

CHURCH, CHURCH, HITTLE & ANTRIM

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NOBLESVILLE, INDIANA 46060

March 17, 1992

*Mayor Mary Sue Rowland
City Bldg.*

Dear Mary Sue:

Enclosed please find a complete set of the documents associated with the railroad acquisition. They consist of the following:

- 1. An executed copy of the Lease and Option to Purchase Agreement between Norfolk & Western Railway Company and the Indiana Transportation Museum;*
- 2. The Exclusive Conditional Assignment of Lease and Option to Purchase Agreement between the Town of Fishers and the City of Noblesville and the Indiana Transportation Museum;*
- 3. The Acknowledgement and Consent to the Assignment of the Lease with Option to Purchase executed by the Indiana Transportation Museum and Norfolk & Western Railway Company.*

I have retained in my files the 2 originally executed sets of the documents which are available should they be required for any purpose associated with the project.

I am also enclosing a copy of the letter from Bob Cooney of Norfolk & Southern which is self-explanatory and which also identifies the expiration date as being December 31, 1993.

I will be arranging a meeting shortly of those concerned with the acquisition to bring them up-to-date and if you have any questions, please do not hesitate to call.

Very truly yours,

CHURCH, CHURCH, HITTLE & ANTRIM

BY:

Douglas D. Church

*DDC:bi
enc.*

LEASE AND OPTION TO PURCHASE AGREEMENT

THIS INDENTURE OF LEASE and OPTION TO PURCHASE AGREEMENT is made this 27th day of FEBRUARY, 1992, by and between NORFOLK AND WESTERN RAILWAY COMPANY, a Virginia corporation (hereinafter "Lessor") and INDIANA TRANSPORTATION MUSEUM, an Indiana corporation (hereinafter "Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of a line of railroad including real property, railroad right of way, railroad facilities, and appurtenances located thereon and affixed thereto between Milepost I-2.13 at Indianapolis, Indiana, and Milepost I-39.69 at Tipton, Indiana; and

WHEREAS, Lessor has received Interstate Commerce Commission authority to abandon said line; and

WHEREAS, following abandonment and cessation of common carrier rail service over said line of railroad, Lessor desires to lease said line of railroad to Lessee for rail banking and possible contract carrier operation and to grant to Lessee the option to purchase said line of railroad, and Lessee desires to lease and possibly operate said line of railroad not as a rail carrier but as a contract carrier and to acquire the option to purchase said

line of railroad, upon the terms and conditions set forth herein;
and

WHEREAS, Lessor has certain rights, benefits and obligations (hereinafter the "Indianapolis Union Railway Rights") relating to the Indianapolis Union Railway as a tenant railroad pursuant to an agreement dated September 20, 1883, as supplemented, concerning the Indianapolis Union Railway, and Lessor desires to assign and delegate the Indianapolis Union Railway Rights to Lessee during the term of the lease of said line of railroad and to sell, convey, assign, delegate and quitclaim the Indianapolis Union Railway Rights to Lessee if the Lessee acquires said line of railroad from Lessor pursuant to the terms of this Agreement; and

WHEREAS, Lessee desires to assume the Indianapolis Union Railway Rights during the term of its lease of said line of railroad and to purchase, accept and assume the Indianapolis Union Railway Rights if it acquires the said line of railroad, both upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises, the mutual covenants, and the other good and valuable considerations set forth herein, Lessor and Lessee agree as follows:

1. Property Leased and Term

(a) Lessor hereby does let to Lessee and Lessee hereby does hire of Lessor the line of railroad of Lessor between Milepost I-2.13 at Indianapolis, Marion County, Indiana, and Milepost I-39.69 at Tipton, Tipton County, Indiana, including and all in "AS IS, WHERE IS" CONDITION AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, the real property, railroad right of way, road bed, main track, sidings, (including the Davin, Indiana lead track), industrial tracks, depots, yards, storage and parking areas, culverts, bridges, buildings, structures, communication and signal facilities, fixtures, and all other appurtenances located between said mileposts, excepting and reserving unto Lessor the real property and the structures and other improvements thereon at various locations, as identified in Exhibit "A" to this Agreement, which is attached hereto and made a part hereof (hereinafter the "Indianapolis Line"). Also included in this lease, for the period of the lease, and pursuant to the terms and conditions of Article 29 of this Agreement, are NW's Indianapolis Union Railway Rights;

(b) On the Commencement Date provided for in Article 20(a) of this Agreement, Lessor will deliver to Lessee possession of the Indianapolis Line for Lessee's lease. Lessor shall have the right to either remove all track material, equipment, locomotives and other rolling stock of Lessor located on but not affixed to the

Indianapolis Line prior to the Commencement Date, or, in the alternative, to take all such track material equipment, locomotives and other rolling stock of Lessor and place it at one off main-line location on the Indianapolis Line prior to the Commencement Date. If Lessor shall choose the second alternative, Lessor agrees that it will segregate and mark such material, et al., and then remove such segregated, marked material from the Indianapolis Line within three (3) months after the Commencement Date;

(c) The term of the lease of the Indianapolis Line to Lessee will be two (2) years (hereinafter "Annual Periods") from the Commencement Date provided for in Article 20(a) of this Agreement;

(d) If, subject to the right of Lessor to seek removal of Lessee from the Indianapolis Line by all applicable legal means, Lessee holds over or remains in possession of the Indianapolis Line after the expiration of Lessee's lease of the Indianapolis Line, other than by exercise of Lessee's option to purchase the Indianapolis Line granted in Article 13 of this Agreement, such holding over or continued possession will create a tenancy from month to month only, and rental for such period will be Ten Thousand Dollars (\$10,000) per month; and

(e) If Lessee exercises its option to purchase the Indianapolis Line granted in Article 13 or this Agreement, Lessee's

lease of the Indianapolis Line will terminate on the Closing Date provided for in Article 20(b) of this Agreement.

2. Annual Rental

(a) As rental for Lessee's lease of the Indianapolis Line, Lessee will pay to Lessor (or whomever has the right to collect rent as owner, designee, or assignee of Lessor's rights under this Agreement) One Dollar (\$1.00) per Annual Period plus such other consideration as is expressed in the terms and conditions of this Agreement; and

(b) Acceptance by Lessor (or whomever has the right to collect rent as owner, designee, or assignee of Lessor's rights under this Agreement) of Annual Rental paid by Lessee pursuant to this Article will not be taken or construed to be a waiver of any provision of this Agreement.

