or under extraordinary circumstances.

It is the parties' intention that (a) prior to STB approval, neither CSX nor NSC will at any time operate or exercise operational control over any of the Routes or Assets Related to Routes or Facilities or Shared Assets and (b) following STB approval, all CRR Routes and Assets Related to Routes will be operated separately and independently by or for the individual benefit of CSX or NSC, except (i) for such period after the Control Date as may be necessary to effectuate the division of Routes and Assets Related to Routes and Facilities contemplated hereby and as authorized by the STB and (ii) for the operation of Shared Assets as defined and described in Exhibit A pursuant to operating arrangements to be approved by the STB, if applicable.

Rolling stock, locomotives and work equipment ("Equipment") will be allocated to, and made available for use by, CSX and NSC in accordance with their respective Percentage. CSX and NSC will negotiate the allocation of Equipment by series and condition, giving effect to the suitability of the equipment for use on, and to meet traffic and service needs on, the Routes, Assets Related to a Route, Facilities and Shared Assets. Because CRR's equipment financing debt will be included in Pooled Costs (as hereinafter defined), the parties acknowledge that the final allocation of Equipment may require an equitable adjustment with respect to Pooled Costs. It is the parties' current intention that Equipment will continue to be owned by the Surviving Corporation or a subsidiary of the Surviving Corporation and allocated to the parties pursuant to lease or other similar agreements.

Stock ownership or partnership interests held by CRR and identified in Exhibit A.V. hereto will be allocated to either CSX or NSC as provided in Exhibit A.V.

All CRR rolling-stock-related inventory and supplies (including rolling-stock-related system stockpiles) at the Altoona and Hollidaysburg shops as of the Control Date will be allocated to NSC, provided that, to the extent that following the Control Date

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any work is performed at the request and for the account of CSX at the Altoona or Hollidaysburg shops, then CSX shall not be charged for any materials or supplies used in such work up to an amount equal to 42% of the total value of the rolling-stock-related inventory and supplies (including rolling-stock-related system stockpiles) at the Altoona and Hollidaysburg shops as of the Control Date (ignoring inventory acquired for the purpose of fulfilling a third-party contract, which will follow the contract).

All CRR furniture, fixtures, computers, office supplies and equipment (other than Equipment and system stockpiles of supplies and inventory, which will be allocated as otherwise provided herein) (all of the foregoing, collectively, "FF&E") will be allocated between the parties as follows: (i) all FF&E at CCR's Altoona and Hollidaysburg shops will be allocated to NSC; (ii) all FF&E at CCR's Philadelphia headquarters building and information technology center will be allocated to CSX; (iii) all FF&E located in buildings on or along Allocated Assets will be allocated to the party receiving such Allocated Assets; and (iv) all FF&E located in buildings on or along Shared Assets, in System Support Operations facilities or elsewhere, will be Pooled Assets and will be allocated or shared based on the Percentage. All CRR corporate memorabilia and antiques, such as artifacts, charters and art wherever located, will be allocated equally between CSX and NSC.

All other assets not otherwise allocated herein including, but not limited to, the following, will be "Pooled Assets" and will be allocated or shared based on the Percentage: (1) non-operating property and improvements not in proximity to a Route, an Asset Related to a Route, a Facility or a Shared Asset; (2) stock ownership or partnership interests (other than interests allocated to either CSX or NSC as provided in Exhibit A.V. hereto); (3) working capital; (4) employee benefits plans and the assets of such plans; (5) system stockpiles of supplies and inventory regardless of location (other than materials acquired for the purpose of fulfilling a third-party contract, which will follow the contract, and other than as provided above with respect to the rolling-stock-related inventory and supplies (including rolling-stock-related system stockpiles) at the Altoona and Hollidaysburg shops); (6) the System Support Operations; and (7) all other assets not appurtenant to the allocated CRR assets.

(b) Shared Assets. Exhibit A specifies certain areas of Joint Use/Shared Access where CRR routes and assets are to be made available to both CSX and NSC on a shared basis ("Shared Assets") as described in Exhibit A. Except as specified in Exhibit A, Shared Assets will remain assets of CRR or a subsidiary of CRR.

(c) Liabilities.

General. Environmental liabilities (known and unknown) of CRR that relate predominately to a Route or an Asset Related to a Route or a Facility (Exhibit A) to be allocated to CSX or NSC (an "Allocated Asset") will be Pooled Costs when paid prior to the Control Date and will follow such Allocated Asset when paid following the Control Date. When expenses are paid following the Control Date with respect to an environmental liability relating to an Allocated Asset, the entity paying the expense will be reimbursed by CRR or the Surviving Corporation to the extent of the net amount of any reserve existing for such Allocated Asset as of the date hereof reduced by any payments made and charged against such reserve through the Control Date.

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Liabilities (other than environmental liabilities, which are provided for above) of CRR that arise after the Control Date and that relate predominantly to an Allocated Asset will follow such Allocated Asset. Except as otherwise provided herein, all other liabilities that (x) arise prior to the Control Date and that relate predominately to an Allocated Asset or (y) are Corporate Level (as defined below) liabilities will be Pooled Costs and will be shared based on the Percentage. The "Control Date" is the effective date on which NSC and CSX are authorized by the STB to exercise control over CRR. "Corporate Level" liabilities will include, but not be limited to: (1) environmental liabilities associated with property that is not allocated to CSX or NSC pursuant to Exhibit A; (2) all claims arising prior to the Control Date and not otherwise specifically allocated herein with administration of such claims to be handled by CSX or NSC, whichever has control over the Allocated Asset where the incident arose or in cases in which a liability arises from an incident or incidents occurring at more than one location, by the party having control of the Allocated Asset most significantly involved; (3) employee benefit costs arising before the Control Date and not otherwise specifically allocated in this Agreement, e.g., health, accident, life and disability benefits; (4) all taxes accruing for periods prior to the Control Date, including tax leverage transactions; (5) taxes, if any, associated with the division of CRR assets between CSX and NSC; (6) leases and lease termination costs that arise prior to the Control Date (other than the costs of any lease for the Philadelphia headquarters, the Philadelphia information technology center or the Altoona or Hollidaysburg shops); (7) debt and debt guarantees; (8) costs of FELA claims made prior to the Control Date, which will be Pooled Costs, provided that the costs of FELA claims made on and after the Control Date will become the liability of the party to which the relevant employee is allocated (it being agreed that a FELA claim shall be considered "made" (i) when a written report of the incident giving rise to the claim has been made by the injured employee or the employee's supervisor to the employer or (ii) when the claimant's employer has made or filed a FRA report of an injured employee or (iii) for an employee or former employee alleging an occupational injury, when such employee has completed a written questionnaire regarding such injury with the claim department or the employer has received written notice of legal representation or notification of filing of a lawsuit regarding an employee or former employee's claim); (9) all other employee costs not otherwise provided for elsewhere herein or in the Definitive Documentation other than those for claims which arise after an employee is transferred to either CSX or NSC (which claims will be the responsibility of the party to whom such employee is transferred); (10) liabilities arising prior to the Control Date from other contracts; and (11) other transition costs of CRR not the sole responsibility of CSX or NSC not specifically provided for elsewhere herein. (The term "arise" or "arising prior to the Control Date" means that the circumstances giving rise to the liability have transpired, whether or not such liability has been discovered, asserted or accrued. If the circumstances giving rise to a liability bridge the Control Date, the parties will apportion it to pre-Control Date and post-Control Date periods, with disagreements being subject to binding arbitration pursuant to the Definitive Documentation.)

Employee-related Liabilities. For purposes of the following, "Separation Costs" means labor protection costs, severance (including payments under severance agreements), personnel relocation expenses and all other dismissal expenses and stay bonuses (including liabilities under the Third Amendment); and "contract" means covered by a collective bargaining agreement. Upon and following the Control Date:

- (i) Separation Costs associated with contract employees at CRR's shops in Altoona and Hollidaysburg will be the responsibility of NSC. Separation Costs

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associated with contract employees at CRR's Philadelphia headquarters, Philadelphia technology center and Pittsburgh customer service center (notwithstanding the joint use and responsibility provided for herein) will be the responsibility of CSX.

However, the on-going expenses of the Continuing Conrail Management and of the other System Support Operations will be Pooled Costs while they are incurred for the benefit of both parties. Both CSX and NSC will have the right, upon six months' prior written notice, to notify the other party that they no longer need a facility or function or portion thereof the costs of which were Pooled Costs at the time of such notice. Once the six-month period has expired, the costs associated with such facility or function or portion thereof with respect to which notice was given will cease to be Pooled Costs and will be allocated as otherwise provided in this Agreement, but the costs associated with the facility or function or portion thereof which continue to be incurred for the benefit of both parties will continue to be Pooled Costs and shared by Percentage. Notwithstanding the foregoing, Separation Costs associated with Continuing Conrail Management employees and System Support Operations employees shall be allocated as otherwise provided herein.

- (ii) Separation Costs associated with CRR contract employees working jobs on Allocated Assets will be the sole responsibility of the party to which that Allocated Asset is allocated. For each CRR contract employee working jobs on Routes or Assets Related to Routes or Facilities not primarily allocated to either CSX or NSC (other than jobs that relate primarily to Continuing Conrail Management or Routes or Assets Related to Routes or Facilities constituting System Support Operations or Shared Assets), the Definitive Documentation will establish a mechanism to assign sole responsibility to either CSX or NSC for the above costs and expenses.
- (iii) Separation Costs, compensation and all other expenses associated with employees of CSX or NSC will be the sole responsibility of their respective employing carrier.
- (iv) Separation Costs associated with non-contract employees (including payments to be made by CSX, CRR or the Surviving Corporation under the Merger Agreement) will be Pooled Costs and shared by Percentage to the extent that CRR assets are otherwise unavailable to satisfy such expenses.
- (v) Compensation and other expenses for employees working jobs on Allocated Assets will be the sole responsibility of the party to whom such Allocated Asset has been allocated.
- (vi) Without regard to the above, the Separation Costs under CRR plans and agreements (including the Third Amendment) for a CRR employee who accepts employment with CSX or NSC will be borne, subsequent to the date of such employment, by the employing party.

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Other Liabilities. CSX and NSC will share by Percentage all other liabilities and costs incurred following the execution of this Agreement relating to the Merger Agreement (including for CRR shares, if any, that are "put" pursuant to the Pennsylvania Control Transaction Law) other than (a) Advisor Expenses, which will be paid by the incurring party, and (b)(i) CSX's, CRR's and the Surviving Corporation's liability to current or former CRR shareholders for the pending claims in the pending CRR shareholders litigation (other than litigation brought by NSC or its affiliates), which liability, together with all related litigation costs (which shall not include CRR legal fees incurred prior to the date hereof), shall be borne solely by CSX, and (ii) CSX's (including Tender Sub's), CRR's and the Surviving Corporation's, on the one hand, or NSC's (including AAC's), on the other hand, liability for disclosure-based claims based on disclosures made prior to the date hereof brought by current or former CRR shareholders in connection with the Merger Agreement or the Amended Second Offer or the transactions contemplated thereby based on the accuracy or completeness of information supplied by such party, which liability, together with all related litigation costs (which shall not include CRR legal fees incurred prior to the date hereof), shall be solely the responsibility of CSX or NSC, respectively.

4. Definitive Documentation. Promptly after execution of this Agreement, CSX and NSC will negotiate in good faith toward reaching and will enter into and execute fuller documentation with respect to the transactions contemplated hereby ("Definitive Documentation"), which documentation will supercede this Agreement. The Definitive Documentation will include trackage rights and haulage agreements consistent with Exhibit B hereof and will also implement the details provided in Exhibit A hereof. To the extent that the parties are unable to agree on any matter arising under this Agreement or in the negotiation of the Definitive Documentation, the parties will appoint Cannon Y. Harvey, Esq., or such other person as may be mutually agreed upon in the event that Mr. Harvey is unable or unwilling to serve, as a mediator to aid in resolving such matter through mediation for a period not to exceed 30 days under the then current CPR Institute For Dispute Resolution Mediation Procedure for Business Disputes. The Definitive Documentation will provide that all disputes and disagreements arising under the Definitive Documentation will be resolved by binding arbitration in accordance with procedures to be agreed upon and specified in the Definitive Documentation. The provisions of this Section 4 shall not apply to any dispute for which a party seeks an equitable remedy or other provisional relief.

5. STB. (a) The parties will coordinate and cooperate with one another with respect to matters involving the STB approval process, and will as expeditiously as possible seek STB and any other regulatory approval or authority necessary for consummating the transactions contemplated by this Agreement and the Definitive Documentation. The parties will use their best efforts to obtain such approvals, and neither party will take any position (at the STB or with any governmental or political body or elsewhere) inconsistent with this Agreement and the Definitive Documentation.

(b) CSX and NSC shall coordinate and consult with one another with respect to all settlements involving the STB approval process. The parties further understand that: (i) any settlement or agreement pertaining to the Shared Assets will require the joint approval of CSX and NSC; (ii) neither CSX nor NSC shall make any settlement or agreement with respect to a line or other asset which, after STB approval, would be operated in

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the interest of the other party without such other party's consent; and (iii) nothing contained herein shall require joint action for either CSX or NSC to enter into any settlement or railroad transportation contract with any shipper or receiver of freight.

