

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
(Amendment No. 21)
Tender Offer Statement Pursuant to Section 14(d)(1)
of the Securities Exchange Act of 1934

Conrail Inc.
(Name of Subject Company)

Norfolk Southern Corporation
Atlantic Acquisition Corporation
(Bidders)

COMMON STOCK, PAR VALUE \$1.00 PER SHARE
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)
(Title of Class of Securities)

208368 10 0
(CUSIP Number of Class of Securities)

SERIES A ESOP CONVERTIBLE JUNIOR
PREFERRED STOCK, WITHOUT PAR VALUE
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)
(Title of Class of Securities)

NOT AVAILABLE
(CUSIP Number of Class of Securities)

JAMES C. BISHOP, JR.
EXECUTIVE VICE PRESIDENT-LAW
NORFOLK SOUTHERN CORPORATION
THREE COMMERCIAL PLACE
NORFOLK, VIRGINIA 23510-2191
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:
RANDALL H. DOUD, ESQ.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
919 THIRD AVENUE
NEW YORK, NEW YORK 10022
TELEPHONE: (212) 735-3000

This Amendment No. 21 amends the Tender Offer Statement on Schedule 14D-1 filed on October 24, 1996, as amended (the "Schedule 14D-1"), by Norfolk Southern Corporation, a Virginia corporation ("Parent"), and its wholly owned subsidiary, Atlantic Acquisition Corporation, a Pennsylvania corporation ("Purchaser"), relating to Purchaser's offer to purchase all outstanding 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 (the "ESOP Preferred Shares" and, together with the Common Shares, the "Shares"), of Conrail Inc. (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 October 24, 1996 (the "Offer to Purchase"), as amended and supplemented by the Supplement thereto, dated November 8, 1996 (the "Supplement"), and in the revised Letter of Transmittal (which, together with any amendments or supplements thereto, constitute the "Offer"). Unless otherwise defined herein, all capitalized terms used herein shall have the respective meanings given such terms in the Offer to Purchase, the Supplement or the Schedule 14D-1.

ITEM 10. ADDITIONAL INFORMATION.

Item 10 is hereby amended and supplemented by the following:

(e) On December 13, 1996, Plaintiffs in the Pennsylvania Litigation filed a Motion for Leave to File their Third Amended

Complaint (the "Third Amended Complaint") and a Motion for Preliminary Injunction. The Third Amended Complaint would withdraw two counts relating to the originally scheduled November 14, 1996 special meeting of the Company's shareholders as moot, and would add the following additional claims: (i) that Defendants' stated intention not to convene the special meeting of the Company's shareholders scheduled for December 23, 1996 constitutes a breach of fiduciary duty; (ii) that Defendants' stated intention to successively postpone the vote of the Company's shareholders scheduled for December 23, 1996 until such shareholders submit to Defendants' will constitutes fraudulent and fundamentally unfair conduct; (iii) that Section 5.1(b) of the CSX Merger Agreement, as amended by the Amendment, constitutes a breach of fiduciary duty in that it purports to delegate the Company directors' fiduciary responsibilities relating to the processes of corporate democracy, and, alternatively, that Section 5.1(b) is void and ultra vires; (iv) that consummation of the CSX Offer caused a "control transaction" to occur with respect to the Company pursuant to Subchapter 25E of the PBCL, thus obligating the group consisting of CSX, the Company directors and certain executive officers of the Company to pay to each demanding Company shareholder at least \$110 cash per share; and (v) that Defendants' public statements suggesting that the CSX merger consideration might be improved is misleading and constitutes a violation of the federal securities laws. Plaintiffs' Motion for Preliminary Injunction seeks an order barring Defendants from postponing the vote of the Company's shareholders scheduled for December 23, 1996.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

Item 11 is hereby amended and supplemented by the following:

- (a) (58) Text of Advertisement appearing in newspapers commencing December 13, 1996.
- (a) (59) Text of Advertisement appearing in newspapers commencing December 13, 1996.
- (a) (60) Press Release issued by Parent on December 13, 1996.

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.