3. Nature of Lessee's Use of Leased Line

(a) During the term of Lessee's lease of the Indianapolis Line, Lessee will not use the Indianapolis Line as a common carrier to provide service as a rail carrier of freight or passengers;

(b) Subject to Article 3(a) during the term of Lessee's lease of the Indianapolis Line, Lessee may use the

Indianapolis Line to provide contract service of freight or passengers and for other lawful purposes; and

(c) During the term of Lessee's lease of the Indianapolis Line, Lessee will not seek, obtain or exercise from the ICC or other regulatory agency with jurisdiction any certificate of public convenience and necessity or other approvals or exemptions from regulation for common carrier operations over the Indianapolis Line;

4. Income and Expense Relating to Leased Line

(a) Any income rents and payments accrued prior to the Commencement Date provided for in Article 20(a) of this Agreement or during the term of this Agreement, from any agreements, easements, or licenses pertaining to the Indianapolis Line, and any claims, expenses, and liabilities accrued prior to the Commencement Date provided for in Article 20(a) of this Agreement in respect of the Indianapolis Line will belong to, be paid to, and be the responsibility of Lessor, and it will be the obligation of Lessor to collect such income, rents, and payments and to pay or otherwise resolve such claims, expenses, and liabilities;

(b) Any claims, expenses, and liabilities which arise or accrue on or subsequent to the Commencement Date provided for in Article 20(a) of this Agreement in respect of the

Indianapolis Line, will be the responsibility of Lessee, and it will be the obligation of Lessee to pay or otherwise to resolve such claims, expenses, and liabilities;

(c) (i) Property taxes and assessments (including, but not limited to, all drainage assessments) relating to the Indianapolis Line will be prorated as of the Commencement Date provided for in Article 20(a) of this Agreement. If the actual amount due for taxes for the calendar year during which said Commencement Date occurs is not available on or before said Commencement Date, proration will be based upon the amount of taxes or assessments against the Indianapolis Line during the calendar year prior to the calendar year in which said Commencement Date occurs with any necessary adjustment to be made between Lessor and Lessee when the actual amount due for the calendar year in which said Commencement Date occurs becomes known;

(ii) After the Commencement Date provided for in Article 20(a) of this Agreement and during the term of Lessee's lease of the Indianapolis Line, Lessee will pay when due and prior to the imposition of any penalty all licenses, taxes, levies, or assessments of whatever kind or nature which may become a lien against the Indianapolis Line except for any such tax or assessment liens created by or through Lessor prior to the Commencement Date provided for in Article 20(a) of this Agreement. Lessee further agrees to indemnify Lessor against any liability for payment of the same. Nothing in this Article 4(c)(ii) shall be construed to

diminish Lessee's rights under Indiana law to contest any such licenses, taxes, levies, or assessments in appropriate judicial or administrative proceedings or to relieve Lessor of its obligations pursuant to Article 4(c)(i) hereof;

(iii) Lessee will present to Lessor for inspection the official receipts (or photocopies thereof) showing the payment of any of such licenses, taxes, levies, and assessments; and

(iv) Promptly upon receipt of an itemized statement, Lessee will reimburse Lessor for any such licenses, taxes, levies, or assessments paid by Lessor, and upon request by Lessee, Lessor will present to Lessee for inspection the official receipts (or photocopies thereof) showing the payment of any of such licenses, taxes, levies, and assessments;

(d) Beginning on the Commencement Date provided for in Article 20(a) of this Agreement and during the term of Lessee's lease of the Indianapolis Line, Lessee will pay all bills for water, sewer, gas, and electric service to the Indianapolis Line, excluding service attributable solely to any agreements, easements, and licenses retained by Lessor pursuant to Articles 4(a), 20 and 22 of this Agreement. If Lessor is at any time required to pay such bills, Lessee promptly will reimburse Lessor upon receipt of a bill or bills therefor; and

(e) If during the term of Lessee's lease of the Indianapolis Line, the Indianapolis Line or any part thereof is appropriated or otherwise acquired by or under threat of condemnation by a governmental body or agency thereof or by a quasi-public body, all awards or compensation for such appropriation or acquisition will be paid solely to Lessor, and Lessee's lease of the Indianapolis Line and option to purchase the Indianapolis Line granted in Article 13 of this Agreement will terminate as to such property, with an appropriate abatement of rental or purchase price to be applied in the case of a partial taking. It is provided, however, that if in the reasonable judgment of Lessor and Lessee, any taking of the whole or part of the premises leased hereby shall render the Indianapolis Line, or any portion of it, no longer reasonably operable, then, at the option of Lessee, Lessee may terminate this Agreement in accordance with Article 28(b) hereof. Lessee and Lessor will bear their own legal expenses.

5. Maintenance of Leased Line

(a) During the term of Lessee's lease of the Indianapolis Line, Lessee, at its sole cost and expense, will maintain the Indianapolis Line at Federal Railway Administration standards applicable to Lessee's use and operation; provided, however, that Lessee, with Lessor's consent, may alter or relocate switches and industrial tracks from one location on the Indianapolis Line to another location on the Indianapolis Line with

any necessary and proper regulatory authority and after thirty (30) days' written notice to Lessor, at

Assistant Vice President
Maintenance
c/o Norfolk Southern Corporation
99 Spring Street, S.W.
Atlanta, GA 30303

Lessor shall have the right to deny Lessee the right to alter switches or tracks or to require that removed switches or tracks be delivered to Lessor, provided, however, Lessor shall not unreasonably withhold any such consent. Any rehabilitation or reconstruction, including but not limited to that necessitated by an Act of God, will be the sole responsibility of Lessee. Such maintenance will include any function which Lessor, but for this Agreement, would be required to perform pursuant to applicable federal, state, and municipal laws, ordinances, and regulations; and

(b) Lessee will pay, satisfy, and discharge all claims or liens for material and labor or either of them used, contracted for, or employed by Lessee during the term of Lessee's lease of the Indianapolis Line in the construction, repair, maintenance, alteration or relocation of the Indianapolis Line and any improvements located thereon, whether said improvements are the property of Lessor or of Lessee, and Lessee will indemnify and save harmless Lessor from all such claims, liens, or demands whatsoever.