(c) If any settlement or any accepted STB condition relates to an Allocated Asset which, after STB approval, would be operated in the interest of NSC or in the interest of CSX or (as in the case of Shared Assets) would be operated in the interest of both, the burden of such settlement or condition will be borne where it falls, and the Percentage will not be adjusted to reflect the settlement or condition.

(d) The Definitive Documentation and the voting trust will include provisions specifying the parties' respective rights in the event the STB imposes any non-standard condition materially reducing the benefits anticipated by either party from the transaction.

6. Access and Preservation. Each of CSX and NSC agrees to be bound by the terms of the Confidentiality Agreement dated March 13, 1997 (as if such agreement covered confidential information of either of them) with respect to all confidential information to be provided by such person to the other in connection with the transactions contemplated hereby. Pursuant to the terms of Section 4.3 of the Merger Agreement, as amended, CSX will use all reasonable efforts to cause NSC to be on an equal footing with CSX with respect to the ability to obtain access to CRR property and personnel and information about CRR. Until NSC is placed on an equal footing with CSX, CSX will provide NSC and its representatives access upon reasonable notice and at reasonable times and upon other reasonable terms and conditions, subject to availability under the Merger Agreement and to applicable regulations, to the books and records and assets of CRR and to CRR employees and advisers having knowledge of its business and affairs.

7. NSC Offer. Upon execution hereof, NSC will terminate its outstanding tender offer for CRR shares. Upon consummation of the Amended Second Offer as modified in accordance with this Agreement, NSC will withdraw its letter dated February 10, 1997 relating to the CRR 1997 Annual Meeting of Shareholders and, until such withdrawal, will take no action in furtherance of the matters covered by such letter without CSX's consent, unless the date of the CRR 1997 Annual Meeting of Shareholders is changed.

8. Litigation. Promptly following execution of this letter agreement, NSC and CSX will take such action as is necessary to dismiss with prejudice all pending lawsuits between the parties relating to the CRR acquisition, and CSX, under the Merger Agreement, will not consent to the taking of any action by CRR respecting, and, following the Merger will request pursuant to Section 5.13 of the Merger Agreement the dismissal with prejudice of, all claims and litigation against NSC, its officers and affiliates relating to the CRR acquisition. In addition, CSX will request pursuant to Section 5.13 of the Merger Agreement that CRR join in a stay or similar adjournment of any such proceeding.

9. Certain Obligations; Indemnification. CSX and NSC, as provided above, each having a 50% voting interest in CSX/NS Acquisition Sub (which, following the Merger, will own 100% of the Surviving Corporation) following the Stock Contributions, will cause the Surviving Corporation to honor all commitments of the Surviving Corporation under the Merger Agreement. Except as may otherwise be provided in this

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Agreement, to the extent that, following the date hereof, any claims are made under or in connection with the Merger Agreement against the Surviving Corporation, CSX or NSC or any of their respective affiliates, CSX and NSC will share any liability thereunder by Percentage, and each of CSX and NSC will indemnify the other for its proportionate share according to Percentage, except to the extent that any such liability results from a breach by the indemnified party of the terms of this Agreement. However, the indemnification contemplated in the foregoing sentence will not cover the liability to be borne solely by CSX or NSC as provided under the subsection entitled "Other Liabilities" in Section 3.

10. Disclosure. Any written news releases and any other disclosure required to be filed with any governmental authority (other than routine information) pertaining to this Agreement or the transactions contemplated hereby will be reviewed by and agreed upon by both CSX and NSC prior to release, subject to requirements of law.

11. Employment of Employees. As promptly and practicably as possible after the date hereof subject to any subsequent modifications deemed necessary by CSX and NSC to ensure continuity of customer service, CSX and NSC will jointly develop the staffing process to be followed with the employment or redistribution of non-contract CRR personnel associated with the CRR acquisition. In addition, CSX and NSC will coordinate and consult with one another in connection with the hiring of CRR personnel to CSX and NSC in order to assure a smoother transition to the division contemplated hereby, each party hereto recognizing these legitimate needs of the other with respect to such hiring.

12. Payments. To the extent that a party is liable and responsible for a payment item hereunder, such party will indemnify the other hereto with respect to such item and such party will pay such item directly, reimburse CRR for payment of such item or suffer an adjustment to the contributions and distributions contemplated hereunder in respect of such payment. The parties agree to make capital contributions to CSX/NS Acquisition Sub in a timely manner to fund payments required to be made under this Agreement.

13. Entire Agreement; No Third-Party Beneficiaries; Consents. This Agreement (including the exhibits hereto) and the confidentiality agreements between the parties constitute the entire agreement, and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Agreement and are not intended to confer upon any person other than the parties any rights or remedies. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, REGARDLESS OF THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICT OF LAWS THEREOF; PROVIDED, HOWEVER, THAT THE LAWS OF THE RESPECTIVE STATES OF INCORPORATION OF EACH OF THE PARTIES HERETO SHALL GOVERN THE RELATIVE RIGHTS, OBLIGATIONS, POWERS, DUTIES AND OTHER INTERNAL AFFAIRS OF SUCH PARTY AND ITS BOARD OF DIRECTORS. To the extent that any consent or concurrence is required under this Agreement, such consent or concurrence will not be unreasonably withheld.

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If the terms of this letter are satisfactory to you,
please so signify by signing and returning to us the enclosed copy of this
letter so that work on the Definitive Documentation may begin.

Sincerely,

CSX CORPORATION

By: /s/ JOHN W. SNOW

John W. Snow

Accepted and Agreed as of the
8th day of April, 1997.

NORFOLK SOUTHERN CORPORATION

By: /s/ DAVID R. GOODE

David R. Goode

Exhibit A

I. ROUTES

CRR's routes ("Routes") will be assigned as shown on the attached maps and as set out in the attached table captioned "Conrail Line Allocation."

II. ASSETS RELATED TO ROUTES. Except as otherwise expressly provided in the letter agreement, "Assets Related to Routes" shall include the following:

1. the track structure (rails, ties, grading, bridges, tunnels, culverts, etc.),
2. the underlying right-of-way, operating and non-operating, regardless of its width, and associated structures,
3. except in areas of Shared Assets, or areas where the parties' respective Routes are approximately equidistant from the Asset Related to the Route in question, where other arrangements are made, appurtenant yards, sidings, switch tracks and repair or other maintenance facilities,
4. real estate (whether or not used for operating purposes) in proximity to the Routes,
5. signal, communications and computer facilities on the right-of-way and, to the extent used to operate the Routes, off the right-of-way (except where a particular S&C facility, such as a microwave tower, is used in conjunction with operation of both a Route going to NS and a Route going to CSXT, the parties shall negotiate an arrangement which will facilitate their respective operations),
6. tools and supplies located on and along the Routes, including repair materials, except system stockpiles of supplies and inventory,
7. equipment such as hi-rail cars and local repair equipment usually and customarily used on a Route (as opposed to systemwide),
8. contracts, agreements, and rights, other than transportation contracts, relating to a Route, including without limitation trackage and other operating rights, crossing agreements, leases, reversions, longitudinal easements and other occupancy agreements, and the rents and profits arising therefrom, and
9. muniments of title, valuation maps, surveys, files and records relating to a Route.

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III. JOINT USE/SHARED ACCESS AND OTHER CITY DETAIL
("SHARED ASSETS")

The Definitive Documentation will include agreements providing for joint use of the following CRR properties and rights (the "Shared Assets"), subject to the operating principles here specified.

ASHTABULA HARBOR

NS will be assigned and control CR's Ashtabula Harbor facilities, with CSXT receiving use and access, up to a proportion of the total ground storage, throughput, and tonnage capacity of the facility equal to the Percentage.

CSXT will control the interlocking at the crossing of the CR Youngstown Line and CR Chicago Line.

NS and CSXT agree that if either carrier acquires or controls additional Lake Erie coal dock capacity, it will make arrangements with the other carrier to maintain parity and competitive balance in dock access and coal ground storage.

BUFFALO

The attached map summarizes the CSXT/NS understanding for CR facilities in Buffalo, subject to the following:

- CSXT will be assigned Seneca Yard, and both CSXT and NS will receive access to yard tracks in Seneca Yard sufficient for the origination and termination of trains (precise number of tracks to be determined), at the end of the CR Buffalo Line to be assigned to NS, for purposes of improved interchange with the South Buffalo RR.
- CSXT and NS will form a joint team to study and use reasonable efforts to resolve NS delay problems at CP Draw in Buffalo.

CHICAGO

The attached map summarizes the CSXT/NS understanding for CR facilities in Chicago, subject to the following:

- Both NS and CSXT will have access to CR's route and right to BNSF's Willow Springs Yard.

- An agreement between NS and CSXT as IHB shareholders will provide that as between NS and CSXT:
 - (a) CSXT will use and control IHB's Blue Island Yard, and NS will not utilize Blue Island Yard except for purposes of traffic to/from IHB switched industries;
 - (b) NS will use and control the IHB line from CP 502/Indiana Harbor to Gibson Crossing for the purposes of connecting to the Streator Line;
 - (c) IHB dispatching will ultimately be controlled by CSXT but the dispatching will be done locally in the Chicago area;
 - (d) CSXT will nominate, and subject to NS's concurrence in the nomination, which will not be unreasonably withheld, the parties will vote to elect CSXT's nominee as General Manager of IHB; and
 - (e) NS may from time to time at its reasonable option require that a different General Manager be elected pursuant to (d).
 - (f) Both NS and CSXT will be considered owners for purposes of determining rights to use IHB facilities and lines, IHB switch charges, and access to IHB industries. Both NS and CSXT will have overhead trackage rights on all IHB lines.
- NS's rights over the IHB include use of B&OCT owned-trackage (IHB controlled) between Grand Trunk Tower (Blue Island) and the end of B&OCT ownership near McCook, and both CSXT and NS will retain access to Gibson Yard, which is used for multilevel classification.
- Should NS be dissatisfied with the treatment of its movements by IHB dispatchers, NS, CSXT and IHB will attempt to resolve these dispatching concerns. If the attempt does not resolve NS's concerns about IHB dispatching, NS will have the right to request a change in control of IHB dispatching to NS. If CSXT disagrees with that request for change in dispatching control, NS and CSXT agree to submit that request to binding arbitration. From time to time, not more frequently than 12 months after the last change in dispatching control or arbitration, the party not controlling dispatching may again seek a change, and require arbitration.
- NS and CSXT will maintain competitive balance over and through the Chicago gateway (including Streator), and will take appropriate steps to give the other carrier parity in Chicago-area ownership, dispatching and operational control as follows: If either party obtains additional control or additional ownership of Chicago terminal carriers (including but not limited to IHB, BRC, and EJ&E) or additional control of routes through Chicago, including ownership or control acquired by future merger, purchase, or other means, each hereby grants to the other a right to acquire an interest sufficient to maintain parity, at a

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price proportionate to the price paid by the acquiror, of any such ownership interest or additional control, however it is achieved. If either NS or CSXT feels that an action by the other party has upset the parity in the Chicago gateway and is unsuccessful in directly resolving the dispute, it may submit the dispute to binding arbitration.

- If the IHB agreements affecting or pertaining to Chicago's trackage expire or other operating agreements affecting Conrail operations expire, then CSXT and NS will take appropriate steps to execute new agreements or take other measures to preserve and maintain the interests of CSXT and NS as provided in this agreement.
- Should CSXT merge with BNSF and if CSXT requests, then NS agrees to transfer the Streator line from Osborne Crossing, including the dispatching control, for fair value.
- CSXT will be assigned CR's 59th St. ("Panhandle") Yard site.
- CSXT will receive interim use of CR's Park Manor (63rd St.) intermodal facility during the period of CSXT's interim haulage between Chicago and Berea.

CLEVELAND

The attached map summarizes the CSXT/NS understanding for CR facilities in Cleveland, subject to the following:

- NS will have rights to construct a connection in eastern Cleveland to make direct moves between NS's Cleveland-Buffalo line and the CR Chicago line, using NS rights over CR's Cleveland Short Line to be assigned to CSXT.
- CR's Collinwood Yard will be assigned to CSXT, and CR's Rockport Yard will be assigned to NS.
- The Ford engine plant (located on the NS portion of CR in Cleveland) and the Parma auto plant (currently joint CSXT/CR) located on the CSXT portion of CR in Cleveland will be jointly served.

COLUMBUS, OH

The attached map summarizes the CSXT/NS understanding for CR facilities in Columbus, subject to field verification and the following:

- NS will be assigned CR's Buckeye Hump Yard. CSXT will be assigned the former "local yard" at Buckeye and the CR intermodal terminal at Buckeye.

