

CENTRAL OHIO AREA LIVE STEAMERS TRACK LEASE

This Lease is made between Central Ohio Area Live Steamers, Inc., 19313 County Road 6, Coshocton, Ohio 43812 (hereinafter "COALS"), and _____ (hereinafter "Member") effective as of the execution date set forth below.

COALS, as lessor, agrees to lease to Member, as lessee, and Member agrees to accept all rights and obligations under this Lease with respect to the "Leased Track" as further described below and identified in "Exhibit A" attached hereto situated at the Mill Creek Central Railroad facilities at 19313 County Road 6 in the Township of Jackson, County of Coshocton, State of Ohio, in accordance with the terms and conditions set forth below.

NOW, THEREFORE, intending to be bound hereby, the parties agree as follows:

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

- a) "Member" is as defined in COALS' By-Laws, as amended, with only those rights provided applying heretoafter.
- b) "Bay" is any engine storage area within one or more storage barns or steaming bays which includes but is not limited to the Coshocton Yard Roundhouse consisting of twelve (12) Leased Tracks. These Leased Tracks will hold locomotives and any support and/or a riding car, if track space is available.
- c) Leased Track will consist of any Bay or storage track held for lease to Members and identified in Exhibit A.
- d) "COALS' Leasing Agent" is the agent appointed by the COALS Board of Directors to oversee leasing operations. Until such time as the Board of Directors notifies its Lessees of the appointment of another agent, COALS' Leasing Agent is the COALS' President or his assigns. This information, as updated, will be provided in the Track Meet Logbook.
- e) "Track Meet Logbook" is the three-ring, loose-leaf notebook kept in or about the Welcome Center with pages designed for the entry of, among other information, the date of the scheduled Track Meets or other scheduled event(s) for the benefit of COALS, the name of the operator, and the equipment operated.

2. Rent, Fees and Term. Member agrees to pay, without demand, rent for the Leased Track the total sum of \$_____, in advance, to Central Ohio Area Live Steamers, Inc., 19313 County Road 6, Coshocton, Ohio 43812. The term of this Lease shall be for up to one year, commencing on _____ and ending on the earlier of _____ or April 30th of the following calendar year. A deposit of \$20.00 is required for each key that is assigned, if any. The deposit shall be returned to the Member upon his or her surrender of the key to COALS's Agent.

3. New Construction and Initial Reservation. Members wishing to lease a Leased Track for the very first time or wish to lease an additional Leased Track should contact the COALS' Leasing Agent, who will add the Member to a list of those interested in a Leased Track ("COALS Leased Track Waiting List"). Those Members who qualify for a new or additional track lease in an existing building, as determined solely by the Board of Directors, may be asked to provide funding for the COALS CAPITAL BUILDING FUND. Those Members who qualify for a new or additional track lease in a newly constructed building, as determined solely by the Board of Directors, may be asked to provide funding for the COALS CAPITAL BUILDING FUND. Those Members who choose to move from an existing building to new Construction may receive credit from prior funding of the COALS CAPITAL BUILDING FUND as determined solely by the Board of Directors. All new Construction will not commence until the Board of Directors determines that sufficient funding has been collected to proceed with a building project. With this lease, Member hereby agrees to fund \$_____ to the COALS CAPITAL BUILDING FUND, payable upon the execution of this lease. Any issues with the collection of Rents, Fees or Funding of the COALS CAPITAL BUILDING FUND after the signing of this Agreement will make this document null and void.

4. Alterations and Improvements. Member shall make no alterations to the Leased Track without the prior written consent of COALS's Agent, with the exception that Member is permitted to remove personal property of Member that is removable without damage to the Leased Track.