6. Compliance with Laws, Handling of Wastes

(a) During the term of Lessee's lease of the Indianapolis Line, Lessee will comply with applicable federal, state, and municipal laws, ordinances, and regulations applicable to the Indianapolis Line;

(b) During the term of Lessee's lease of the Indianapolis Line, Lessee will comply with all federal, state, and local laws, rules, regulations, and ordinances controlling air, water, noise, hazardous waste, solid waste, and other pollution or relating to the storage, transport, release, or disposal of hazardous materials, substances, waste, or other pollutants. At its own expense Lessee will make all modifications, repairs, or additions to the Indianapolis Line, install and bear the expense of any and all structures, devices, or equipment, and implement and bear the expense of any remedial action which may be required under any such laws, rules, regulations, ordinances, or judgments;

(c) During the term of Lessee's lease of the Indianapolis Line, Lessee will not dispose of any wastes of any kind, whether hazardous or not, on the Indianapolis Line;

(d) Lessee will furnish Lessor written notice of any and all releases of hazardous wastes or substances which occur on the premises subject to this Lease during the term of Lessee's lease of the Indianapolis Line whenever such releases are required

to be reported to any federal, state, or local authority. Such written notice will identify the substance released, the amount released, and the measures undertaken to clean up and remove the released material and any contaminated soil or water and will certify that no contamination remains. Lessee also will provide Lessor with copies of any and all reports made to any governmental agency which relate to such releases during the term of Lessee's lease of the Indianapolis Line. In addition, Lessee will provide Lessor with a copy of any alleged water or air violations relating to Lessee's operations or activities on the leased property, as well as a copy of any written responses made by Lessee to governmental authorities regarding said violations;

(e) During the term of Lessee's lease of the Indianapolis Line, Lessor will have the right to enter the Indianapolis Line for the purpose of inspecting the Indianapolis Line to ensure compliance with the requirements of this Article. If Lessor detects any violation, including any contamination of the Indianapolis Line, Lessor will notify Lessee of the violation. Upon receipt of such notice, Lessee will take immediate steps to eliminate the violation to the satisfaction of Lessor. Should Lessee inadequately remedy or fail to eliminate the violation, Lessor or its representative will have the right to enter the Indianapolis Line and to take whatever corrective action Lessor deems necessary to eliminate the violation, at the sole expense of Lessee;

(f) Regardless of any acquiescence by Lessor, Lessee will (i) indemnify and hold harmless Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns from all liability, costs, expenses, fines, or penalties resulting from any violation of any federal, state, or local law, rule, regulation, or ordinance controlling air, water, noise, hazardous waste, solid waste, or other pollution or relating to the storage, transport, release, or disposal of hazardous materials, substances, wastes, or other pollutants relating to the Indianapolis Line or Lessee's lease and operation thereof and from any violations of this Article, (ii) reimburse Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns for all costs and expenses incurred by Lessor or its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns in eliminating or remedying such violations, pollution, or contamination, (iii) reimburse and hold harmless Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns from any and all costs, expenses, attorneys' fees, and penalties, fines, or civil judgments sought or obtained against or incurred by Lessor or its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns as a result of Lessee's lease and operation of the Indianapolis Line or any release or disposal of any

hazardous material, substance, waste, or other pollutant onto or into the ground or into the water or air from or upon the Indianapolis Line, and (iv) Lessee will procure and maintain in effect during the term of Lessee's lease of the Indianapolis Line a policy or policies of insurance covering the liability to which Lessee is or may be subject under this Article; terms and policy limits of such insurance will meet the specifications set forth in Article 12 of this Agreement;

(g) Lessee waives and will not assert as a defense against Lessor any statute of limitations applicable to any controversy or dispute arising under this Article, and Lessee will not raise or plead a statute of limitations defense against Lessor in any action arising out of Lessee's failure to comply with this Article; and

(h) Nothing in this Article shall impose liability on Lessee for any act or occurrence arising totally prior to the Commencement Date provided for in Article 20(a) of this Agreement.

7. Liability

The liability of the parties hereto, as between themselves, for death, personal injury, or property damage occurring on or after the Commencement Date provided for in Article 20(a) of this Agreement will be determined as follows:

(a) Regardless of negligence of Lessor or its officers, agents, employees, or affiliates, regardless of degree, Lessee will indemnify and save harmless Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns from and against any and all loss, damage, claims, expense including attorneys' fees, or liability for: (i) injury to or death of any person occurring on or about the Indianapolis Line during the term of or in connection with Lessee's lease thereof; and (ii) loss of or damage to any property whatsoever, including but not limited to the property covered by Lessee's lease of the Indianapolis Line, where such injury, death, loss, or damage is caused by, arises out of, results from, or is incident to (A) the condition or existence of the property covered by Lessee's lease of the Indianapolis Line, (B) Lessee's lease, use, or operation of such property or any portion thereof, or (C) Lessee's violation of or for its failure to perform or comply with any provisions of this Agreement;

(b) Lessee will procure and maintain in effect during the term of Lessee's lease of the Indianapolis Line a policy or policies of insurance covering the liability to which Lessee is or may be subject under this Article; terms and policy limits of such insurance will meet the specifications set forth in Article 12 of this Agreement; and

(c) Nothing in this Article 7 shall impose liability of any nature on Lessee for any injury, death or damage, or for

loss or costs related thereto, occurring prior to the Commencement Date provided for in Article 20(a) of this Agreement.

8. No Covenant of Quiet Enjoyment

Nothing in this Agreement implies or imports a covenant by Lessor for quiet enjoyment by Lessee of the Indianapolis Line during the term of Lessee's lease of the Indianapolis Line, and nothing in this Agreement implies or imports any representation by Lessor that the fee title to the Indianapolis Line is owned by Lessor.

9. Certain Obligations of and Representations by Lessee

(a) On or prior to the date of this Agreement, Lessee has obtained appropriate corporate approvals for Lessee's lease of the Indianapolis Line and acceptance of the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, and certified copies of records of necessary corporate proceedings or documents will be provided to Lessor within fifteen (15) days of the date of this Agreement; and

(b) On or prior to the date of Lessee's exercise of the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, Lessee will obtain appropriate corporate approvals for Lessee's purchase of the Indianapolis Line, and certified copies of records of necessary corporate proceedings or documents will be provided to Lessor simultaneously with Lessee's

notice of exercise of the option to purchase pursuant to Article 13(d) of this Agreement. Within thirty (30) days after Lessee's exercise of the option to purchase the Indianapolis Line granted in Article 13 of this Agreement. Lessee will provide Lessor with evidence reasonably satisfactory to Lessor of Lessee's ability to pay the purchase price for the Indianapolis Line set forth in Article 14(a) of this Agreement;

10. Certain Obligations of and Representations by Lessor

(a) Lessor represents that no mortgage is a lien against the Indianapolis Line;

(b) On or prior to the date of this Agreement, Lessor has obtained appropriate corporate approvals for Lessor to lease the Indianapolis Line to Lessee and to grant to Lessee the option to purchase the Indianapolis Line granted in Article 13 of this Agreement;

(c) Lessee acknowledges that appropriate corporate approvals are required for Lessor to convey the Indianapolis Line to Lessee, and Lessor will use its best efforts to obtain such corporate approvals and, if obtained, will provide to Lessee certified copies of records of necessary corporate proceedings or documents at least thirty (30) days prior to the Closing Date provided for in Article 20(b) of this Agreement;

(d) Lessor will not perform and will not be required to perform any rehabilitation or maintenance on the Indianapolis Line prior to the Commencement Date provided in Article 20(a) of this Agreement;

(e) Lessor represents that it is not a party to any contract or arrangement, except as set forth in this Agreement, which gives any third party a right superior to that of Lessee to lease and operate and to purchase the Indianapolis Line; and

(f) Lessor represents that Lessor is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia and is authorized to do business in the State of Indiana.