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- CSXT will be assigned the Buckeye Yard Lead from the north limit of "CP Buckeye" to "CP Darby." NS will be assigned the east track from "CP 138" to "CP 136," and CSXT will be assigned the west track between the same points. North of "CP 136," the current end of double track, NS will be assigned the right of way east of the single remaining track, and the Clintonville Siding, east of the single remaining track, with the intent to connect these two segments into a continuous track east of and parallel to the single remaining track. A new connection will be constructed, at NS expense, between the Clintonville Siding and the existing NS Bellevue-Portsmouth main line in the vicinity of Milepost 133.5, where both the NS and CR rights of way are parallel and level. CSXT shall, at its option and expense, have the right to construct a connection from its assigned track, the west located track of the right of way, to the new NS Clintonville Siding, so that both tracks can be utilized for operational flexibility between the vicinity of Milepost 133.5 to "CP 138," under the control of the respective assignee of each track.
- NS will control Buckeye interlocking, and CSXT will control CP-Mounds. CSXT will control the Buckeye Yard lead north of the limits of Buckeye interlocking. NS will have the right to construct a parallel track to the Buckeye Yard lead in order to provide for the proper functioning of Buckeye Yard.

DETROIT

The attached maps summarize the CSXT/NS understanding for CR facilities in Detroit, subject to the following:

- The NS/CSXT Detroit commercial joint area includes all CR trackage and access rights east of CP-Townline (Michigan Line MP 7.4) and south to and including Trenton (Detroit Line MP 20).
- NS will have operating control (dispatching) of CR routes from the south (Toledo, via Ecorse) and west (Kalamazoo, via CR's Junction Yard Branch) into NS's Oakwood Yard. This disposition does not change the boundaries of the NS/CSXT Detroit joint commercial area.
- Both CSXT and NS will have rights to run their own trains over the trackage in the NS/CSXT joint commercial area.
- Lincoln Yard disposition has not been resolved and will be determined in Definitive Documentation.

NS will have a free easement along CR right of way through Erie assigned to CSXT to replace NS right of way through streets in downtown Erie. Specifics including length to be determined. All costs of associated construction and relocation will be the responsibility of NS. NS will have trackage rights in Erie to connect its route from Corry to its existing Buffalo-Cleveland line if such connection can be achieved without using the CR Buffalo- Cleveland line.

FORT WAYNE, IN

CSXT will be assigned the NS and CR Fort Wayne Line in order to form a contiguous route between Crestline and Chicago. Mike interlocking at Fort Wayne and the Bucyrus interlocking will be controlled by NS.

A line relocation project underway in Fort Wayne will force NS and CSXT to share the former CR line between Junction and Hadley (crossing of former PRR and NKP West of Fort Wayne). Should NS and CSXT decide that capacity needs mandate an additional track, NS and CSXT will equally share the cost of constructing a new track between Junction and Hadley on the north side of the existing track, and ownership of the south track will revert to NS and ownership of the north track will revert to CSXT.

CSXT and NS will inspect and agree to divide CR's space in CR's Piqua Yard and determine most efficient means of utilizing the physical plant in Fort Wayne. Triple Crown will retain its current space in Piqua Yard and the right to have NS operate its trains between Piqua Yard and Mike interlocking. The NS Fort Wayne to Chicago line will be transferred to CSXT as part of a like kind exchange for the Streator line.

INDIANAPOLIS

- NS will be assigned Hawthorne Yard and NS will have sufficient tracks for the arrival, departure and make up of trains and will have reasonable access to and from the designated tracks.

MONONGAHELA

- NS shall be assigned, control, operate and maintain Monongahela subject to a joint use agreement providing CSXT equal, perpetual access to all current and future facilities located or accessed from the former Monongahela Railway, including Waynesburg Southern, hereinafter "Monongahela". NS and CSXT shall share the operating and maintenance expenses on Monongahela on a usage basis.

- CSXT and NS will both be able to separately provide transportation service to all customers on the Monongahela and no additional access fee will be charged CSXT for the joint usage. The parties will jointly work together to extend the Monongahela into the Enlow Fork and Bailey Mine area.
- Either party may request the construction of additional capacity and the requesting party shall bear the expense therefor unless the parties decide to share the additional capacity and the expense therefor.
- Should CSXT be dissatisfied with the treatment of its movements by Monongahela dispatchers, NS and CSXT will attempt to resolve these dispatching concerns. If the attempt does not resolve CSXT's concerns about Monongahela dispatching, CSXT will have a right to request a change in control of Monongahela dispatching to CSXT. If NS disagrees with that request for change in dispatching control, NS and CSXT agree to submit that request to binding arbitration. From time to time, not more frequently than 12 months after the last change in dispatching control or arbitration, the party not controlling dispatching may again seek a change, and require arbitration. Neither party may sell or transfer its rights to the Monongahela without first offering the other party the right of first refusal.

NS/CSXT NORTH JERSEY COMMERCIAL JOINT AREA

The attached maps summarize the CSXT/NS understanding for CR facilities in Northern New Jersey, subject to the following: (Dispatching to be determined by Definitive Documentation).

- The limits of the North Jersey NS CSXT commercial joint area will encompass all northern New Jersey trackage east of, and including, the Northeast Corridor, plus:
 - CR Lehigh Line west to CP Port Reading Jct., NJT Raritan Line, CR Port Reading Secondary west to Bound Brook and CR Perth Amboy Secondary west to South Plainfield.
- The NS/CSXT North Jersey commercial joint area includes the Northeast Corridor local service south to the Trenton market.
- The Port Newark/Elizabeth Marine Terminal area will be accessible to both CSXT and NS including:
 - Port Newark
 - Dockside (Expressrail)
 - Portside (Triple Crown)

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- CSXT will be assigned CR's North Bergen and South Kearny (non-APL portion) intermodal terminals. CSXT will also be assigned CR developable property encompassing current CR Elizabethport Yard (Trumbull St. Yard). NS will be afforded use of two tracks for support of E-Rail intermodal facility.
- CSXT and NS both will have access to the APL terminal in Kearny.
- NS will be assigned CR's Croxton and E-Rail intermodal facilities. NS will also be assigned the CR developable property adjacent to E-Rail (former CNJ shops area).
- Oak Island Yard and auto terminals at Doremus Avenue, Greenville, and Ridgefield Heights will be included in the NS/CSXT North Jersey Commercial Joint Area, and be accessible to both CSXT and NS.
- Both CSXT and NS will have the right to operate their own trains over any part of the NS/CSXT North Jersey Commercial Joint Area, except to exclusively assigned facilities.
- In Definitive Documentation, CSXT and NS will consider arrangements acceptable to the parties so each will have one controlled route through the NS/CSXT North Jersey Commercial Joint Area to the extent practicable.

PHILADELPHIA/SOUTH NEW JERSEY

The attached maps summarize the CSXT/NS understanding for CR facilities in Philadelphia and South New Jersey, subject to the following:

- The NS/CSXT Philadelphia/South Jersey commercial joint area includes all CR "Philadelphia" stations and stations within the Philadelphia City limits, industries located on the CR Chester Industrial and CR Chester Secondary tracks, all CR trackage in South New Jersey, and the CR freight franchise rights on Amtrak's Northeast Corridor north from Philadelphia (Zoo Tower) to the Trenton, NJ market.
- The Morrisville intermodal facility is assigned to NS.
- CSXT will be assigned a contiguous route through Philadelphia from CSXT's (future) Eastwick connection to be constructed by CSXT, via CP Field and portions of CR's Harrisburg and Trenton lines to CP River and points north. In addition, CSXT will be assigned the Philadelphia/South Jersey Terminal trackage from CP Field to Pier 122 (Greenwich Yard area).
- To maintain a contiguous route through Philadelphia on the Northeast Corridor, NS will have the option to reconstruct, own and control an additional track where practical between Belmont and CP Field.
- CSXT is assigned Greenwich Yard property, with the exception of tracks used to support

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local freight service and the ore pier. NS and CSXT will continue to serve the Ameriport intermodal terminal or any replacement substantially built with public funding.

- Both CSXT and NS will have the right to operate their own trains over any part of the NS/CSXT Philadelphia/South New Jersey commercial joint area.

TOLEDO

The attached map summarizes the CSXT/NS understanding for CR facilities in Toledo, subject to the following:

- CR's Stanley Yard will be assigned to CSXT.
- CR's Airline Jct. Yard will be assigned to NS.
- CSXT and NS will form a joint team to study and use reasonable efforts to resolve CSXT delay problems at Vickers interlocking in Toledo.

WASHINGTON, DC

The attached map summarizes the CSXT/NS understanding for CR facilities in Washington, DC.

AMTRAK, NORTHEAST CORRIDOR (N.E.C.) RIGHTS

- Commercial Definition
 - North End - Philadelphia (Zoo tower) to New York (Penn Station) will be part of the NS/CSXT Commercial Joint Area (NS and CSXT having equal customer access).
 - South End - Washington, D.C. to Philadelphia (Zoo tower) exclusive to NS.
- Operating Definition
 - Each party will have overhead trackage rights to operate trains between New York and Washington, D. C., as follows:
 - Between Zoo tower and Penn Station and between Landover and Baltimore, rights shall be shared equally and scheduled alternatively.
 - Between Baltimore and Zoo Tower, CSXT shall be limited to 4 trains a day.

- CSXT and NS will have the right to make unilateral improvements in tracks and other facilities within joint commercial areas at their own cost.
- "Assigned" indicates authority and responsibility for operation and control under whatever business structure the parties specify in the Definitive Documentation.
- A "commercial joint area" or "joint commercial area" is a group of stations in a common geographic area to which both NS and CSXT will have access pursuant to the terms of this agreement and the Definitive Documentation.

IV. FACILITY ASSIGNMENT ("Facilities")

1. Altoona and Hollidaysburg Shops - NS
2. Philadelphia Headquarters and Philadelphia area information technology facilities - CSXT
3. Customer Service Center (Pittsburgh) - CSXT and NS
4. Crew Management Facility (Dearborn) - CSXT and NS
5. Signal System Repair Center (Columbus) - CSXT and NS
6. System Maintenance of Way Equipment Center (Canton) - CSXT and NS

The Definitive Documentation will address the handling of train dispatching facilities.

V. DISPOSITION OF CERTAIN CONRAIL INTERESTS

- Belt Railway of Chicago - CR's 16.67% interest in is assigned to NS
- Trailer Train (TTX) - CR's 21.81% interest in is divided as follows:

<TABLE>
<CAPTION>

<S>		CSXT	NS	
		<C>	<C>	
	Current	9.340%	6.800%	(21.81%)
	Conrail Splits	9.635	12.175	
		-----	-----	
		18.975%	18.975%	
		-----	-----	

</TABLE>

- Peoria & Pekin Union - CR's 25.64% interest in is assigned to NS.

- Lakefront Dock - CR's 50% interest in is assigned to CSXT.
- CR's ownership in IHB will be assigned equally between CSXT and NS. It is the parties' current intention that CR's ownership in IHB will continue in CR. See city detail and trackage rights for details of IHB operations.
- CR's ownership interest in the following affiliates will be shared based on the Percentage, except where any of the assets of these affiliates are part of the Routes or Assets related to Routes or Facilities assigned to either NS or CSXT or are Shared Assets, then such affiliate assets will be assigned to the specific geography and not shared by the Percentage. However, if assets of these affiliates are solely assigned to one carrier based on specific geography, and are valued at greater than \$1 million, then the other carrier will be due a portion of the value equal to that carrier's Percentage:
 - Merchants Dispatch Transportation
 - Locomotive Management Services
 - CRC Properties, Inc.
 - CRR Investments, Inc.
- The following affiliates are part of the route assets of CSXT and are assigned to CSXT:
 - SL&A Railway
 - Albany Port Railway
- Triple Crown: Conrail's share will be assigned to NS.
- Conrail Direct - a truck contracting subsidiary which arranges pick-up and delivery of intermodal freight. Company will be shared by Percentage until parties can agree on a process for separation.
- EMP - a container leasing partnership including CR, NS and UP. CR's interest will be shared by the Percentage and CSXT will be made a partner.

Exhibit B

TRACKAGE RIGHTS AND HAULAGE

CSXT RIGHTS ON NS

PERMANENT

- CP River (West Falls), PA - Abrams, PA: Overhead trackage rights on CR's Harrisburg Line for dimensional traffic.
- CP King (Norristown), PA - Woodbourne (CP Wood), PA: Overhead trackage rights on CR's Morrisville Line for dimensional traffic plus runaround rights on short portion of SEPTA's Norristown Line.
- Cleveland - Lorain, Fairlane, OH: Overhead trackage rights on CR's Chicago Line to serve 2-to-1 auto plants at Fairlane and Avon Lake (CR Lorain).
- Berea, OH - CP 181 (Cleveland, OH): Overhead trackage rights on CR's Chicago Line.
- Chicago (Pine to Rock Island Jct.): Overhead trackage rights on CR Chicago Line.
- Columbus, OH: Overhead trackage rights on CR Buckeye Line from "CP Hocking" to Buckeye Yard, overhead trackage rights on CR Western Branch from Bannon to Scioto, overhead trackage rights on CR Cincinnati Line from "CP 139" to Buckeye Yard, via the Miami Lead, overhead trackage rights on the NS assigned east track of the CR Columbus Line from CP 138 to the vicinity of MP 133.5 (point of new NS connection), overhead trackage rights on CR Auburn Connection from "CP Camp" to "CP 139," and overhead trackage rights on NS from Bannon to the south (RR east) end of NS Watkins Yard (connection with Watkins-Parsons transfer track).
- Youngstown (Center St.) - Ashtabula Harbor, OH: CSXT overhead trackage rights on CR Youngstown Line to access Ashtabula Harbor facilities.
- Osborn Crossing - Streator, IL: Overhead trackage rights on CR Kankakee Line, Kankakee Secondary and Streator Secondary for up to 8 total trains/day to connect with, or with trackage of other intersecting railroads. CSXT trains over the above limits are subject to negotiations between CSXT and NS for CSXT contribution to investment needed for additional capacity.