5. Maintenance and Repair. Member shall keep and maintain the Leased Track and Bay in reasonably clean and sanitary condition and repair during the term of this Lease and any renewal thereof. In the event of any damages to the Leased Track or Bay, Member shall immediately inform the COALS' Leasing Agent and shall, at a Member's sole expense, make proper repair of said damages in such a manner as to restore the Leased Track or Bay to its condition at the inception of this Lease, normal wear and tear excepted. If Member fails to make such repairs after reasonable notice from COALS, COALS may make such repairs and charge the same to Member or any against any pre-paid rent.

6. Right of Inspection. COALS' Leasing Agent or any member of the Board of Directors shall have the right at all reasonable times during the term of this Lease and any renewal thereof to inspect the Leased Track and Bay and any improvements or alterations made therein.

7. Holdover by Member. Should Member remain in possession of the Leased Track following the end of the term of this Lease without the consent of the COALS's Leasing Agent, a month-to-month holdover tenancy shall be created between COALS and Member at (twenty-five percent) 25% of the prior year's annual rental rate charged each month, but subject to all other terms and conditions of this Lease (e.g. a prior years lease rate of \$100 for the year would be \$25 per month). Member shall pay all rent in advance, without demand, at

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rates set in advance from time to time by COALS and shall remit payment to COALS within thirty (30) days of the commencement of any holdover term. Failure to make payment in accordance with this provision shall result in the termination of this Lease, and Member shall immediately surrender the Leased Track.

8. Surrender of Track and Transfer of Title to COALS. Upon the termination of this Lease, Member shall vacate and surrender the Leased Track in as good a state and condition as it was at the commencement of this Lease, reasonable wear and tear excepted, and shall return all keys, if any, to COALS' Lease Agent. If Member's equipment remains on the Leased Track after thirty (30) days from the date of termination of the Lease, COALS' Lease Agent shall notify Member by United States Postal Service by regular certified mail that Member's equipment must be removed within thirty (30) days. If Member's equipment remains on the Leased Track after those additional thirty (30) days, then all of Member's right, title and interest in and to all such equipment shall automatically pass to COALS without further notice or other action required.

9. Binding Effect. The covenants and conditions herein contained shall apply to and bind the parties and their respective executors, administrators, heirs, legal representatives, and assignees.

10. Termination. Either party may terminate this Lease without cause at any time upon thirty (30) days written notice to the other party with no reimbursement of the Lease except as described below. If this Lease is terminated by COALS prior to the expiration of the then-existing term, other than for a change of Membership, then after deducting any amount owing by Member for damages under paragraph 5 above, COALS shall reimburse to Member the rent for the balance of the Lease term on a pro-rata basis. This Lease will terminate immediately if the Member ceases to be a regular member of COALS with no reimbursement of this Lease. However, this Lease shall continue for the balance of the then-existing term in the event of Member's death and, upon request of a family member, can be transferred with Member's same rights, obligations and privileges to a family member upon their death. Proper membership of COALS is still required.

11. Sublease with Sharing Member. Member may not assign or sublet all or a portion of the Leased Track to another Member ("Sharing Member") without the prior written approval of the COALS Board of Directors. The Sharing Member's interest shall be subordinate to Member's interest, and the Sharing Member must immediately vacate the Leased Track if the Lease terminates for any reason. Members may not charge a Sharing Member more than the annual per unit cost for the Member to lease said track space from COALS. The Board of Directors may deny approval of a sublease for any reason, including, but not limited to the overburdening or monopolization of tracks and the need to give preference to members currently on COALS' Leased Track Waiting List. Any purported assignment or subletting without the prior written approval of the Board of Directors shall be null and void and the Board of Directors, at its sole discretion, could terminate this Agreement, including without reimbursement.

12. Swaps. Member may swap his or her Leased Track with that of any other Member. Both Members shall present their Leases to the COALS Leasing Agent to have the track and/or Bay number changed to reflect each Member's new Leased Track after the swap takes place. (See Exhibit "A".)

13. Correspondence. Any notices or other correspondence between COALS and Member shall be sent by United States Postal Service, or electronic mail to Member at his or her address or electronic mail of record or to the President of COALS at the Mill Creek Central Railroad address set forth above, or COALS@millcreekcentral.com as the case may be.