11. Employees

Lessee is not obligated under this Agreement to hire any employee of Lessor in service on the Indianapolis Line or elsewhere.

12. Insurance

(a) Lessee will procure and maintain in effect during the term of this Agreement a policy or policies of insurance covering the liability to which Lessee is or may be subject under Articles 6 and 7 of this Agreement. Such insurance will provide minimum limits of Five Million Dollars (\$5,000,000.00) per

occurrence but may be subject to an annual aggregate limit of Five Million Dollars (\$5,000,000.00) and a per occurrence deductible not in excess of Twenty-Five Thousand Dollars (\$25,000.00);

(b) If the insurance procured by Lessee pursuant to this Article takes the form of a Claims Made policy, Lessee will purchase whatever supplemental coverage may be necessary to provide continuous coverage of its potential liability under this Agreement, with annual occurrence and annual aggregate limits no less than those required pursuant to Paragraph (a) of this Article, during the term of this Agreement and for a period of at least five (5) years following the date of termination of this Agreement pursuant to Article 28 of this Agreement;

(c) At any time not less than sixty (60) days prior to an anniversary date of this Agreement, Lessor, in consideration of current and reasonably anticipated claims and litigation costs, may notify Lessee of Lessor's intent to increase the amount of insurance required by this Agreement or to require that the terms and conditions of such insurance be modified. Should Lessee object to any such increase or modification, Lessee and Lessor will attempt in good faith to negotiate a resolution of their disagreement. If Lessee and Lessor are not able to agree and such disagreement continues for thirty (30) days past the anniversary date of this Agreement, then the matter or matters in disagreement will be submitted to arbitration pursuant to Article 26 hereof;

(d) Each policy of insurance obtained by Lessee pursuant to the requirements of this Article will contain provisions requiring that the insurance carrier give Lessor through the Director of Insurance of Norfolk Southern Corporation, at least thirty (30) days' notice in writing of any proposed policy cancellation or any material modification of the terms and conditions of any policy of insurance Lessee is required to provide under this Article; and

(e) The terms and conditions of each policy of insurance obtained by Lessee to satisfy the requirements of this Article will be subject to the approval of Lessor. At least thirty (30) days prior to the effective date of this Agreement pursuant to Article 19 of this Agreement, Lessee will furnish to the Director of Insurance, Norfolk Southern Corporation, 8 North Jefferson Street, Roanoke, Virginia 24042-0022, an accurate copy of each policy of insurance obtained pursuant to the requirements of this Article. Neither compliance with this requirement nor Lessor's approval of the terms and conditions of any such policy will in any way limit or modify the obligation of Lessee to provide the specific insurance coverage required by this Article.

13. Option to Purchase Leased Line

(a) Lessor hereby grants to Lessee, or its designee, the exclusive option to purchase the Indianapolis Line. Included

in the Indianapolis Line, and all in "AS IS, WHERE IS" CONDITION AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, will be all of Lessor's right, title, and interest in the real property, railroad right of way, road bed, main track, sidings, industrial tracks, depots, yards, storage and parking areas, culverts, bridges, buildings, structures, communication and signal facilities, fixtures, and all other appurtenances, except that reserved unto Lessor in Paragraph (b) of this Article, located between the mileposts stated in Article 1(a) of this Agreement, as of the date of exercise of the option to purchase granted by this Article;

(b) Excepted and reserved unto Lessor from the conveyance of the Indianapolis Line, as more particularly set forth in Exhibit "A" to this Agreement, which is attached hereto and made a part hereof (hereinafter "Excepted Rights and Property"), will be

(i) any and all track material, equipment, locomotives, and other rolling stock of Lessor located on but not affixed to the Indianapolis Line as of the date of Lessee's exercise of the option to purchase granted by this Article;

(ii) the real property and the structures and other improvements thereon at various locations as identified in Exhibit "A", which is attached hereto and made a part hereof; and

(iii) those easements retained by Lessor pursuant Article 22 of this Agreement;

(c) The option to purchase the Indianapolis Line granted to Lessee or its designee in Paragraph (a) of this Article may be exercised pursuant to Paragraph (d) of this Article at any time after the Commencement Date provided for in Article 20(a) of this Agreement, provided, however, if Lessee's lease of the Indianapolis Line pursuant to this Agreement is terminated for any reason, the option to purchase granted in this Article will cease and terminate on the date such lease shall terminate;

(d) Provided that Lessee is not in default under this Agreement, the option to purchase the Indianapolis Line granted to Lessee or its designee in Paragraph (a) of this Article may be exercised by sending written notice at least ninety (90) days in advance of the intended exercise date to Lessor by registered or certified mail, return receipt requested, at the following address:

Norfolk and Western Railway Company
c/o Director, Corporate Planning and
Development
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510; and

(e) As consideration for the option to purchase the Indianapolis Line granted in this Article, upon execution and

return of this Agreement, Lessee simultaneously will transmit to Lessor, at the address set forth in Paragraph (d) of this Article, One Hundred Thousand Dollars (\$100,000.00) in the form of a cashier's or certified check (hereinafter "Option Fee").

14. Purchase Price

(a) As consideration for sale by Lessor of the Indianapolis Line and subject to adjustment as provided in Article 14(c) of this Agreement, Lessee will pay Lessor One Million Dollars (\$1,000,000.00), less the Option Fee, which shall be partial payment of the Purchase Price;

(b) On the Closing Date provided for in Article 20(b) of this Agreement, Lessee will wire transfer to Lessor's account at Sovran Bank, N.A., Roanoke, Virginia or such other bank as Lessor shall direct, in full discharge of the consideration due Lessor by Lessee for purchase of the Indianapolis Line, an amount equal to the Purchase Price less the Option Fee; and

(c) The Purchase Price shall be reduced by One Hundred Thousand Dollars (\$100,000.00) if Lessee exercises its option to purchase the Indianapolis Line and the Closing Date is within one (1) year from the Commencement Date provided for in Article 20(a) of this Agreement.