NORTHEAST CORRIDOR

- See Northeast Corridor in Exhibit A, III.

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CR RIGHTS ON CSXT TRANSFERRED TO CSXT

- Carleton, MI to Alexis, MI

INTERIM

- Berea, OH - Chicago (63rd St.): Overhead haulage on CR's Chicago Line for maximum of 6 merchandise and/or intermodal trains/day each way, until CR's Ft. Wayne Line (Ft. Wayne-Chicago now NS) is upgraded, up to a maximum of 3 years.

OTHER

All other CR rights that are part of, relate to, or connect with Routes, Assets Related to Routes, and Facilities assigned to CSXT will be considered appurtenant and will be assigned to CSXT, unless otherwise assigned in this agreement, including Exhibit A.

Unless otherwise provided herein, or in the Definitive Documentation, a trackage rights tenant shall only have the right to enter on and exit from the trackage rights lines at points other than the endpoints where the tenant may make a connection with its existing railroad line and joint CSXT/NS lines ("Point of Permitted Entry or Exit").

If, in the opinion of the tenant, a new or upgraded connection is required at a Point of Permitted Entry or Exit other than the endpoints, or, if in the opinion of the tenant, other upgrading, including but not limited to switches, power switches, signals, communications, etc., is required for operational efficiency, the landlord will, subject to its own operational needs, cooperate and the tenant will be responsible for funding that construction/upgrading at actual cost or a cost mutually agreed to by CSXT and NS.

The Definitive Documentation will include agreements with terms and conditions customary in the industry for trackage rights and haulage.

Where a tenant has access to 2-to-1 points via trackage rights, the tenant may at its option access the points via haulage.

Unless a contrary intent appears from this Agreement including Exhibit A, or from the Definitive Documentation, existing Conrail trackage rights over CSXT will be assigned to NS and existing Conrail trackage rights over NS will be assigned to CSXT.

TRACKAGE RIGHTS AND HAULAGE

NS RIGHTS ON CSXT

PERMANENT

- Muncie - Indianapolis (area). Overhead trackage rights on CR's Indianapolis Line to serve 2-to-1 shippers/shortlines in Indianapolis plus the GM metal fabrication plant.
 - Lafayette - Indianapolis (area): Overhead trackage rights on CSXT's Lafayette - Crawfordsville, IN line to serve 2-to-1 shippers at Crawfordsville. IN and overhead trackage rights on CR's Crawfordsville-Indianapolis line to serve 2-to-1 shippers/shortlines in Indianapolis plus the GM metal fabrication plant.
 - Buffalo (CP 437) - Niagara Falls (Suspension Bridge): Overhead trackage rights on CR's Belt Line Branch and Niagara Branch to connect with, or with trackage of Canadian carriers at Suspension Bridge.
 - Philadelphia(Park Jct.) - Anacostia Jct., MD: Inherits CR's overhead trackage rights on CSXT.
 - Landover - RO (Alexandria, VA): Overhead trackage rights on CR's Landover Line.
 - Toledo, OH: Inherits CR's overhead trackage rights on CSXT-controlled portion of former Toledo Terminal RR.
 - Cleveland, OH: Overhead trackage rights on CR's Short Line from Quaker to Berea, OH. Overhead trackage rights on CR's Chicago Line from CP 181 to Collinwood Yard for purposes of interchange with CSXT.
 - Crestline, OH - Fort Wayne (Mike), IN: Overhead trackage rights on CR's Fort Wayne Line (Ft. Wayne-Chicago now NS), with train limits as follows:
 - 8 total trains/day between Crestline and Bucyrus
 - 6 total trains/day between Bucyrus and Fort Wayne including rights to serve 2-1 customers at Upper Sandusky.
- NS trains over the above limits are subject to negotiations between CSXT and NS for NS contribution to CSXT investment needed for additional capacity. NS will [supervise the] dispatch[ing] of the Ft. Wayne to Crestline line until CSXT haulage over CR Chicago Line between Berea and Chicago is terminated. NS will control the Bucyrus interlocking permanently.

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- Fort Wayne(Mike), IN - Chicago(Buff/Hick), IL: Overhead trackage rights on former CR Fort Wayne Line, with 10 total train/day limit (limit does not apply in Fort Wayne terminal). NS trains over the above limits are subject to negotiations between CSXT and NS for NS contribution to CSXT investment needed for additional capacity. NS will dispatch the line until CSXT haulage over CR Chicago Line between Berea and Chicago is terminated.
- Porter - Ivanhoe, IN: Overhead trackage rights on CR's Porter Branch.
- Columbus, OH: Overhead trackage rights on CR Buckeye Line from "CP Hocking" to "CP 138," overhead trackage rights on CR Western Branch from Scioto to "CP Mounds," including the Mounds Connection, overhead trackage rights on Buckeye Yard Lead from "CP Buckeye" to "CP Darby," overhead trackage rights on the CSXT assigned west track of the CR Columbus Line from "CP 138" to the vicinity of Milepost 133.5 (point of new NS connection), and overhead trackage rights on CSXT between the south end of Parsons Yard (connection with Watkins-Parsons transfer track) and Scioto.
- Philadelphia: Overhead trackage rights on CR Harrisburg and Trenton Lines from Field to Belmont.
- Lima to Sidney, OH: Overhead trackage rights on CSXT Toledo Subdivision to serve 2-to-1 customers at Sidney.

NORTHEAST CORRIDOR

- See Northeast Corridor in Exhibit A, III.

INTERIM

- Bound Brook, NJ - Woodbourne, PA: Overhead trackage rights for 12 total train/day limit on CR's Trenton Line for dimensional trains until Pattenburg Tunnel on CR's Lehigh line is cleared of dimensional restrictions, not to exceed three years.

CR RIGHTS ON NS TRANSFERRED TO NS

- Carol, IL to Keensburg, IL
- Mill-Crescentville, OH

OTHER

All other CR rights that are part of, relate to, or connect with Routes, Assets Related to Routes or Facilities assigned to NS will be considered appurtenant and will be assigned to NS, unless otherwise assigned in this Agreement, including Exhibit A.

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Unless otherwise provided herein, or in the Definitive Documentation, a trackage rights tenant shall only have the right to enter on and exit from the trackage rights lines at points other than the endpoints where the tenant may make a connection with its existing railroad line and joint NS/CSXT lines ("Point of Permitted Entry or Exit").

If, in the opinion of the tenant, a new or upgraded connection is required at a Point of Permitted Entry or Exit other than the endpoints, or, if in the opinion of the tenant, other upgrading, including but not limited to switches, power switches, signals, communications, etc., is required for operational efficiency, the landlord will, subject to its own operational needs, cooperate and the tenant will be responsible for funding that construction/upgrading at actual cost or a cost mutually agreed to by CSXT and NS.

The Definitive Documentation will include agreements with terms and conditions customary in the industry for trackage rights and haulage.

Where a tenant has access to 2-to-1 points via trackage rights, the tenant may at its option access the points via haulage.

Unless a contrary intent appears from this Agreement including Exhibit A, or from the Definitive Documentation, existing Conrail trackage rights over CSXT will be assigned to NS and existing Conrail trackage rights over NS will be assigned to CSXT.

CONRAIL LINE ALLOCATION

All trackage is not listed herein. Lines listed include main line routes, primary branch lines and other lines which may need clarification. Lines pertain to acquired ownership or where identified (TR) to assumed present CR freight rights. Customer access is attributed to the acquiror of the line on which the customer is located. Trackage not specifically listed is to be acquired by the owner/acquiror of the route/line to which it connects. Clarification to customer access shall be driven by assumptions used in traffic modeling exercise "SCR2" used to arrive at the Percentage. City Detail (Exhibit A.III) and accompanying maps will govern in terminal areas

EXHIBIT

<TABLE>

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Primary Route And Extension Acquisitions	Segmt	From	
CSX Acquisitions			
<S> NY/NJ to Cleveland - NYC Route & Extensions	<C>	<C>	
	1	North NJ Terminal	NJ
	1	Poughkeepsie	NY
	1	New York City	NY
	1	Selkirk/Albany Term.	NY
	1	Selkirk	NY
	2	Selkirk/Albany Term.	NY
	3	Syracuse	NY
	4	Buffalo	NY
	5	Ashtabula	OH
	40	Boston	MA
	41	Syracuse	NY
	41	Adirondack Jct.	PQ
	41	Woodard	NY
	41	Syracuse	NY
	41	Hawk	NY
	42	Buffalo Terminal	NY
	42	Lockport	NY
	94	Syracuse	NY
	165	Selkirk/Boston Line	MA
	165	Selkirk/Boston Line	MA
	166	New York City	NY
	166	Connecticut Branch Lines	
	166	Connecticut Branch Lines	
	3	Churchville	NY
	3	Mortimer	NY
	3	Rochester Branch	NY
Crestline to Chicago - PRR Route & Extensions	17	Crestline	OH
	18	Dunkirk	OH
From NS	19	Fort Wayne	IN
From NS	20	Warsaw	IN
	18	Adams	IN
Berea to E. St. Louis Route & Extensions	21	Cleveland Terminal	OH
	122	Crestline	OH
	22	Galion	OH
	23	Ridgeway	OH
	24	Indianapolis	IN
	25	Terre Haute	IN
	26	Effingham	IL
	27	St. Elmo	IL
	27	Anderson	IN
	55	Columbus	OH
	83	Terre Haute	IN
	151	Danville	IL
	99	Indianapolis	IN
	100	Indianapolis	IN
	154	Indianapolis	IN
	105	HN Cabin	IL
	106	St. Elmo	IL
	98	Terre Haute	IN
	28	Muncie (Walnut Street)	IN
	28	New Castle RT	IN
Columbus to Toledo Route & Extensions	53	Columbus	OH
	52	Ridgeway	OH
	51	Blanchard	OH
	51	Toledo Terminal	OH
	51	Toledo Terminal	OH
Bowie to Woodzell, MD	90	Bowie	MD
	90	Brandywine	MD

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Primary Route And Extension Acquisitions		To		
CSX Acquisitions		<C>	<C>	<C>
<S>	NY/NJ to Cleveland - NYC Route & Extensions	Selkirk/Albany Term.	NY	
		New York City	NY	TR
		White Plains	NY	TR
		Poughkeepsie	NY	
		Syracuse	NY	
		Buffalo	NY	
		Ashtabula	OH	
		Cleveland Terminal	OH	
		Selkirk/Albany Term.	NY	
		Adirondack Jct.	PO	
		Montreal (St. Luc)	PO	TR
		Oswego	NY	
		Hawk	NY	
		Port of Oswego	NY	TR
		Niagra Falls/Lockport	NY	
		West Somerset	NY	TR
		NYSW/FL Connections	NY	
		MA Branch Lines	MA	
		MA Branch Lines	MA	TR
		Connecticut Branch Lines		TR
				TR
		Wayneport	NY	
		Avon	NY	
Crestline to Chicago - PRR Route & Extensions		Dunkirk	OH	
		Fort Wayne	IN	
	From NS	Warsaw	IN	
	From NS	Chicago Terminal (Clarke Jct.)	IN	
		Decatur	IN	
Berea to E. St. Louis Route & Extensions		Crestline	OH	
		Galion	OH	
		Ridgeway	OH	
		Indianapolis	IN	
		Terre Haute	IN	
		Effingham	IL	
		St. Elmo	IL	
		E. St. Louis	IL	
		Emporia	IN	
		Galion	OH	
		Danville	IL	
		Olin	IN	
		Rock Island	IN	
		Crawfordsville/Bringinghurst	IN	
		Shelbyville	IN	
		Valley Jct.	IL	
		Salem	IL	TR
		Beehunter	IN	TR
		New Castle RT	IN	TR
Columbus to Toledo Route & Extensions		Ridgeway	OH	
		Blanchard	OH	
		Toledo Terminal	OH	
		Woodville	OH	
		Stonyridge	OH	
Bowie to Woodzell, MD		Morgantown	MD	
		Chalk Point	MD	

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CONRAIL LINE ALLOCATION

EXHIBIT #

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Primary Route And Extension Acquisitions	Segmt	From	
CSX Acquisitions			
<S> NY/NJ to Philadelphia (West Trenton Line)	<C> 182	<C> Philadelphia	<C> PA
Washington, DC to Landover, MD	33	Washington (RO)	DC
Quakertown Branch	130	Philadelphia Terminal	PA
Chicago Area	192	Porter	IN

