On May 1, 2013, Norfolk Southern will make some investment changes in your 401(k) retirement Plan. Learn how new investment options offer you the opportunity to further diversify your savings.
What changes will be made?

- Effective May 1, 2013, two funds will close to new investments: Royce Premier Fund Investment Class and Vanguard International Growth Fund Admiral™ Shares. You can keep existing money invested in these funds until December 31, 2013.
- On May 1, 2013, four funds will be added as investment options: Vanguard Inflation-Protected Securities Fund Institutional Shares, Vanguard Total Bond Market Index Fund Institutional Shares, Vanguard Small-Cap Index Fund Institutional Shares, and Vanguard Total International Stock Index Fund Institutional Shares.

What you need to do

If you do not invest in Royce Premier Fund Investment Class or Vanguard International Growth Fund Admiral Shares, you do not have to take any action.

If you currently direct contributions to one or both of the closing funds, your contributions will be redirected automatically to the replacement funds on May 1, 2013, as shown below. You can keep your existing balance in the funds until December 31, 2013, when the funds will be removed from the Plan and your balances will be transferred automatically as shown in the chart below. You can transfer money out of these funds at any time, but after May 1, you will not be able to transfer money into the funds.

<table>
<thead>
<tr>
<th>Closing fund</th>
<th>Replacement fund</th>
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</thead>
<tbody>
<tr>
<td>Royce Premier Fund Investment Class</td>
<td>Vanguard Small-Cap Index Fund Institutional Shares</td>
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<tr>
<td>Vanguard International Growth Fund Admiral Shares</td>
<td>Vanguard Total International Stock Index Fund Institutional Shares</td>
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If you wish to choose different funds for your contributions, contact Vanguard by 4 p.m., Eastern time, on April 30, 2013.
Reasons for the changes

Norfolk Southern’s Benefits Investment Committee continually reviews The Thoroughbred Retirement Investment Plan (TRIP) and The Thrift and Investment Plan (TIP) to make sure they provide participants with a convenient, flexible way to save for retirement. The committee recently completed an extensive review of the Plan’s investment lineup and identified gaps in certain sub-assets: in the bond (fixed income) offerings, in the small-cap stock (stocks issued by small companies) offering, and in international stock offerings.

To close these gaps, the committee decided to replace two of the existing stock funds with two new stock funds and add two bond funds to give you the chance to build a stronger sub-asset allocation.

The following pages explain the action steps you need to take, if any. There’s also additional information about asset allocation on page 6.

The closing funds

Why are these funds closing?

These funds were identified by the Benefits Investment Committee as causing gaps in the Plan’s investment strategy. They are not poor investments, but the replacement funds better fill out the Plan’s overall sub-asset allocation.

Royce Premier Fund Investment Class

<table>
<thead>
<tr>
<th>About the fund</th>
<th>Committee’s analysis of the existing fund</th>
<th>Replacement fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>This fund was initially chosen for its strategy of investing in small-cap stocks. However, the fund now also has significant exposure to stocks of medium-sized (mid-cap) companies, leaving a gap in the Plan’s small-cap allocation.</td>
<td>Vanguard Small-Cap Index Fund Institutional Shares employs an indexing investment approach designed to track the performance of the MSCI US Small Cap 1750 Index, a broadly diversified index of stocks of smaller U.S. companies. The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</td>
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| Expense ratio* | 1.09% ($10.90 per $1,000 invested) | 0.08% ($0.80 per $1,000 invested) |
Vanguard International Growth Fund Admiral Shares

<table>
<thead>
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<tbody>
<tr>
<td><strong>About the fund</strong></td>
<td>Vanguard Total International Stock Index Fund Institutional Shares employs a “passive management”—or indexing—investment approach. The fund seeks to track the performance of the MSCI All Country World ex USA Investable Market Index, an index designed to measure equity market performance in developed and emerging markets, excluding the United States. The index includes more than 6,000 stocks of companies located in over 43 countries. The fund invests substantially all of its assets in the common stocks included in its target index.</td>
</tr>
<tr>
<td>This fund was initially chosen as the Plan’s international stock fund offering. However, the fund’s strategy focuses on growth stocks—stocks issued by companies the fund managers believe have above-average growth potential. The committee’s analysis determined that if only one international stock fund is offered in the Plan, that fund should invest in both growth and value stocks. Value stocks are believed by fund managers to be undervalued relative to their anticipated performance, and typically pay dividends.</td>
<td></td>
</tr>
<tr>
<td><strong>Expense ratio</strong>*</td>
<td>0.12% ($1.20 per $1,000 invested)</td>
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*The cost of running the fund, expressed as a percentage of the fund’s assets, as of the most recent fund prospectus. Source: Vanguard.
About the four new funds

On May 1, 2013, you’ll have access to four new funds.