15. Income, Expense and Indemnity Relating to Leased Line upon Purchase

(a) If Lessee exercises the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, any income accrued on or subsequent to the Closing Date provided for in Article 20(b) of this Agreement from the Indianapolis Line and any rents and payments accrued on or subsequent to the Closing Date provided for in Article 20(b) of this Agreement from any agreements, easements, or licenses pertaining to the Indianapolis Line, excluding those easements retained by Lessor pursuant to Article 22(b) of this Agreement, and any claims, expenses, and liabilities which arise or are accrued on or subsequent to the Closing Date provided for in Article 20(b) of this Agreement in respect of the Indianapolis Line, excluding those easements retained by Lessor pursuant to Article 22(b) of this Agreement, will belong to, be paid to, and be the responsibility of Lessee, and it will be the obligation of Lessee to collect such income and to pay or otherwise to resolve such claims, expenses, and liabilities;

(b) If Lessee exercises the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, any income accrued on or subsequent to the Closing Date provided for in Article 20(b) of this Agreement from those easements retained by Lessor pursuant to Article 22(b) of this Agreement and any claims, expenses, and liabilities which arise or are accrued on or

subsequent to the Closing Date provided for in Article 20(b) of this Agreement in respect of those easements retained by Lessor pursuant to Article 22(b) of this Agreement will belong to, be paid to, and be the responsibility of Lessor, and it will be the obligation of Lessor to collect such income and to pay or otherwise to resolve such claims, expenses, and liabilities;

(c) On and subsequent to the Closing Date provided for in Article 20(b) of this Agreement Lessee will (i) indemnify and hold harmless Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns from all liability, costs, expenses, fines, or penalties resulting from any violation which occurs on or after the Closing Date of any federal, state, or local law, rule, regulation, or ordinance controlling air, water, noise, hazardous waste, solid waste, or other pollution or relating to the storage, transport, release, or disposal of hazardous materials, substances, wastes, or other pollutants relating to the Indianapolis Line, excluding Excepted Rights and Property; (ii) reimburse Lessor and its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns for all costs and expenses incurred by Lessor or its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, or assigns in eliminating such violations, pollution, or contamination relating to the Indianapolis Line, excluding Excepted Rights and Property; (iii) reimburse and hold harmless Lessor and

its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns from any and all cost expenses, attorneys' fees, and penalties, fines, or civil judgments obtained against Lessor or its officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, or assigns as a result of any release or disposal of any hazardous material, substance, wastes, or other pollutant onto or in onto the ground or into the water or air from or upon the Indianapolis Line, excluding Excepted Rights and Property, occurring on or after the Closing Date; and (iv) make all modifications, repairs, or additions to the Indianapolis Line, excluding Excepted Rights and Property, install and bear the expense of any and all structures, devices, or equipment, and implement and bear the expense of any remedial action which may be required under any such laws, rules, regulations, ordinances, or judgments as a result of an incident which occurred on or after the Closing Date; and

(d) The provisions of this Article will survive the closing of the sale of the Indianapolis Line.

16. Responsibility for Cost Associated with Purchase

Lessor will pay its attorneys' fees, other expenses incurred by it in negotiation and preparation of this Agreement, the cost of deed preparation, and the cost of any appraisals it desires. Lessee will pay its attorneys' fees, other expenses

incurred by it in negotiation and preparation of this Agreement, the cost of any surveys, appraisals, or title insurance it desires, and all other expenses incident to the lease, option to purchase, and conveyance of the Indianapolis Line, including deed recordation fees, real estate transfer fees and taxes, and documentary revenue stamps, excluding, however, any gross or adjusted gross income taxes of Lessor, which shall be paid by Lessor.

17. Regulatory Approvals

Lessee will not seek, obtain or exercise from the ICC or any other regulatory agency with jurisdiction any necessary approvals or exemptions from regulation for the provisions of common carrier service of freight or passengers over the Indianapolis Line.

18. Title Examination

Prior to the Closing Date provided for in Article 20(b) of this Agreement, Lessee may at its sole cost and expense conduct a title examination of the Indianapolis Line. If the title examination discloses matters of record, other than the mortgages, if any, set forth in Article 10(a) of this Agreement, affecting Lessor's title to the Indianapolis Line which would materially restrict Lessee's ability to operate the Indianapolis Line or if Lessee receives notice of any such matter, Lessee will notify Lessor in writing of such matters, and Lessor may elect either to correct or not to correct any such title defects. Lessor will make

its election by written notice to Lessee within thirty (30) days of receipt of Lessee's notice of title objections. If Lessor elects to correct such title defects, Lessor will complete its work within ninety (90) days of its election. If Lessor elects not to correct such title defects, if Lessor first chooses to correct such title defects but thereafter decides not to make such corrections, or in any event if all title defects are not cured within said ninety (90) day period, Lessee may elect either to proceed with the purchase and sale, or to terminate this Agreement pursuant to Article 28(d) of this Agreement.

19. Inspection of Records

Upon request by Lessee, records applicable to the Indianapolis Line such as track charts, valuation maps, Sperry Reports (if any) or other track test reports, track maintenance reports, contract agreements such as wire line and crossing agreements, and other documentation, but not including transportation contracts, will be made available to Lessee for inspection, and for a reasonable fee to cover costs, photocopying during normal business hours at Lessor's offices where they are maintained.

20. Commencement Date and Closing

(a) This Lease will become effective upon the effective date of the abandonment certificate petitioned for by Lessor in Norfolk and Western Railway Company--Abandonment--Between

Indianapolis and Tipton, In Marion, Hamilton and Tipton Counties, Indiana, Docket No. AB-290 (Sub-No. 117X);

(b) If Lessee exercises the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, the closing of the transfer of title to the Indianapolis Line and all matters relating thereto will occur on the later of (i) within thirty (30) days after December 31, 1993, or (ii) thirty (30) days after the correction of any title defects which Lessor undertakes pursuant to Article 18 of this Agreement, or (iii) such other time as may be mutually agreeable to Lessor and Lessee (hereinafter "Closing Date");

(c) The closing pursuant to Subparagraph (b) above will be at a time and place mutually and reasonably agreed upon by Lessor and Lessee. In the absence of such mutual agreement concerning location, Lessor and Lessee agree that closing will take place at the offices of the Indianapolis, Indiana law firm designated by Lessee. In the absence of mutual agreement concerning time, closing will take place at 10:00 a.m. (local Indianapolis, Indiana time) on the Closing Date; and

(d) As to both Lessee and Lessor, any obligation set forth in or arising under this Agreement not fully performed on the Commencement Date for those obligations related to Lessee's lease and operation of and option to purchase the Indianapolis Line and

on the Closing Date for those obligations related to the purchase and sale of the Indianapolis Line will survive the closing.