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CONRAIL LINE ALLOCATION

EXHIBIT #

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Primary Route And Extension Acquisitions	Segmt	To	
<S>	<C>	<C>	<C>
NY/NJ to Philadelphia (West Trenton Line)	182	North NJ Terminal	NJ
Washington, DC to Landover, MD	33	Landover	MD
Quakertown Branch	130	Quakertown	PA TR

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CONRAIL LINE ALLOCATION

EXHIBIT

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Primary Route And Extension Acquisitions	Segmt	From
NS Acquisitions		
<S> NJ Terminal to Crestline - PRR Route & Extensions	<C> <C>	
	10	North NJ Terminal
	10	Somerville
	10	Little Falls
	10	Orange
	10	Dover
	10	Rockport
	10	Phillipsburg
	10	Allentown Terminal
	186	Orange
	170	North Jersey Terminal
	182	Bound Brook
	11	Allentown
	12	Reading
	12	Harrisburg Terminal
	13	Harrisburg
	13	Conowingo Line
	13	Pittsburgh
	13	Central City
	13	Pittsburgh Terminal
	13	Monongahela
	14	Pittsburgh Terminal
	14	Pittsburgh
	14	Salen
	14	Beaver Falls
	15	Alliance
	120	Mantua
	16	Alliance
	114	Alliance
	114	Rochester
	114	E. Steubenville
	1114	Steubenville Branches, Bridge
	114	Pittsburgh Branches
	45	Ashtabula
	162	Ashtabula Harbor
	46	Niles
	46	Alliance
	48	Youngstown
	87	Allentown
		CP Harris
		Cloe
		Tyrone
Cleveland to Chicago - NYC Water Level Route	6	Cleveland Terminal
	6	Elyria
	159	Toledo Terminal
	7	Toledo Terminal
	107	Elkhart
	8	Elkhart
Philadelphia to Washington (NEC) Route & Extensions	31	Philadelphia Terminal
	31	Wilmington Terminal
	32	Perryville
	32	Baltimore Terminal
	33	Balt. BayView
	33	Baltimore Terminal
	33	Baltimore
	34	Pocomoke
	34	Harrington
	131	Newark
Michigan Operations (Excluding Joint Detroit Area)	50	Toledo Terminal
	60	Detroit Terminal
	61	Jackson
	62	Kalamazoo
	70	Jackson
	71	Kalamazoo
	156	Kalamazoo
Eastern PA Lines & Extensions	37	Philadelphia Terminal
	37	Reading Terminal
	37	Thorndale
	136	Leola/Chesterbrook PA Lines

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Primary Route And Extension Acquisitions

To

NS Acquisitions

<S>

NJ Terminal to Crestline - PRR Route & Extensions

<C>	<C>	<C>	
NJ	Somerville	NJ	
NJ	Allentown	PA	
NJ	Dover	NJ	TR
NJ	Denville	NJ	TR
NJ	Rockport	NJ	TR
NJ	Phillipsburg	NJ	
PA	E. Stroudsburg	PA	
NJ	North Jersey Terminal	NJ	TR
NJ	Little Falls	NJ	TR
NJ	Ludlow	NJ	TR
PA	Reading	PA	
PA	Harrisburg	PA	
PA	Pittsburgh	PA	
PA	via Saltsburg	PA	
PA	W. Brownsville	PA	
PA	South Fork	PA	
PA	Marianna	PA	
PA	Salem	OH	
OH	Alliance	OH	
PA	Wampum	PA	
OH	Cleveland Terminal	OH	
OH	Cleveland Terminal	OH	
OH	Crestline	OH	
OH	Omali	OH	
PA	Yellow Creek	OH	
WV	Weirton	WV	
OH	Youngstown	OH	
OH	Ashtabula	OH	
OH	Latimer	OH	
OH	Youngstown	OH	
OH	Rochester	PA	
PA	Hazleton	PA	
PA	Cloe	PA	TR
PA	Shelocta	PA	
PA	Lock Haven	PA	TR
OH	Toledo Terminal	OH	
OH	Lorain	OH	
OH	Sylvania	OH	
OH	Goshen	IN	
IN	Goshen	IN	
IN	Porter	IN	
PA	Perryville	MD	TR
DE	Baltimore	MD	TR
MD	Landover	MD	TR
MD	Cockeysville	MD	
MD	New Castle Jct	DE	
DE	Frankford/Indian River	DE	
DE	Porter	DE	
OH	Detroit Terminal	MI	
MI	Jackson	MI	
MI	Kalamazoo	MI	
MI	Elkhart	IN	
MI	Lansing	MI	
MI	Grand Rapids	MI	
MI	Porter	IN	TR
PA	Reading	PA	
PA	Woodbourne	PA	

Cleveland to Chicago - NYC Water Level Route

Philadelphia to Washington (NEC) Route & Extensions

Michigan Operations (Excluding Joint Detroit Area)

Eastern PA Lines & Extensions

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CONRAIL LINE ALLOCATION

EXHIBIT

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Primary Route And Extension Acquisitions	Segmt	From
NS Acquisitions		
<S>	<C>	<C>
	137	Philadelphia PA Terminal
	111	Lancaster
	112	Lancaster
Indiana Lines & Extensions	84	Anderson
	85	Warsaw
	163	Marion
Buffalo to NY/NJ Terminal Route & Extensions	44	NJ/NY Jct.
	44	Suffern
	44	Port Jervis
	44	Binghamton
	44	NJ/NY Jct.
	44	Paterson Jct.
	38	Waverly
	88	Waverly
	89	Sayre
	93	Lyons
	95	Corning
	171	North Jersey Terminal
	171	Paterson Jct.
	171	NJ/NY Jct.
Buffalo to Harrisburg and South	35	Perryville
	35	Carlisle
	35	Wago
	35	Harrisburg
	36	Williamsport
	39	Harrisburg
	39	Watsonstown
	4	Ebenezer Jct.
	91	Hornell
	91	Corry
	91	Youngstown
Cincinnati, OH to Columbus, OH to Charleston, WV	54	Columbus
	54	Cincinnati Terminal
	56	Columbus Terminal
	57	Truro
	150	Charleston
	150	Charleston
Chicago South/Illinois Operations	193	Gibson
	193	Hartsdale
	82	Hartsdale
	81	Schneider
	97	Keensburg
	152	Schneider
	80	Danville
Chicago Market	194	Western Ave Operations/Loop
	195	Chicago
	196	Clarke Jct.
	196	CP 509
	197	Buff

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Primary Route And Extension Acquisitions

NS Acquisitions

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To

	<C>	<C>	<C>	
	PA	Lancaster	PA	TR
	PA	Royalton	PA	TR
	PA	Lititz/Columbia	PA	
Indiana Lines & Extensions	IN	Warsaw	IN	
	IN	Goshen	IN	
	IN	Red Key	IN	
Buffalo to NY/NJ Terminal Route & Extensions	NJ	Suffern	NY	TR
	NY	Port Jervis	NY	
	NY	Binghamton	NY	
	NY	Waverly	NY	
	NJ	Spring Valley	NY	TR
	NJ	Ridgewood	NJ	TR
	NY	Buffalo	NY	
	NY	Mehoopany	PA	
	PA	Ludlowville	NY	
	NY	Himrods Jct	NY	
	NY	Himrods Jct	NY	
	NJ	Paterson Jct	NJ	TR
	NJ	North Newark	NJ	
	NJ	North Jersey Terminal	NJ	TR
Buffalo to Harrisburg and South	MD	Harrisburg	PA	
	PA	Harrisburg	PA	
	PA	York (area)	PA	
	PA	Shocks	PA	
	MD	Harrisburg	PA	
	PA	Buffalo	NY	
	PA	Strawberry Ridge	PA	
	NY	Lackawanna	NY	
	NY	Corry	PA	
	PA	Erie	PA	TR
	OH	Oil City	PA	
Cincinnati, OH to Columbus, OH to Charleston, WV	OH	Cincinnati	OH	
	OH			
	OH	Truro	OH	
	OH	Charleston	WV	
	WV	Cornelia	WV	
	WV	Morris Fork	WV	
Chicago South/Illinois Operations	IN	Hartsdale	IN	
	IN	Chicago Heights	IL	
	IN	Schneider	IN	
	IN	Hennepin	IL	
	IL	Carol	IL	
	IN	Wheatfield	IN	
	IL	Pekin/Peoria	IL	
Chicago Market		Cicero/Elsdon	IL	
	IL	Grand Crossing	IL	
	IN	Grand Crossing	IL	
	IL	Calumet Park	IL	
	IN	Porter	IN	

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Map Index

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LOCATION

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Chicago Area

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Cleveland

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Columbus, OH

4/8/97

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Detroit - Ownership and Commercial Limits

4/8/97

6

Detroit - Dispatching Only

4/8/97

7

Fort Wayne

4/8/97

8

Indianapolis

4/8/97

9

North Jersey Terminal - Commercial Limits

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10

North Jersey Terminal - Ownership Limits

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Philadelphia - Ownership/Control (2 pages)

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Philadelphia - Commercial Limits

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Toledo, OH

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Washington, DC

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Conrail System Map

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[Map No. 1: This is a map dated 4/8/97 showing railroad locations in and around Buffalo, New York. It indicates by colored lines the specific rail lines and other rail facilities assigned to NS and CSX, respectively, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 2: This is a map entitled "C.R./I.H.B. Terminal Map", dated 4/8/97, which shows railroad locations in and around the Chicago area. It indicates by colored lines the specific rail lines (including trackage rights) and other rail facilities assigned to NS and CSX, respectively, in and around Chicago, IL, and Gary, IN., consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 3: This is a map entitled "Cleveland (No Scale)" which shows railroad locations in and around Cleveland, Ohio. It indicates by colored lines the specific CR rail lines (including trackage rights) and other CR rail facilities assigned to NS and CSX, respectively, in and around Cleveland, OH, consistent with the narrative descriptions and the line segment information included in Exhibit A. It also indicates existing CSX and NS rail lines.]

[Map No. 4: This is a map dated 4/8/97 which shows railroad routes and locations in and around Columbus, Ohio. It indicates by colored lines the specific CR rail lines (including trackage rights) and other CR rail facilities assigned to NS and CSX, respectively, in and around Columbus, OH, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 5: This is a map entitled "Detroit (No Scale)", dated 4/8/97, which shows railroad locations in and around Detroit, Michigan. It indicates by colored lines (a) the specific CR rail lines (including trackage rights) and other CR rail facilities assigned to NS and CSX, respectively, in and around Detroit, MI, (b) the existing CSX and NS rail lines, and (c) the CR rail lines to be operated as "joint" terminal lines, consistent with the

narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 6: This is a map dated 4/8/97 which shows railroad locations in and around Detroit, Michigan. It indicates by colored lines the specific CR lines and areas as to which NS, on the one hand, and a new joint terminal entity to be operated for the benefit of both NS and CSX, on the other hand, will handle train dispatching functions, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 7: This is a map entitled "Map IN-8b FORT WAYNE", dated 4/8/97, which shows railroad locations in and around Fort Wayne, Indiana. It indicates by colored lines those rail lines and areas that are to be reviewed by a joint NS/CSX inspection team for improved operations and reduced conflicting movements, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 8: This is a circular map dated 4/8/97 which shows railroad locations in and around Indianapolis, Indiana. It indicates by colored lines (a) the specific CR rail lines (including trackage rights) and other CR rail facilities assigned to NS and CSX, respectively, in and around Indianapolis, IN, and (b) the existing CSX rail lines, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 9: This is a map dated 4/8/97 which shows railroad locations in the northern New Jersey area. It indicates by colored lines the commercial limits of the rail lines and routes in northern New Jersey assigned to NS, those assigned to CSX and those which are to be operated jointly for the benefit of both NS and CSX, consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 10: This is a map entitled "NJ/NY Joint Terminal Area (Enlarged)", dated 4/8/97, which shows railroad locations in the northern New Jersey area. It indicates by colored lines (a) the specific CR rail lines and other CR rail facilities assigned to NS and CSX, respectively, in northern New Jersey, and (b) the CR rail lines and routes to be operated as "joint terminal" lines,

consistent with the narrative descriptions and the line segment information included in Exhibit A.]

[Map No. 11: This is a map consisting of two pages entitled "Philadelphia (Ownership/Control)", dated 4/8/97, which shows railroad locations in and around Philadelphia, Pennsylvania and southern New Jersey. Consistent with the narrative descriptions and the line segment information included in Exhibit A, this map indicates by colored lines (a) the specific CR rail lines and other CR rail facilities assigned to NS and CSX, respectively, in the Philadelphia area, (b) the CR rail lines and routes to be operated as "joint terminal" lines, and (c) the CR rail lines which are to be operated as "joint terminal" lines but as to which CSX will control dispatching functions.]