About your new investment options
These four funds will be available for investment beginning May 1:

• **Vanguard Inflation-Protected Securities Fund Institutional Shares** is a bond fund that seeks to provide investors inflation protection and income consistent with investment in inflation-indexed securities.

• **Vanguard Total Bond Market Index Fund Institutional Shares** is a bond fund that seeks to track the performance of a broad, market-weighted bond index.

• **Vanguard Small-Cap Index Fund Institutional Shares** is a domestic stock fund that seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks.

• **Vanguard Total International Stock Index Fund Institutional Shares** is an international stock fund that seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States.

A note about risk
U.S. government backing of Treasury or agency securities applies only to the underlying securities and does not prevent share-price fluctuations. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest. Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer’s ability to make payments. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets. Diversification does not ensure a profit or protect against a loss.

Take a look at your asset allocation
When it comes to investing, there’s no “sure thing.” All investing is subject to risk, including possible loss of principal, meaning you could lose the money you invest.

You can help safeguard your account by spreading your money among different asset classes—stocks, bonds, and short-term reserves. That way, the gains from one asset class may help offset losses from another. The mix of investments in your account is known as your asset allocation.

But choosing your asset allocation is only the first step. You should also keep an eye on your sub-asset allocation. That means taking a closer look at what types of stocks and bonds are in your account. Do your stocks come from large companies or small? Are the bonds issued by corporations or government institutions? Do you invest in U.S. assets only, or should you look to the international markets?
Establishing your sub-asset allocation isn’t as tricky as you might think. The funds in your retirement Plan were chosen to make sure that all parts of the markets—small and large, domestic and foreign—are represented.

An all-in-one portfolio
Not sure how to build your asset allocation? You may want to consider investing in just one Target Retirement Fund. A single Target Retirement Fund provides diversification and is designed to keep your assets invested appropriately for someone in your stage of life, up to and including your retirement years. Even though Target Retirement Funds simplify the investment process, they still require some monitoring to ensure that your portfolio is in line with your current situation.

Investments in Target Retirement Funds are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Fund is not guaranteed at any time, including on or after the target date.

Need some help?
Check out these advice services available through your Plan:

• Personal Online Advisor, powered by Financial Engines is an online investment advisory service that forecasts your chances of meeting your investment goals and offers unbiased, personalized, and ongoing fund recommendations to help you meet those goals. It also offers suggestions to help keep you on track.

This service is offered at no cost. When you sign up for the service, all your Plan information will be loaded into your account.

To get started, log on to your account at vanguard.com and click Review my performance. Select Get help planning for retirement and choose Do It Yourself.

• Vanguard Managed Account Program, powered by Financial Engines. The Vanguard Managed Account Program offers personalized, professional management of your Plan account for a fee. Professional investment managers analyze the funds your Plan offers and select a detailed investment strategy designed just for you.

There is a $60 annual minimum fee for the Vanguard Managed Account Program; however, the fee is based on a declining scale and will be no more than 0.4% of your account balance annually. Discounts are available for balances of more than $100,000.

To learn more, log on to your account at vanguard.com and click Review my performance. Select Get help planning for retirement and choose Let Vanguard Help.

Note: The advice services will not list the new fund options until after May 1.
> Connect with Vanguard

Vanguard is here to help you with questions about the fund changes or your Plan account.

You can access your account and conduct transactions in any of these ways:

• Online. Log on to your account at vanguard.com anytime. Not yet registered for immediate, secure online account access? You will need your Plan number: 090086 for TRIP or 090087 for TIP.

• By phone. Call Vanguard’s 24-hour interactive VOICE® Network at 800-523-1188. You will need a personal identification number (PIN) to use VOICE. To create a PIN, follow the prompts.

• With personal assistance. Vanguard Participant Services associates are available at 800-523-1188 Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time.

For more information about any fund, including investment objectives, risks, charges, and expenses, call Vanguard at 800-523-1188 to obtain a prospectus. The prospectus contains this and other important information about the fund. Read and consider the prospectus information carefully before you invest. You can also download Vanguard fund prospectuses at vanguard.com.

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Investment changes in your Plan

The Norfolk Southern 401(k) Retirement Plan