21. Other Closing Matters

(a) If Lessee exercises the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, on the Closing Date and in exchange for delivery by lessee of the Purchase Price less the Option Fee provided for in Article 14 of this Agreement, Lessor will deliver possession of the Indianapolis Line to Lessee and will execute and deliver to Lessee the following instruments:

(i) an assignment of all known leases, side and industrial track agreements, public and private grade crossing agreements, pipeline and wire agreements, licenses, and other agreements directly affecting the Indianapolis Line, excluding those easements retained by Lessor pursuant to Article 22(b) of this Agreement;

(ii) a quitclaim deed conveying Lessor's right, title, and interest in and to the Indianapolis Line, subject to taxes and assessments not then due and payable, to easements and restrictions as may appear of record or from an examination of the Indianapolis Line, and to those easements retained by Lessor pursuant to Article 22(b) of this Agreement;

(b) Except as provided in Article 4 with respect to proration on and after the Commencement Date, all income, rents,

and payments accrued under all leases, agreements, licenses, and easements affecting the Indianapolis Line will be prorated as of the Closing Date in accordance with Article 15(a) of this Agreement, and settlement between Lessor and Lessee for such prorations will occur no later than one hundred twenty (120) days after the Closing Date; and

(c) Within thirty (30) days after the Closing Date, Lessor will deliver to Lessee all original valuation maps, track charts, bridge and other drawings, bridge inspection reports, deeds, agreements, leases, and licenses directly affecting the Indianapolis Line and in the possession of Lessor, its parent, or its affiliates; provided, however, that at the sole discretion of Lessor, Lessor will use its best reasonable efforts to provide true, correct and complete copies of such maps, charts, drawings, and documents may be delivered to Lessee in lieu of originals.

22. Retained Easements

(a) During the term of Lessee's lease of the Indianapolis Line, Lessor will have the exclusive right to convey by deed of easement to itself, to its subsidiaries or affiliates, or to its designees one or more permanent, perpetual, and exclusive or nonexclusive easements:

(i) to install, construct, operate, maintain, repair, renew, replace, and remove a fiber optical communication system over, through, and across the Indianapolis Line; provided,

however, that Lessee will have the right to use for its internal railroad communication purposes one hundred (100) voice channels of the portion of any such fiber optic communications system that is placed on the Indianapolis Line, with Lessee to bear the cost of equipment and facilities required to allow its use of such channels and with Lessee's access to such channels to be on reasonable terms, conditions, and notice. The easement reserved pursuant to this Subparagraph will include among other things the right to install, construct, operate, maintain, repair, renew, replace, and remove fiber optic cable, associated electronics, computer shelters, terminal facilities, connection boxes and pull boxes, and related facilities; the right to install power supply facilities; the right to attach the fiber optic cable and related facilities to existing bridges and to install it in existing tunnels; and the right of ingress and egress for access purposes; and

(ii) to install, construct, operate, maintain, repair, renew, replace, and remove pipelines or wirelines over, under, on, or across the Indianapolis Line, including among other things the right to install, construct, operate, maintain, repair, renew, replace, and remove associated and related facilities; the right to attach the pipelines and wirelines and associated and related facilities to existing bridges and to install them in existing tunnels; and the right of ingress and egress for access purposes;

(b) If Lessee exercises the option to purchase the Indianapolis Line granted in Article 13 of this Agreement, Lessor will have the exclusive right to convey, by deed of easement prior to the conveyance to Lessee or by reservation in the conveyance to Lessee, to itself, to its subsidiaries or affiliates, or to its designees one or more permanent, perpetual, nonexclusive easements:

(i) to install, construct, operate, maintain, repair, renew, replace, and remove a fiber optic communication system over, through, and across the Indianapolis Line. The easement reserved pursuant to this Subparagraph will include among other things the right to install, construct, operate, maintain, repair, renew, replace, and remove fiber optic cable, associated electronics, computer shelters, terminal facilities, connection boxes and pull boxes, and related facilities; the right to install power supply facilities; the right to attach the fiber optic cable and related facilities to existing bridges and to install it in existing tunnels; and the right of ingress and egress for access purposes; and

(ii) to install, construct, operate, maintain, repair, renew, replace, and remove pipelines over, under, or on and running parallel to the Indianapolis Line right of way for a distance of one (1) mile or more, including among other things the right to install, construct, operate, maintain, repair, renew, replace, and remove associated and related facilities and the right of ingress and egress for access purposes; and

(c) If any said easement is granted or reserved and thereafter is not used within twenty (20) years of the date of grant or reservation, said easement will be deemed abandoned.

23. Entire Agreement

Except as provided in Article 12(a) of this Agreement, this Agreement constitutes the entire agreement between Lessor and Lessee relating to Lessee's lease, option to purchase, and purchase of the Indianapolis Line, and no other representation, warranties, or agreements, either oral or written, will be binding upon Lessor or Lessee. This Agreement may be modified only by an instrument in writing signed by an authorized officer of Lessor and of Lessee.

24. Assignment, Sole Benefit

(a) This Agreement may be assigned by Lessee only with the written consent of Lessor, signed by an authorized officer, which consent will not be unreasonably withheld. To obtain Lessor's consent to such an assignment, Lessee will provide written notice to Lessor of its desire to assign this Agreement, including a letter signed by an authorized officer of the intended assignee stating that the assignee agrees to such assignment and agrees to be bound by all the terms of such assignment and the approvals and evidences required by Article 9 of this Agreement. This Agreement will be binding upon and inure to the benefit of successors and assigns of Lessor and successors and permitted

assigns of Lessee, but any assignment by either party will not relieve that party of secondary responsibilities under this agreement unless the other party consents; and

(b) This Agreement is intended for the sole benefit of the parties hereto, nothing in this Agreement is intended or may be construed to give any person, firm, corporation, or other entity, other than the parties hereto and their respective officers, agents, employees, lessors, parent corporation, subsidiaries, affiliates, successors, and assigns, any right pursuant to any provision or term of this Agreement, and all provisions and terms of this Agreement are and will be for the sole and exclusive benefit of the parties to this Agreement, except as provided in Paragraph (a) of this Article.

(c) Lessee may enter into agreements, easements or licenses with third parties pertaining to the Indianapolis Line during the term of the Agreement only with the written consent of the Lessor, it being with the intent of the parties that Lessor will continue to have the exclusive right to enter into such agreements.