[Map No. 12: This is a map entitled "Philadelphia (Joint Commercial)", dated 4/8/97, which shows railroad locations in and around Philadelphia, Pennsylvania and southern New Jersey. Consistent with the narrative descriptions and the line segment information included in Exhibit A, this map indicates by colored lines the commercial access relating to (a) the specific CR rail lines and other CR rail facilities assigned to NS and CSX, respectively, in the Philadelphia area and (b) the CR rail lines and routes to be operated as "joint terminal" lines.]

[Map No. 13: This is a map dated 4/8/97 which shows railroad locations in and around Toledo, Ohio. Consistent with the narrative descriptions and the line segment information included in Exhibit A, this map indicates by colored lines (a) the specific CR rail lines and other CR rail facilities assigned to NS and CSX, respectively, in the Toledo area, (b) the existing CSX and NS rail lines in and around Toledo, and (c) existing trackage rights in favor of NS on the Ann Arbor Railroad.]

[Map No. 14: This is a map entitled "Washington D.C. (No Scale)", dated 4/8/97, which shows railroad locations in and around Washington, D.C. Consistent with the narrative descriptions and the line segment information included in Exhibit A, this map indicates by colored lines (a) the specific CR rail

lines and other CR rail facilities assigned to CSX in the Washington area, (b) the existing NS and CSX rail lines and routes, (c) NS trackage rights (existing and new) on CSX lines, and (d) CSX and NS trackage rights on Amtrak's Northeast Corridor route.]

[Map No. 15: This is a map of the northeastern part of the United States dated 4/8/97 which shows the rail lines comprising CR's railroad system network. Consistent with the narrative descriptions and the line segment information included in Exhibit A, this map indicates by colored lines (a) the CR rail lines and routes allocated to CSX, (b) the CR rail lines and routes allocated to NS, and (c) the CR rail lines and routes that are to be operated jointly for the benefit of both CSX and NS.]

</TEXT>

</DOCUMENT>

Exhibit 99.C.15

FOURTH AMENDMENT

TO

AGREEMENT AND PLAN OF MERGER

BY AND AMONG

CONRAIL INC.,
A PENNSYLVANIA CORPORATION,

GREEN ACQUISITION CORP.,
A PENNSYLVANIA CORPORATION,

AND

CSX CORPORATION,
A VIRGINIA CORPORATION,

DATED AS OF APRIL 8, 1997.

FOURTH AMENDMENT TO AGREEMENT AND PLAN OF MERGER, dated as of April 8, 1997 (this "Fourth Amendment"), by and among CONRAIL INC., a Pennsylvania corporation ("Green"), GREEN ACQUISITION CORP., a Pennsylvania corporation and a wholly owned subsidiary of White ("Tender Sub"), and CSX CORPORATION, a Virginia corporation ("White").

WITNESSETH:

WHEREAS, Green, Tender Sub and White have entered into an Agreement and Plan of Merger, dated as of October 14, 1996 (the "October 14 Merger Agreement");

WHEREAS, Green, Tender Sub and White have entered into a First Amendment to the October 14 Merger Agreement, dated as of November 5, 1996 (the "First Amendment"), a Second Amendment to the October 14 Merger Agreement, dated as of December 18, 1996 (the "Second Amendment"), and a Third Amendment to the October 14 Merger Agreement, dated as of March 7, 1997 (the "Third Amendment"), pursuant to which White, Green and Tender Sub have made certain amendments to the October 14 Merger Agreement (the October 14 Merger Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, the "Merger Agreement");

WHEREAS, White is entering into a letter agreement (the "NSC Agreement") with Norfolk Southern Corporation ("NSC") as contemplated by Section 4.3 of the Merger Agreement, pursuant to which certain amendments will be made to the Amended Second Offer including the addition of NSC as a co-bidder (as so amended, the "White/NSC Offer");

WHEREAS, as contemplated by Section 4.3 of the Merger Agreement, Green, Tender Sub and White desire to make certain amendments to the Merger Agreement, as set forth herein;

WHEREAS, the Board of Directors of Green has approved, and deems it advisable and in the best interests of Green to enter into, this Fourth Amendment;

WHEREAS, the respective Boards of Directors of Tender Sub and White have approved, and deem it advisable and in the best interests of their respective shareholders to enter into, this Fourth Amendment;

WHEREAS, except as amended by this Fourth Amendment, the Merger Agreement shall remain in full force and effect; and

WHEREAS, capitalized terms used herein and not defined herein shall have the respective meanings given in the Merger Agreement;

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Fourth Amendment, the parties, intending to be legally bound, agree as follows:

ARTICLE I

SECTION 1. The following is hereby added to the end of Section 1.2 of the Merger Agreement:

(m) Green hereby approves of and consents to the White/NSC Offer and represents that its Board of Directors, at a meeting duly called and held, has by the vote of all directors present (i) determined that this Agreement, as amended by the Fourth Amendment, dated as of April 8, 1997, to this Agreement (the "Fourth Amendment"), and the transactions contemplated hereby (including the White/NSC Offer and the Merger), are in the best interests of Green, (ii) approved this Agreement, as amended by the Fourth Amendment, and the transactions contemplated hereby (including the White/NSC Offer and the Merger), such determination and approval constituting approval thereof by the Board of Directors for all purposes of the Pennsylvania Law, and (iii) resolved to recommend that the shareholders of Green accept the White/NSC Offer and tender their shares of Green Common Stock or Green ESOP Preferred Stock thereunder to Tender Sub and that all shareholders of Green approve and adopt this Agreement, as amended by the Fourth Amendment, and the transactions contemplated hereby; provided, however, that prior to the purchase by Tender Sub of shares of Green Common Stock and Green ESOP Preferred Stock pursuant to the White/NSC Offer, Green may modify, withdraw or change such recommendation, but only to the extent that Green complies with Section 4.2 hereof. Green hereby consents to the inclusion in amendments to the Amended Second Offer Documents of the recommendations of Green's Board of Directors described in this Section.

SECTION 2. Section 1.3 of the Merger Agreement is hereby deleted and replaced in its entirety with the following:

SECTION 1.3. The Merger. Upon the terms and subject to the conditions set forth in this Agreement, and

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in accordance with the Pennsylvania Business Corporation Law of 1988, as amended (the "Pennsylvania Law"), Green Merger Corp., a wholly owned Pennsylvania subsidiary of Tender Sub ("Merger Sub"), shall be merged with and into Green at the Effective Time (the "Merger"). Green shall be the surviving corporation (the "Surviving Corporation") of the Merger and shall succeed to and assume all rights and obligations of Merger Sub in accordance with the Pennsylvania Law.

SECTION 3. Section 1.7(a) of the Merger Agreement is hereby deleted and replaced in its entirety with the following:

(a) The articles of incorporation and by-laws of Merger Sub, as in effect immediately prior to the Effective Time, shall be the articles of incorporation and by-laws, respectively, of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law, provided that the articles of incorporation of the Surviving Corporation shall provide that the Surviving Corporation shall be named "Conrail Inc."

SECTION 4. Section 1.9 of the Merger Agreement is hereby deleted and replaced in its entirety with the following:

SECTION 1.9. Voting Trust. The parties agree that, simultaneously with the purchase by White, Tender Sub or their affiliates of shares of Green Common Stock and Green ESOP Preferred Stock pursuant to the Amended Second Offer, the Green Stock Option Agreement or otherwise, such shares of Green Common Stock (including pursuant to the automatic conversion of Green ESOP Preferred Stock, shall be deposited in a voting trust (the "Voting Trust") in accordance with the terms and conditions of a voting trust agreement substantially in the form attached as Exhibit E hereto (the "Voting Trust Agreement"). Subject to applicable law and to the rules, regulations and practices of the Surface Transportation Board, the Voting Trust may be modified or amended, and other voting trusts may be employed with respect to Green Common Stock, at any time by White in its sole discretion (provided that the terms of the Voting Trust governing the voting of or transfer or disposition of Green Common Stock shall not be amended prior to the consummation of the Amended Second Offer without Green's consent and provided further that Green hereby consents to the adoption of a voting trust agreement substantially in the form attached to the Fourth Amendment hereto as Exhibit E-1, such voting trust agreement

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not to be effective prior to the consummation of the Amended Second Offer without Green's consent).

SECTION 5. Section 2.1(a) of the Merger Agreement is hereby deleted and replaced in its entirety with the following:

(a) Each share of Common Stock, par value \$1.00 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall, at the Effective Time, by virtue of the Merger and without any action on the part of any person, become one duly authorized, validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation.

SECTION 6. Sections 3.1(1) and (n)(A) of the Merger Agreement are hereby deleted and replaced in their entirety with the following:

(1) State Takeover Statutes. Other than with respect to Subchapter E (Control Transactions) of Chapter 25 of the Pennsylvania Law ("Subchapter E"), the Board of Directors of Green has taken all action necessary or advisable so as to render inoperative with respect to the transactions contemplated hereby (including the Offer, the Amended Second Offer, the White/NSC Offer, the Merger and the execution, delivery and performance of the transactions contemplated by the NSC Agreement) or by the Green Stock Option Agreement or the NSC Agreement all applicable state anti-takeover statutes.

(n) Green Rights Agreement and By-laws. (A) The Green Rights Agreement has been amended (collectively, the "Green Rights Plan Amendment") to (i) render the Green Rights Agreement inapplicable to the Offer, the Amended Second Offer, the White/NSC Offer, the Merger and the other transactions contemplated by this Agreement, the Green Stock Option Agreement and the NSC Agreement and (ii) ensure that (y) neither White nor any of its controlled subsidiaries nor NSC nor any of its controlled subsidiaries nor any other entity formed for the purpose of acquiring Green wholly owned by White and NSC is an Acquiring Person (as defined in the Green Rights Agreement) pursuant to the Green Rights Agreement and (z) a Shares Acquisition Date, Distribution Date or Trigger Event (in each case as defined in the Green Rights Agreement) does not occur by reason of the approval, execution or delivery of this Agreement, the Green Stock Option Agreement or the NSC Agreement, or the consummation of the Offer, the Amended Second

Offer, the White/NSC Offer or the Merger or the consummation of the other transactions contemplated by this Agreement, the Green Stock Option Agreement or the NSC Agreement, and the Green Rights Agreement may not be further amended by Green without the prior consent of White in its sole discretion.

SECTION 7. The following is hereby added immediately prior to the end of Section 4.1(a)(i) of the Merger Agreement: "and provided further, however, that, notwithstanding the foregoing or anything to the contrary contained herein, following the date of the Third Amendment Green's Board of Directors shall not declare, and Green shall not pay, any dividend on Green's capital stock with a record date on or prior to May 30, 1997".

SECTION 8. The following is hereby added to the end of Section 5.1 of the Merger Agreement: "Green shall not take any action to change the date set for its 1997 Annual Meeting from December 19, 1997 without the prior consent of White in its sole discretion."

SECTION 9. Section 5.4 of the Merger Agreement is hereby amended to grant to NSC and any entity formed for the purpose of acquiring Green wholly owned by White and NSC the access and information granted thereunder to the same extent as White and its officers, employees and representatives, subject to each such person's agreement to be bound by the obligations provided therein and under the Confidentiality Agreement.

SECTION 10. Section 5.5(c) is hereby deleted and replaced in its entirety with the following:

(c) In connection with and without limiting the foregoing, Green shall (i) take all action necessary to ensure that no state anti-takeover statute or similar statute or regulation is or becomes operative with respect to the Offer, the Merger, this Agreement, the Green Option Agreement, the NSC Agreement or any of the transactions contemplated by this Agreement, the NSC Agreement or the Green Option Agreement and (ii) if any state anti-takeover statute or similar statute or regulation is or becomes operative with respect to the Offer, the Merger, this Agreement, the Green Option Agreement, the NSC Agreement or any transaction contemplated by this Agreement, the NSC Agreement or the Green Option Agreement, take all action necessary to ensure that the Offer, the Amended Second Offer, the White/NSC Offer, the Merger and the other transactions contemplated by this Agreement, the NSC Agreement and the Green Option Agreement may be consummated as

promptly as practicable on the terms contemplated by this Agreement, the NSC Agreement and the Green Option Agreement and otherwise to minimize the effect of such statute or regulation on the Merger and the other transactions contemplated by this Agreement, the NSC Agreement and the Green Option Agreement.

SECTION 11. Section 5.14 of the Merger Agreement is hereby deleted and replaced in its entirety with the following:

SECTION 5.14. Green Rights Agreement. The Board of Directors of Green shall take all further action (in addition to that referred to in Section 3.1(n)) reasonably requested in writing by White (including redeeming the Green Rights immediately prior to the Effective Time or amending the Green Rights Agreement) in order to render the Green Rights inapplicable to the Offer, the Amended Second Offer, the White/NSC Offer, the Merger and the other transactions contemplated by this Agreement, the Green Stock Option Agreement and the NSC Agreement. Except as provided above with respect to the Offer, the Merger and the other transactions contemplated by this Agreement, the Green Stock Option Agreement and the NSC Agreement, the Board of Directors of Green shall not (a) amend the Green Rights Agreement or (b) take any action with respect to, or make any determination under, the Green Rights Agreement, including a redemption of the Green Rights or any action to facilitate a Takeover Proposal in respect of Green.