14. Other Terms.

- a. Only equipment owned by qualifying Members of COALS who are allowed to enter a lease for said storage may utilize Leased Track in approved COALS storage buildings.
- b. Except for evictions and the recovery of past-due rent and other sums due, which may be pursued in the manner provided by Ohio law, any unresolved disagreement between the parties shall be resolved by a simple majority vote by secret ballot of the Board of Directors after both parties present their case at a regular scheduled board meeting, which shall be the sole and exclusive method of resolving disputes under this Lease apart from evictions and the recovery of past-due rent and other sums.
- c. Coshocton Roundhouse - can only be used for steam and electrical locomotive power. Riding cars, and equipment necessary for the operation of the locomotive power that is to be stored in this building can be stored here as well if room in the Leased Track is available. No Member may lease more than two (2) Coshocton Roundhouse Bays unless approved by the Board on an annual basis.
- d. Buildings in Henry, Tower, APEX and Barney Yard can be used for car and locomotive storage. All the Member's equipment must be within the confines of Member's Leased Track and shall not interfere with the egress of another Member's leased track. In these buildings no Member may lease more than one (1) Leased Track unless the track has been properly funded through the COALS CAPITAL BUILDING FUND or as otherwise approved by the Board of Directors.
- e. All volatile material shall be stored in an approved container only. COALS' Lease Agent reserves the right to remove any container that the Agent considers as unsafe.

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f. No volatile material shall be stored in any storage building unless specifically approved by the COALS' Lease Agent on a per case basis. Storage of volatile material outside of any storage building must be approved by the Board of Directors.

g. Member's railroad equipment from each Leased Track must be operated on at least three (3) different scheduled COALS Track Meets or other scheduled events during the term of this Lease to maintain the year-to-year tenancy and opportunity to renew this Lease. The Track Meet Logbook shall be the record employed by COALS' Lease Agent to determine the number of events at which Member's equipment was operated during the term of this Lease. Member may appeal in writing to COALS' Lease Agent for a waiver from this provision if extenuating circumstances prevent compliance, however Member shall not be permitted to appeal for a waiver for each track for more than three consecutive years. Any work performed (club train, Welcome Center) for the benefit of and during a COALS calendar Track Meet or special event, may be applied in lieu of a single equipment obligation so long as it is not less than 4 hrs. in duration.

h. If a vacant track is offered to members on the waiting list, the member has 30 days to enter into a Lease agreement and occupy the track with the member's rolling stock or locomotive. If the member does not Lease, pay for and occupy the track within that 30-day period, the lease may be terminated with monies refunded and the member will be placed back on the bottom of the waiting list.

i. The failure of COALS or COALS' Leasing Agent at any time to enforce COALS's rights under this Lease strictly in accordance with the same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having in any way or manner modified the same.

j. COALS shall not be liable to Member or any Sharing Member for any loss or damage whatsoever including, but not limited to, inconveniences, temporary suspension of utility or other services, or limitations upon Member's access to, or use of, the Leased Track, Bay, or common areas of the building. COALS shall not be liable for any damage or loss to Member arising from the total or partial destruction of any building by fire or other casualty or by the resulting termination of this Lease or loss of use of all or any portion of the Leased Track by Member or any Sharing Member.

k. Neither COALS nor its Board of Directors, agents, servants, or employees shall be liable for, and Member and Sharing Member hereby releases them from, (a) any damage to property of Member or Sharing Member, (b) the loss or damage to any property of Member or Sharing Member by theft or otherwise, (c) any injury or damage to persons or property resulting from fire, explosion, falling material, steam, gas, electricity, electrical disturbance, water, rain, snow, weather or leaks from any part of the building or from the pipes, appliances, or plumbing works or from the roof, street, or sub-surface or from any other place or by dampness or mold or by any other cause of whatsoever nature (whether similar or dissimilar to those above specified), unless intentionally caused by or due to the gross negligence of COALS, its agents or servants, or (d) any such damage caused by Mill Creek Central Railroad or other tenant or tenants or persons in any COALS building.