25. Notices

Except as provided in Article 5(a) and Article 13(d) of this Agreement, all notices required by or given under this Agreement will be sufficient in all respects if in writing and

delivered personally or by registered or certified mail, postage prepaid, as follows:

To Lessor:

President
Norfolk and Western Railway Company
Three Commercial Place
Norfolk, Virginia 23510-2191

To Lessee:

Michael W. Lennox
Executive Director
Indiana Transportation Museum
P. O. Box 83
Noblesville, Indiana 46060

26. Arbitration

Any claim, dispute, or controversy between Lessor and Lessee arising out of or relating to this Agreement or the breach of this Agreement which cannot be settled by the parties themselves will be determined by arbitration by a single arbitrator in accordance with the Rules of Commercial Arbitration of the American Arbitration Association in effect at the time the demand for arbitration is filed. The location of the arbitration will be at Indianapolis, Indiana. The decision of the arbitrator will be final and binding. Any award of the arbitrator shall be limited to the prevailing parties' actual damages, and the arbitrator shall not have the power to issue an injunction. Judgment to enforce the decision or award of the arbitrator may be entered in any court having jurisdiction, and the parties hereto agree not to object to the jurisdiction of such court for such purpose. Service of process in connection with such arbitration will be made by

certified mail. In any judicial proceeding to enforce this Article, the only issues to be determined will be the existence of an agreement to arbitrate and the failure of one party to comply with such agreement, and those issues will be determined summarily by the court without a jury. All other issues will be decided by the arbitrator, whose decision thereon will be final and binding. There will be no appeal of an order compelling arbitration except as part of an appeal concerning confirmation of the decision of the arbitrator. Each party to the arbitration will pay the compensation, costs, fees, and expenses of its own witnesses, exhibits, and counsel arising from the arbitration. The compensation, costs, and expenses of the arbitrator, if any, will be borne equally by Lessor and Lessee.

27. Non-Waiver

Any waiver at any time of a breach of any provision, condition, obligation, or requirement of this Agreement will extend only to the particular breach so waived and will not impair or affect the existence of any provision, condition, obligation, or requirement of this Agreement or the right of either party thereafter to avail itself of any breach, subject to such waiver.

28. Termination

(a) This Agreement may be terminated on or at any time prior to the Commencement Date upon mutual agreement of Lessor

and Lessee. In event of such termination, Lessor promptly will refund to Lessee without interest the Option Fee already paid;

(b) This Agreement may be terminated at any time during the term of Lessee's lease of the Indianapolis Line by Lessee upon one (1) month's written notice or upon mutual agreement of Lessor and Lessee. In event of such termination, Lessor promptly will refund to Lessee without interest the Option Fee if already paid;

(c) Lessor may terminate Lessee's lease of the Indianapolis Line, remove Lessee from the Indianapolis Line, retake possession of the Indianapolis Line and hold the same as if this Agreement had not been made, and Lessor will refund to Lessee without interest, the Option Fee already paid if for a period of thirty (30) days, Lessee fails to keep or perform any one or more of Lessee's covenants or obligations under this Agreement and if such failure continues for a period of ten (10) days from the date of receipt of written notice from Lessor to Lessee of such failure;

(d) If defects in Lessor's title to the Indianapolis Line are identified and are not corrected pursuant to Article 18 of this Agreement, at the election of Lessee

(i) This Agreement may be terminated by Lessee on or prior to the Closing Date, and Lessor will promptly refund to Lessee without interest the Option Fee; or

(ii) Lessee may proceed with the purchase and sale;

(e) Upon expiration of Lessee's lease of the Indianapolis Line or if Lessee's lease of the Indianapolis Line is terminated pursuant to this Article, except upon exercise by Lessee of its option to purchase the Indianapolis Line pursuant to Article 13 of this Agreement, Lessee will

(i) Upon request of Lessor, execute a release of Lessee's lease of the Indianapolis Line and of Lessee's option to purchase the Indianapolis Line in recordable form satisfactory to Lessor;

(ii) Forthwith vacate the Indianapolis Line;

(iii) Surrender the Indianapolis Line in good order to Lessor, normal wear and tear excepted;

(iv) Provided all sums due Lessor under this Agreement have been paid and all Lessee's obligations and covenants under this Agreement have been performed, remove from the Indianapolis Line any and all structures or other property belonging to Lessee or which Lessee caused or permitted to be placed or erected on the Indianapolis Line, and which are the property of Lessee. Such removal will be effected without damage to the property of Lessor. If Lessee fails to make such removal within ninety (90) days from the date of such termination. Lessor may take title thereto without consideration of any kind therefor or claim by Lessee or anyone claiming an interest by or through

Lessee, or Lessor may remove all or any part of such structures and/or property and restore the Indianapolis Line to its former condition, except as stated in Subparagraph (i) of this Paragraph, at the sole expense of Lessee, and Lessee will reimburse Lessor for such expense within thirty (30) days of receipt of a bill or bills therefor; and

(f) Lessee or Lessor may exercise its rights to terminate under this Article by giving to the other party to this Agreement ten (10) days' written notice of such exercise.

29. Indianapolis Union Railway Rights

(a) Lessor hereby assigns, transfers and delegates to Lessee, during the term of the lease of the Indianapolis Line, the Indianapolis Union Railway Rights, including, but not limited to, all of Lessor's rights, benefits, interests, liabilities and obligations in the Indianapolis Union Railway at common law and as set forth in the agreement dated September 20, 1883, as supplemented, concerning the Indianapolis Union Railway and Lessee hereby assumes all duties, liabilities and obligations of Lessor arising during the term of the lease of the Indianapolis Line with respect to the Indianapolis Union Railway Rights or Lessee's exercise thereof or with respect to the Indianapolis Union facilities and agrees to perform the same in accordance with said 1883 agreement, as supplemented;

(b) On the Closing Date provided for in Article 20(b) of this Agreement, Lessor agrees that it will, to the extent it may legally do so, sell, transfer, quitclaim, assign, and delegate to Lessee, its successors and assigns, absolutely and forever, the Indianapolis Union Railway Rights, including, but not limited to all of Lessor's rights, benefits, obligations and interests at common law and as set forth in said 1883 agreement, as supplemented, and Lessee shall thereafter assume, absolutely and forever, all duties, liabilities and obligations of Lessor arising after the Closing Date as set forth in said 1883 agreement, as supplemented, and Lessee agrees to perform the same in accordance with said 1883 agreement, as supplemented;

(c) The parties intend that, during the term of the lease of the Indianapolis Line and after the Closing Date, if the Closing shall occur, as between Lessee and Lessor, Lessee shall be fully responsible and liable for all duties, obligations and liabilities relating in any way to the Indianapolis Union Railway Rights or to said 1883 agreement. Lessor makes no representations or warranties of any kind regarding the Indianapolis Union Railway Rights, Lessor's ability to assign the same, or the nature or scope of the rights acquired by Lessee under this Article 29; and

(d) During the term of this lease, Lessor and Lessee will each use its best reasonable efforts not to take any action that will materially and adversely affect the Indianapolis Union

Railway Rights. However, it is agreed that Lessor shall have the right to take any action that would have been in Lessor's interest (as determined in good faith by Lessor in its discretion) had Lessor not entered into this lease.