SECTION 12. The following is hereby added to Section 5.13 of the Merger Agreement following the word "proceeding": "(including to effect a dismissal with prejudice)".

SECTION 13. Notwithstanding anything to the contrary contained in this Fourth Amendment, nothing in the NSC Agreement, the Definitive Documentation (as defined in the NSC Agreement) or any other agreement, arrangement or understanding between White and NSC shall affect the rights and obligations of Green or White under the Merger Agreement, as amended by this Fourth Amendment (including Attachment A to the Green Disclosure Schedule dated as of March 7, 1997).

SECTION 14. The term "Merger Agreement" or "this Agreement" as used in the Merger Agreement shall be deemed to refer to the Merger Agreement as amended through and including the Fourth Amendment (provided that the terms "date hereof" or "date of this Agreement" as used in the Merger Agreement shall mean October 14, 1996); the terms "Offer" or "Amended Second Offer" as used in the Merger Agreement shall be deemed to include the White/NSC Offer;

<PAGE> 8

and the term "transactions contemplated by this Agreement" or "transactions contemplated hereby", for purposes of Section 3.1(d) of the Merger Agreement, shall be deemed to include the transactions contemplated by the NSC Agreement (including the execution and delivery thereof) and, for all purposes under the Merger Agreement, shall be deemed to include any purchases of shares of Green Common Stock under this Agreement or the NSC Agreement by White or any of its controlled subsidiaries, NSC or any of its controlled subsidiaries or any other entity formed for the purpose of acquiring Green wholly owned by White and NSC pursuant to Subchapter E as a result of such transactions.

ARTICLE II

GENERAL

SECTION 1. Merger Agreement. Except as amended hereby, the provisions of the Merger Agreement shall remain in full force and effect.

SECTION 2. Counterparts. This Fourth Amendment may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

SECTION 3. Entire Agreement; No Third-Party Beneficiaries. Other than the Merger Agreement (and subject to Section 8.6 thereof), this Fourth Amendment (a) constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Fourth Amendment and (b) is not intended to confer upon any person other than the parties hereto any rights or remedies other than upon NSC and any entity formed for the purpose of acquiring the Company wholly owned by CSX and NSC, in any case to the extent of Section 1.2(m), Section 3.1(l), Section 3.1(n)(A), the last sentence of Section 5.1, Section 5.4, Section 5.5(c) and Section 5.14 of the Merger Agreement.

SECTION 4. GOVERNING LAW. THIS FOURTH AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, REGARDLESS OF THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICT OF LAWS THEREOF; PROVIDED, HOWEVER, THAT THE LAWS OF THE RESPECTIVE STATES OF INCORPORATION OF EACH OF THE PARTIES HERETO SHALL GOVERN THE RELATIVE RIGHTS, OBLIGATIONS, POWERS, DUTIES AND OTHER INTERNAL AFFAIRS OF SUCH PARTY AND ITS BOARD OF DIRECTORS.

SECTION 5. Assignment. Neither this Fourth Amendment nor any of the rights, interests or obligations under this Fourth Amendment shall be assigned, in whole or in part, by operation of law or otherwise by either of the parties hereto without the prior written consent of the other party. Any assignment in violation of the preceding sentence shall be void. Subject to the preceding sentence, this Fourth Amendment will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

SECTION 6. ENFORCEMENT. THE PARTIES AGREE THAT IRREPARABLE DAMAGE WOULD OCCUR AND THAT THE PARTIES WOULD NOT HAVE ANY ADEQUATE REMEDY AT LAW IN THE EVENT THAT ANY OF THE PROVISIONS OF THIS FOURTH AMENDMENT WERE NOT PERFORMED IN ACCORDANCE WITH THEIR SPECIFIC TERMS OR WERE OTHERWISE BREACHED. IT IS ACCORDINGLY AGREED THAT THE PARTIES SHALL BE ENTITLED TO AN INJUNCTION OR INJUNCTIONS TO PREVENT BREACHES OF THIS FOURTH AMENDMENT AND TO ENFORCE SPECIFICALLY THE TERMS AND PROVISIONS OF THIS FOURTH AMENDMENT IN ANY FEDERAL COURT LOCATED IN THE STATE OF NEW YORK OR IN NEW YORK STATE COURT, THIS BEING IN ADDITION TO ANY OTHER REMEDY TO WHICH THEY ARE ENTITLED AT LAW OR IN EQUITY. IN ADDITION, EACH OF THE PARTIES HERETO (A) CONSENTS TO SUBMIT ITSELF TO THE PERSONAL JURISDICTION OF ANY FEDERAL COURT LOCATED IN THE STATE OF NEW YORK OR ANY NEW YORK STATE COURT IN THE EVENT ANY DISPUTE ARISES OUT OF THIS FOURTH AMENDMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS FOURTH AMENDMENT, (B) AGREES THAT IT WILL NOT ATTEMPT TO DENY OR DEFEAT SUCH PERSONAL JURISDICTION BY MOTION OR OTHER REQUEST FOR LEAVE FROM ANY SUCH COURT AND (C) AGREES THAT IT WILL NOT BRING ANY ACTION RELATING TO THIS FOURTH AMENDMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS FOURTH AMENDMENT IN ANY COURT OTHER THAN A FEDERAL COURT SITTING IN THE STATE OF NEW YORK OR A NEW YORK STATE COURT.

SECTION 7. Headings. The headings contained in this Fourth Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Fourth Amendment.

SECTION 8. Severability. If any term or other provision of this Fourth Amendment is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Fourth Amendment shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Fourth Amendment so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

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IN WITNESS WHEREOF, Conrail Inc., Green Acquisition Corp. and CSX Corporation have caused this Fourth Amendment to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

CONRAIL INC.

by

Name:
Title:

GREEN ACQUISITION CORP.

by

Name:
Title:

CSX CORPORATION

by

Name:
Title:

AMENDED AND RESTATED VOTING TRUST AGREEMENT

THIS AMENDED AND RESTATED VOTING TRUST AGREEMENT, dated as of April __, 1997, by and among CSX Corporation, a Virginia corporation ("Parent"), Norfolk Southern Corporation, a Virginia corporation ("NSC"), _____ LLC, a limited liability company organized under the laws of _____ ("LLC"), and Green Acquisition Corp., a Pennsylvania corporation ("Acquiror"), and Deposit Guaranty National Bank, a national banking association (the "Trustee"),

W I T N E S S E T H:

WHEREAS, Parent, Acquiror and Conrail Inc., a Pennsylvania corporation (the "Company"), have entered into an Agreement and Plan of Merger, dated as of October 14, 1996 (as it has been and may be amended from time to time, the "Merger Agreement"; capitalized terms used but not defined herein shall have the meanings set forth therein), pursuant to which (i) Acquiror was to commence and did commence the Offer, the Second Offer and the White/NSC Offer (all as defined in the Merger Agreement) for shares of Common Stock of the Company (all such shares accepted for payment pursuant to the Tender Offer or otherwise received, acquired or purchased by or on behalf of Parent or Acquiror, including pursuant to the Option Agreement, the "Acquired Shares"), and (ii) a subsidiary of Acquiror will merge into the Company pursuant to the Merger.

WHEREAS, Parent, Acquiror and the Trustee have entered into a Voting Trust Agreement, dated as of October 15, 1996 (the "Original Voting Trust Agreement");

WHEREAS, Parent, Acquiror and the Company have entered into a First Amendment to the Merger Agreement dated November 5, 1996, a Second Amendment thereto dated December 18, 1996, a Third Amendment thereto dated March 7, 1997, and a Fourth Amendment thereto dated April, 1997;

WHEREAS, 17,775,125 shares of Common Stock of the Company, which were acquired pursuant to the Offer, are being held in the Original Voting Trust, and trust certificates with respect to such shares have been issued to Acquiror;

WHEREAS, as authorized by the Third Amendment and the Fourth Amendment to the Merger Agreement referred to above, Parent and Norfolk Southern Corporation have entered into a letter agreement dated as of April __, 1997 (together with any further agreements between CSX and NSC made pursuant to its terms, and as it or such other agreement may be amended from time to time, the "CSX/NS Agreement"), under which, among other things, NSC and Parent have jointly formed LLC, in which each will have an ownership interest and each will have equal voting rights, and under which each of them will make contributions to LLC, including the contribution of all of the stock of Acquiror by Parent to LLC;

WHEREAS, under the CSX/NS Agreement, NSC proposes, effective upon the consummation of the White/NSC Offer, to cause its subsidiary, Atlantic Acquisition Corporation, a Pennsylvania corporation ("Atlantic") to cause 8,200,000 shares of Common Stock to be transferred from a voting trust currently governed by an "Amended and Restated Voting Trust Agreement" dated

as of February 10, 1997, as Amended and Restated as of February 18, 1997, to which NSC, Atlantic and First American National Bank are parties, to the Trustee hereunder, to be held as Trust Stock hereunder.

WHEREAS, Parent and Acquiror wish (and are obligated pursuant to the Merger Agreement), simultaneously with the acceptance for payment of Acquired Shares pursuant to the Tender Offer (including the White/NSC Offer), the Merger, or otherwise to deposit such Shares of Common Stock in an independent, irrevocable voting trust, pursuant to the rules of the Surface Transportation Board (the "STB"), in order to avoid any allegation or assertion that the Parent or the Acquiror is controlling or has the power to control the Company prior to the receipt of any required STB approval or exemption;

WHEREAS, Parent, Acquiror and the Trustee wish to amend the Original Voting Trust Agreement to reflect the CSX/NS Agreement [(and no consent of the Company is necessary to effect such amendment),] [(and the Company has consented to such amendment)] and to add as parties to the Original Voting Trust Agreement NSC and LLC, and Parent, Acquiror, NSC, LLC and the Trustee wish to further restate the Voting Trust Agreement as so amended;

WHEREAS, the parties intend that, prior to the authorization and approval of the STB, neither Parent, NSC, LLC nor Acquiror nor any of their affiliates shall control the Company and the Company shall not have as a director any officer, director, nominee or representative of the Parent, the Acquiror or any of their affiliates;

WHEREAS, the holder of all outstanding Trust Certificates has assented to such amendment of the Original Voting Trust Agreement, and all requirements for the amendment of the Original Voting Trust Agreement contained therein have been satisfied;

WHEREAS, this Amended and Restated Voting Trust Agreement (hereinafter, this "Trust Agreement") shall be binding on the parties from and after its execution, but shall become effective only as set forth in Paragraph 24 hereof;

WHEREAS, neither the Trustee nor any of its affiliates has any officers or board members in common or any direct or indirect business arrangements or dealings (as described in Paragraph 9 hereof) with the Parent, the Acquiror, NSC or LLC or any of their affiliates; and

WHEREAS, the Trustee is willing to continue to act as voting trustee pursuant to the terms of this Trust Agreement and the rules of the STB.

NOW THEREFORE, the parties hereto agree as follows:

1. CREATION OF TRUST -- The Parent, the Acquiror, NSC and LLC hereby appoint Deposit Guaranty National Bank as Trustee hereunder, and Deposit Guaranty National Bank hereby accepts said appointment and agrees to act as Trustee under this Trust Agreement as provided herein.

2. TRUST IS IRREVOCABLE -- This Trust Agreement and the nomination of the Trustee during the term of the trust shall be irrevocable by the Parent, the Acquiror, NSC and LLC and their affiliates and shall terminate only in accordance with, and to the extent of, the provisions of Paragraphs 8 and 14 hereof.

3. DEPOSIT OF TRUST STOCK -- The Parent, the Acquiror, NSC and LLC agree that, simultaneously with acceptance of Acquired Shares purchased pursuant to the White/NSC Offer, the Acquiror will direct the depository for the White/NSC Offer to transfer to the Trustee any such Acquired Shares purchased pursuant to the White/NSC Offer. The Parent, the Acquiror, NSC and LLC also

STB

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ARNOLD & PORTER555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206(202) 942-5000
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DENVER
LOS ANGELES
LONDON

April 10, 1997

**BY HAND**

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Re: Notice of Intent to File Railroad Control Application --
Finance Docket 33388

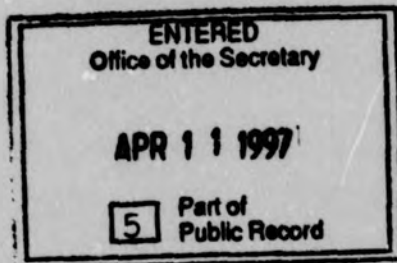
Dear Secretary Williams:

Enclosed please find the Notice of Intent to File Railroad Control Application, Petition for Protective Order, Petition for Waiver and Petition to Establish Procedural Schedule in the above referenced docket.

Accompanying this letter are twenty-five copies of each of the above, as well as a formatted diskette in WordPerfect 5.1.

Thank you for your assistance in this matter. Please contact myself ((202) 942-5858), Paul Denis ((202) 942-5035), or Susan Morita ((202) 942-5252) if you have any questions.

Kindly date stamp the enclosed additional copy of this letter at the time of filing and return it to our messenger.