Dated: December 13, 1996

NORFOLK SOUTHERN CORPORATION

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

Name: James C. Bishop, Jr.
Title: Executive Vice President-Law

ATLANTIC ACQUISITION CORPORATION

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

Name: James C. Bishop, Jr.
Title: Vice President and General Counsel

EXHIBIT INDEX

Exhibit Number	Description
(a) (58)	Text of Advertisement appearing in newspapers commencing December 13, 1996.
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[Advertisement]

TO CONRAIL SHAREHOLDERS:

Give Conrail a vote they can't ignore:

AGAINST

[Graphic: Box with checkmark with the words "Vote Against" directly below the box.] Vote AGAINST Conrail's proposal to "opt out" of Pennsylvania's Fair Value Statute.

[Graphic: Box with checkmark with the words "Vote Against" directly below the box.] Vote AGAINST Conrail's proposal to adjourn the special meeting if the vote isn't going Conrail's way.

Norfolk Southern's offer is worth fighting for. Your vote against Conrail's proposals will help preserve the benefits of Norfolk Southern's \$110 per share, all-cash offer. Norfolk Southern's offer is worth 22% more than CSX's problematic part-cash, part-shares offer.* CSX's offer requires you to wait for regulatory approval before CSX can acquire the 75% of Conrail stock remaining in the hands of shareholders. And there's no downside protection at all if CSX stock declines in price.

Norfolk Southern's offer won't go away. CSX and Conrail wish we'd go away. They want you to think we won't be there. But we're going to stick this one out. Conrail shareholders can help support us by voting AGAINST Conrail's proposals.

Tell the Conrail Board that you want Norfolk Southern's superior \$110 per share, all-cash offer -- with prompt payment into a voting trust. Tell them to stop trying to force the inferior CSX deal on Conrail shareholders.

Defend the value of your shares.

Vote now on Norfolk Southern's GOLD proxy card AGAINST Conrail's proposals to "opt out" of Pennsylvania's Fair Value Statute and to adjourn the special meeting. Be sure Norfolk Southern receives your proxy before December 23.

[Norfolk Southern Logo]

Important: If you have any questions, please call our solicitor, Georgeson & Company Inc. toll free at 1-800-223-2064. Banks and brokers call 212-440-9800.

* Based on the closing price of CSX common stock on December 12, 1996.

December 13, 1996

[Advertisement]

TO PARTICIPANTS IN CONRAIL'S ESOP

An Open Letter To Conrail ESOP Participants From
Norfolk Southern Corporation

[Norfolk Southern Logo]

Dear ESOP Participant:

Now is the time to act.

You now have the opportunity to say "NO" to the CSX/Conrail deal at the shareholders' meeting scheduled for December 23 by voting AGAINST Conrail's proposal to "opt out" of the Pennsylvania Fair Value Statute. As a participant in the Conrail ESOP, you can instruct the ESOP Trustee to vote your shares AGAINST this proposal to amend Conrail's Articles of Incorporation and the adjournment proposal.

You should know that your ESOP votes are very important because each share you have in your ESOP account represents a voting interest, by our calculations, equal to at least seven shares. This is because your shares direct the voting of 1) ESOP shares allocated your account, 2) ESOP shares not yet allocated to your account, 3) any ESOP shares that are not voted, and 4) Employee Benefits Trust shares. Therefore, it is very important that you vote and be heard. Remember, the ESOP Trustee is required by law to keep your vote confidential.

Why should you instruct the ESOP Trustee to vote AGAINST the "opt out" proposal? Here are six reasons:

1. There is substantially more overlap with a CSX/Conrail system than there is with a Norfolk Southern/Conrail system. A merger between CSX and Conrail would eliminate competitive service in 64 cities, including Philadelphia, Baltimore, Youngstown and Pittsburgh. Conrail's Hollidaysburg and Altoona shops are within 70 miles of CSX's facilities at Cumberland, MD. Redundancies like these could add up to lost jobs.
2. Our managers are valuable to us and are treated as such. We have avoided massive layoffs and involuntary separations. Since the formation of Norfolk Southern in June 1982, we have matched people to needs through attrition, voluntary separation and early retirements.
3. Norfolk Southern and Conrail both can boast fully funded, healthy pension funds, ensuring peace of mind for both employees and retirees. CSX, on the other hand, has been listed as one of the "Top 50 Companies with the Largest Underfunded Pension Liability" by the Pension Benefits Guaranty Corporation. Why let CSX reap the benefit of the protective surplus your hard work has built up?
4. Norfolk Southern is committed to maintaining a major operating presence in Philadelphia as we have done in Roanoke, Virginia and Atlanta, Georgia -- major operating centers for Norfolk Southern's two predecessor railroads. Norfolk Southern also has made public plans for a multimodal rail-highway facility at the dormant Philadelphia Navy base.
5. Norfolk Southern's \$110 all-cash offer for Conrail shares is the superior offer. CSX's proposal for the remaining Conrail stock is currently valued at approximately \$92 per share.* Unlike the Norfolk

Southern offer, the second-step stock portion of the CSX offer is contingent on Surface Transportation Board approval. The earliest CSX expects to receive such approval is early 1998. This means you have no assurance if and when CSX will acquire the remaining 75% of Conrail stock.

6. You should know that a number of senior Conrail executives have been selling Conrail shares recently, not only pursuant to the first CSX offer but also on the open market. Ask yourself if this indicates a lack of confidence in the value and chances of completion of CSX's proposed deal.

Many of you have worked with Norfolk Southern people for many years and are familiar with our values and beliefs. You know us. Together, we can form an even better railroad -- a process that you can help. Say "NO" to the CSX/Conrail merger by voting today. Instruct the ESOP Trustee to vote your shares "AGAINST" Conrail's amendment proposal and the adjournment proposal.

Your vote is important to us. If you have already sent a Trustee instruction card in response to the Conrail solicitation, you may revoke it and vote "AGAINST" the proposal by signing and dating the enclosed green instruction card previously sent to you and mailing it to the Trustee. It's the latest dated instruction card that counts. The Trustee's deadline for receiving your instructions is Thursday, December 19. Why let others decide your destiny when you can cast a vote for your future?

Sincerely,

NORFOLK SOUTHERN CORPORATION

[Norfolk Southern Logo]

Important: If you have any questions, please call our solicitor, Georgeson & Company Inc. toll free at 1-800-223-2064. Banks and brokers call 212-440-9800.

* Based on the closing price of CSX common stock on December 12, 1996.

December 13, 1996

FOR IMMEDIATE RELEASE
December 13, 1996

Media Contact: Robert C. Fort
(757) 629-2714

NS SEEKS INJUNCTION TO STOP POSTPONEMENT OF CONRAIL SHAREHOLDER VOTE

NORFOLK, VA -- Norfolk Southern Corporation today filed a motion in U.S. District Court in Philadelphia to block Conrail, Inc. from postponing a scheduled December 23 meeting at which shareholders are to vote on whether to "opt out" of Pennsylvania's Fair Value statute.

In its motion for a preliminary injunction, Norfolk Southern said Conrail and CSX Corporation are "subverting the processes of corporate democracy" by announcing they will refuse to allow the vote to proceed unless they are assured of victory. The motion alleges that this represents "fundamentally unfair conduct directed at Conrail's shareholders' most fundamental right - the right to vote." Norfolk Southern said Conrail and CSX are allowing shareholders no choice on December 23, effectively denying them the right to vote against the proposed amendment to Conrail's charter.

"Permitting defendants to disenfranchise those shareholders who refuse to opt out of the statute designed to protect them against coercive, two-tiered front-end loaded tender offers like the CSX transaction defeats the purpose and intent" of the Pennsylvania law and "contravenes the public policy concern for credible corporate democracy," Norfolk Southern said in its motion.

Norfolk Southern has offered \$110 a share in cash for all Conrail shares, a \$10 billion offer worth at least \$1.3 billion more than CSX's proposal.

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World Wide Web Site - <http://www.nscorp.com>