l. If more than one Member has executed this Lease, the liability of each for any rent due or damages owed shall be joint and several.

m. This Lease will remain in effect, as defined above, exclusive of increases in rent.

n. This Lease constitutes the entire agreement between the parties and no other documents or oral statements purporting to amend or modify this Lease shall be binding or enforceable. Any amendments to this Lease must be in writing and executed by both parties and in accordance with the By-Laws of the Central Ohio Area Live Steamers, Inc.

o. This Lease has been executed in and shall be governed by and construed in accordance with the laws of the State of Ohio, without reference to conflict of law principles. Parties agree venue of any legal issue shall exclusively be Coshocton County, Ohio.

IN WITNESS WHEREOF, the parties have executed this Lease at 19313 County Road 6 in the Township of Jackson, County of Coshocton, State of Ohio on this _____ day of _____, 20_____.

Central Ohio Area Live Steamers, Inc.

Member: _____

By: _____

Signature: _____

Signature: _____

Member: _____

Title: _____

Signature: _____

Mill Creek Central Railroad concurrence:

Richard McCloy: _____

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EXHIBIT A

TRACKS NOT AVAILABLE MARKED WITH "X"
BUILDING CLOSEST TO THE MAINLINE IS FIRST BUILDING

COSHOCTON ROUNDHOUSE BAY LOCATIONS ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING

ALL TRACKS AT 16 FEET

1	2	3	4	5	6	7	8	9	10	11	12
--	--	--	--	--	--	--	--	--	--	--	--

APEX CAR BARN NO. 1 ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING

ALL TRACKS AT 80 FEET

6	5	4	3	2	1
--	--	--	--	--	--

APEX CAR BARN NO. 2 ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING

TRACKS 1,2,7,8 AT 43 FEET; TRACKS 3 – 6 AT 48 FEET

8	7	6	5	4	3	2	1
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BARNEY YARD CAR BARN NO. 1 ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING

ALL TRACKS AT 90 FEET

1	2	3	4	5	6
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EXHIBIT A

TRACKS NOT AVAILABLE MARKED WITH "X"
BUILDING CLOSEST TO THE MAINLINE IS FIRST BUILDING

BARNEY YARD CAR BARN NO. 2 (FUTURE)
ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS LENGTHS TO BE DETERMINED

1 2 3 4
-- -- -- --

BARNEY YARD CAR BARN NO. 3
ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS AT 90 FEET

1 2 3 4 5 6
-- -- -- -- -- --

TOWER SIDING ENGINE BAY BARN NO. 1 (FUTURE)
ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS AT 20 FEET

1 2 3 4 5 6 7 8
-- -- -- -- -- -- -- --

TOWER SIDING CAR BARN NO. 2
ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS AT 80 FEET

1 2 3 4
-- -- -- --

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EXHIBIT A

TRACKS NOT AVAILABLE MARKED WITH "X"
BUILDING CLOSEST TO THE MAINLINE IS FIRST BUILDING

TOWER SIDING CAR BARN NO. 3 (FUTURE) ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACK LENGTHS TO BE DETERMINED

1 2 3 4 5 6
- - - - - - - - - - - -

RACON VALLEY CAR BARN – LOGGING LINE ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS AT 13 FEET

1 2 3 4
- - - - - - - -

HENRY CAR BARN NO. 1 (FUTURE) ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS LENGTHS TO BE DETERMINED

6 5 4 3 2 1
- - - - - - - - - - - -

CAR BARN TEMPLATE (FUTURE) ELEVATION VIEW (Looking into Building)

FRONT, FACING BUILDING
ALL TRACKS LENGTHS TO BE DETERMINED

1 2 3 4 5 6
- - - - - - - - - - - -