Very truly yours,

[Signature]
Dennis G. Lyons
ARNOLD & PORTER
Counsel for CSX Corporation and CSX
Transportation, Inc.

Enclosures

RECEIVED
SURFACE TRANSPORTATION
BOARD
APR 10 4 59 PM '97
OFFICE OF SECRETARY
ICC

CSX/NS-1



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388



CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
--CONTROL AND OPERATING LEASES/AGREEMENTS--
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION--
TRANSFER OF RAILROAD LINE BY NORFOLK SOUTHERN
RAILWAY COMPANY TO CSX TRANSPORTATION, INC.

OFFICE OF SECRETARY
STB

APR 10 4 59 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

NOTICE OF INTENT TO FILE
RAILROAD CONTROL APPLICATION

CSX Corporation ("CSXC"), CSX Transportation, Inc. ("CSXT"),¹
Norfolk Southern Corporation ("NSC"), Norfolk Southern Railway Company
("NSRC"),² and Conrail Inc. ("CRI") and Consolidated Rail Corporation
("CRC"),³ hereby notify the Board of their intention to file a joint application
seeking Board authorization under 49 U.S.C. §§ 11323-25 for (a) the acquisition
of control by CSX and NS, of Conrail Inc., which is to be jointly owned by
CSXC and NSC, by and through a special purpose limited liability company
("LLC") and LLC's wholly-owned subsidiary, Green Acquisition Corp. and
(b) as soon as practicable after the authorization and exercise of such control, the
division of Conrail's assets into (i) assets which will be the subject of separate
long-term operating agreements, operating leases or other operating arrangements

¹ CSXC and CSXT are referred to collectively as "CSX."

² NSC and NSRC are referred to collectively as "NS."

³ CRI and CRC are referred to collectively as "Conrail."

ENTERED Office of the Secretary	
APR 11 1997	
5	Part of Public Record

with CSX and NS, respectively, (ii) other assets which will be separately owned by CSX and NS, and (iii) those which will continue to be held by CRI and CRC or their subsidiaries and operated for Conrail's account and that of its stockholders. CSX and NS intend to file a joint application relating to their joint acquisition of control and subsequent division and separate operation of Conrail, the long-term operating agreements, operating leases and other operating arrangements, and other matters related thereto. In addition, as part of the overall transaction, NSRC will sell to CSXT a line of railroad owned by NSRC, formerly owned by Conrail.

In a separate petition being filed herewith (CSX/NS-2), pursuant to 49 C.F.R. §§ 1152.24(e)(5) and 1180.4(f), Applicants are requesting that the Board waive the requirements of 49 C.F.R. § 1180.4(b)(1) so that they need not wait three months before filing their proposed application.⁴

In accordance with 49 C.F.R. § 1180.4(b), Applicants state the following:

(i) CSX and NSC will participate jointly in the acquisition of CRI consistent with CSX's and CRI's October 14, 1996 Merger Agreement, as amended through and including a Fourth Amendment dated as of April 8, 1997, and under agreements made between CSX and NS. CSX and NS jointly, through LLC and Green Acquisition Corporation, will acquire all CRI shares not already held by voting trusts of which CSX and NS are beneficiaries, through a tender offer to be followed by the merger of CRI with a subsidiary of Green Acquisition

⁴ CSX and NS also are filing herewith a Petition for a Protective Order (CSX/NS-3), and petitions to dismiss the prior CSX/CR docket (Finance Docket No. 33220) and the prior NS/CR docket (Finance Docket No. 33286). Those petitions and this notice of intent are being served on all parties to each of the prior dockets referred to in this footnote. CSX and NS plan to file a Petition to Establish Procedural Schedule within the next few days.

Corp. The shares of CRI as acquired will be placed in a voting trust subject to the Board's regulations in 49 C.F.R. § 1013.

Once the CRI stock has been acquired, and contingent on and following the Board's authorization and approval of control and the other contemplated transactions, CSX and NS will assume control of Conrail and, as soon as practicable thereafter, will cause Conrail to be restructured into (a) certain assets and functions which will continue to be operated and performed by Conrail for its own account but for the benefit of NS and CSX, (b) certain fixed assets, to be owned by Conrail or subsidiaries, which will be the subject of separate long-term operating agreements, operating leases, or other arrangements with CSX and NS, respectively, and (c) certain other assets of Conrail which will be divided between CSX and NS and acquired and operated by them. The surviving company will own and operate, directly or through subsidiaries, among other things, certain track and other fixed rail assets in the New York/New Jersey area, the Philadelphia/South New Jersey area and the Detroit area. Both CSX and NS will serve shippers on the former Monongahela Railroad.

The subjects of the operating agreement or operating lease with CSX will include, among other things, a north-south route between the New York area and Philadelphia and a route from the New York area through Albany, Buffalo, and Cleveland to St. Louis. The subjects of the operating agreement or operating lease with NS will include, among other things, north-south routes from the New York area to Washington, DC, and to Hagerstown, MD, a route westward from Philadelphia and a route westward from the New York area to Buffalo. The respective routes and related fixed assets presently contemplated to be the subjects of such operating agreements or operating leases, as agreed upon in a Letter Agreement dated April 8, 1997, between CSX and NSC, are described in general

terms on the attached Schedule. The description contained in the schedule is general and is not intended to supplement or replace in any way the Letter Agreement dated April 8, 1997. CSX and NS reserve the right, by mutual agreement, to make changes in the division effected by the Letter Agreement. A more detailed and definitive description will be set forth in the Application.

As part of the contemplated transaction, NSRC will transfer to CSXT its line of railroad (formerly a Conrail line) between Ft. Wayne, IN, and the Chicago metropolitan area.

(ii) Applicants intend to submit an impact analysis based on 1995 data.

(iii) Applicants anticipate filing their application on or before July 10, 1997; they would hope to file their application as much as four or five weeks earlier if their Petition to waive the three-month requirements of 49 C.F.R. § 1180.4(b), referred to above, is granted.

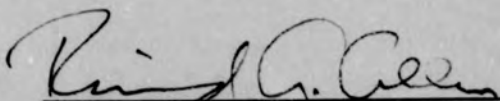
(iv) The transaction involves the common control of more than one Class I railroad, and therefore would be a major transaction as defined in 49 C.F.R. § 1180.2(a).

CSX and NS adopt the acronym CSX/NS for documents filed jointly by them (some of which, like this document, may also be joined in by Conrail), and adopt the acronyms "CSX" and "NS" for any documents which they may file separately in this docket.

Respectfully submitted,

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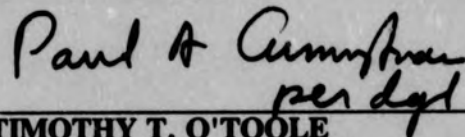
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per dgt

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(202) 973-7600

Counsel for Conrail Inc. and
Consolidated Rail Corporation

April 10, 1997

SCHEDULE TO NOTICE OF INTENT

DIVISION AND ASSIGNMENT OF ASSETS

The following is a general description of the major divisions and assignments of assets and rights arising out of a Letter Agreement dated April 8, 1997 between CSX and NSC. It is not intended to supplement or replace in any way the Letter Agreement.

CONRAIL'S LINES TO BE ASSIGNED TO CSX

CSX will operate the following Conrail lines or trackage rights, including related branches.

- From NY/NJ to Cleveland via Albany and Buffalo (former New York Central Route & Extensions)
- From Albany to Boston
- From Syracuse to Montreal
- From Crestline (OH) to Fort Wayne (IN) (former Pennsylvania R.R. Route & Extensions)
- Cleveland (Berea) to East St. Louis (Route & Extensions)
- Toledo to Columbus (Route & Extensions)
- From Bowie (MD) to Woodzell (MD)
- From NY/NJ to Philadelphia (West Trenton Line)
- From Washington, DC to Landover (MD)
- From Philadelphia to Quakertown

CONRAIL'S LINES TO BE ASSIGNED TO NS

NS will operate the following Conrail lines or trackage rights, including related branches:

- From North NJ to Crestline/Cleveland via Harrisburg (former Pennsylvania R.R. Route & Extensions)
- From Cleveland to Chicago (former New York Central "Water Level" Route)
- Philadelphia to Washington (NEC) (Route & Extensions)

- Michigan Lines (Excluding Joint Detroit Area)
- Eastern PA Lines & Extensions (including Philadelphia to Reading)
- Indiana Lines & Extensions (including Anderson to Goshen)
- Buffalo to NY/NJ via Binghamton ("Southern Tier" Route & Extensions)
- From Buffalo to Harrisburg and South
- From Cincinnati (OH) to Columbus (OH) to Charleston (WV)
- Chicago South/Illinois Lines (Streator Line)
- Ashtabula Harbor (OH) to Youngstown (OH)

CSX will acquire the following NS line:

- Fort Wayne, IN to Chicago, IL

SHARED ASSETS AND OTHER DETAIL

Certain CRR properties and rights will be "Shared Assets" which will be assigned and operated generally along the following principles:

NS will be assigned: control of the Ashtabula Harbor facilities, access to Seneca Yard (Buffalo), access to CRR's route to BNSF's Willow Springs Yard (Chicago), certain rights relating to Indiana Harbor Belt (Chicago), Rockport Yard (Cleveland), Buckeye Hump Yard (Columbus OH), access to the NS/CSXT Detroit commercial joint area, a free easement along the CR right-of-way in Erie to replace the NS right-of-way through downtown Erie, a portion of Piqua Yard (Fort Wayne IN), a portion of Hawthorne Yard (Indianapolis), the former Monongahela Railway (subject to a perpetual NS/CSX equal joint use agreement), access to the NS/CSXT North Jersey commercial joint area (which includes the Port Newark/Elizabeth Marine Terminal area, sections of the Northeast Corridor, Oak Island Yard, and auto terminals at Doremus Avenue, Greenville and Ridgefield Heights), access to the APL terminal in Kearny (North Jersey), Croxton and E-Rail intermodal facilities (North Jersey), access to the NS/CSXT Philadelphia/South Jersey commercial area (which includes all Philadelphia stations, industries on the Chester Industrial and Chester Secondary tracks, and sections of the Amtrak Northeast Corridor), access to Morrisville intermodal facility (north of Philadelphia), sections of Greenwich Yard (Philadelphia), joint access to Ameriport intermodal terminal, Airline Junction Yard (Toledo), certain rights on the Washington, D.C. to New York Amtrak Northeast Corridor.

CSXT will be assigned: rights in the Ashtabula Harbor facilities, Seneca Yard (Buffalo), access to CR's route to BNSF's Willow Springs Yard (Chicago), certain rights relating to Indiana Harbor Belt (Chicago), Collinwood Yard (Cleveland), the former "local yard" and the CR intermodal terminal at Buckeye (Columbus OH), access to the NS/CSXT Detroit commercial joint area, a portion of Piqua Yard (Fort Wayne IN), a perpetual NS/CSXT equal joint use agreement for the former Monongahela Railway, access to the NS/CSXT North Jersey commercial joint area (which includes access to the Port Newark/Elizabeth Marine Terminal area, certain freight rights on sections of the Northeast Corridor, Oak Island Yard, and auto terminals at Doremus Avenue, Greenville and Ridgefield Heights, access to the APL terminal in Kearny (North Jersey)), North Bergen and South Kearny (non-APL portion) intermodal terminals (North Jersey), access to the NS/CSXT Philadelphia/South Jersey commercial area (which includes all Philadelphia stations, industries on the Chester Industrial and Chester Secondary tracks, and sections of the Northeast Corridor), a contiguous route through Philadelphia, most of Greenwich Yard (Philadelphia), joint access to Ameriport intermodal terminal, Stanley Yard (Toledo), certain rights on the Washington, D.C. to New York Amtrak Northeast Corridor.

TRACKAGE RIGHTS ROUTES

Unless otherwise provided in the Letter Agreement, existing Conrail trackage rights over CSXT will be assigned to NS and existing Conrail trackage rights over NS will be assigned to CSXT. In addition, both parties will acquire certain existing and new overhead trackage rights ancillary to their routes. Trackage rights and/or haulage arrangements will be created for the few customers who are currently served by two rail carriers and who would otherwise be served by only one rail carrier following the proposed transaction.

FACILITIES

NS will be assigned certain rights and responsibilities related to the Altoona and Hollidaysburg Shops, and CSXT will be assigned certain rights and responsibilities related to the Philadelphia Headquarters and the Philadelphia area information technology facilities. CSXT and NS will share certain rights and responsibilities related to the Customer Service Center (Pittsburgh), the Crew Management Facility (Dearborn), the Signal System Repair Center (Columbus), and the System Maintenance of Way Center (Canton).

CERTAIN OTHER CR INTERESTS

NS will be assigned CR's interest in the Belt Railway of Chicago, Triple Crown, and the Peoria and Pekin Union. CR's interest in Trailer Train (TTX) will be split so that CSXT and NS will have an equal interest (18.975%) following the transaction. CSXT will be assigned CR's interest in Lakefront Dock, SL&A Railway, and Albany Port Railway. Several other interests will be shared on a percentage basis.