30. Time is of the Essence

Time is of the essence in all matters pertaining to this Agreement.

31. Governing Law

This Agreement will be construed in accordance with the laws of the United States of America and the Commonwealth of Virginia.

32. Counterparts

This Agreement may be executed in any number of counterparts, each of which may be deemed an original for any purpose.

33. Captions

The captions of the articles herein are inserted for convenience only and shall in no way expand, restrict or modify the terms and provisions of any clause hereof.

34. Memoranda of Agreement

Upon the request of Lessee, Lessor shall execute memoranda of this Agreement pursuant to the terms and conditions of this Agreement in a recordable form sufficient under the law of the State of Indiana setting forth the relevant provisions of this Agreement and/or the lease of the Indianapolis Line. The form of the memoranda to be drafted by Lessee must be acceptable to Lessor. The expense of filing any such memoranda shall be paid by Lessee and Lessee shall have the right to record any such memoranda at any time.

IN WITNESS WHEREOF the parties hereto duly executed this Agreement as of the day and year first above written.

In the presence of:

[Signature]
As to Lessee

INDIANA TRANSPORTATION MUSEUM

By *[Signature]*, Executive Director
[Title]

Attest:

[Signature] (Not)
[Title]

In the presence of:

[Signature]
As to Lessor

NORFOLK AND WESTERN RAILWAY COMPANY

By *[Signature]*
Vice President

Attest:

[Title]

EXHIBIT "A"

Excepted Property

1. All that property which is outlined in blue on Exhibit A-1, sheets 1-7, attached hereto.
2. To avoid any misunderstanding, Lessee and Lessor desire to state that it is understood that absolutely no The Nickel Plate Improvement Company, Inc. property is included in the lease, whether or not it has been depicted on Exhibit A-1.

Remarks

right to use strip off of west side of Alford St (Lewis St.) adv. pass and claimed by R.R. Co. cross 13th St. Used but not owned. adv. pass and claimed by R.R. Co. of west side of Macy or Alford St (now Lewis St.) right across 15th St. Used not owned adv. pass and claimed by R.R. Co. of west side of Macy or Alford St. (16 St.) right across 16th St. Used railroad adv. pass and claimed by R.R. Co. right across 17th St. Used not owned adv. pass and claimed by R.R. Co. cross 19th St. Used but not owned. adv. pass and claimed by R.R. Co. cross 20th St. Used but not owned. adv. pass and claimed by R.R. Co. 3 terminate on 90 days notice.

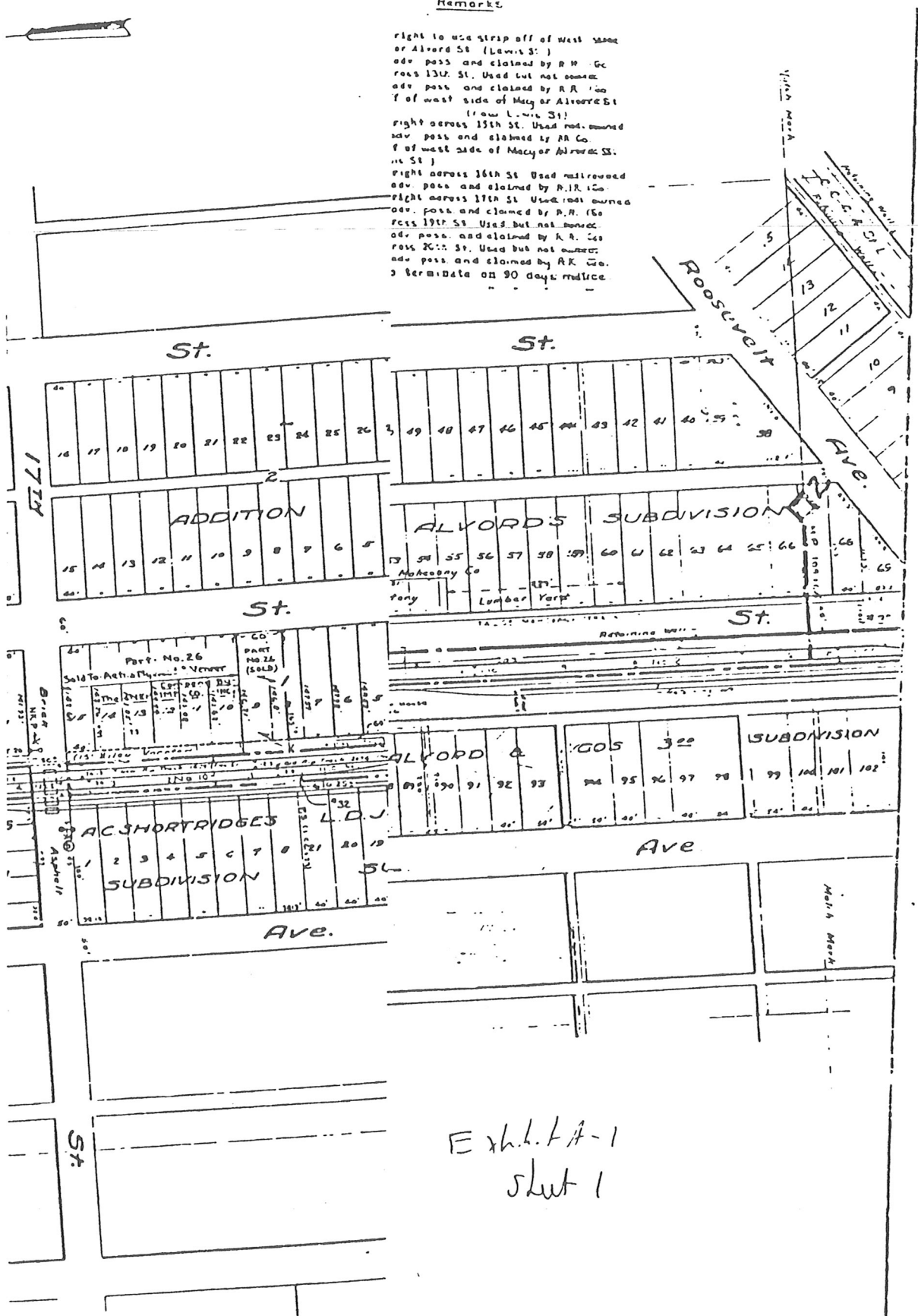


Exhibit A-1
Sheet 1

INDIANAPOLIS, II



Ex. E. & W. ---

12a. Owner

Grant

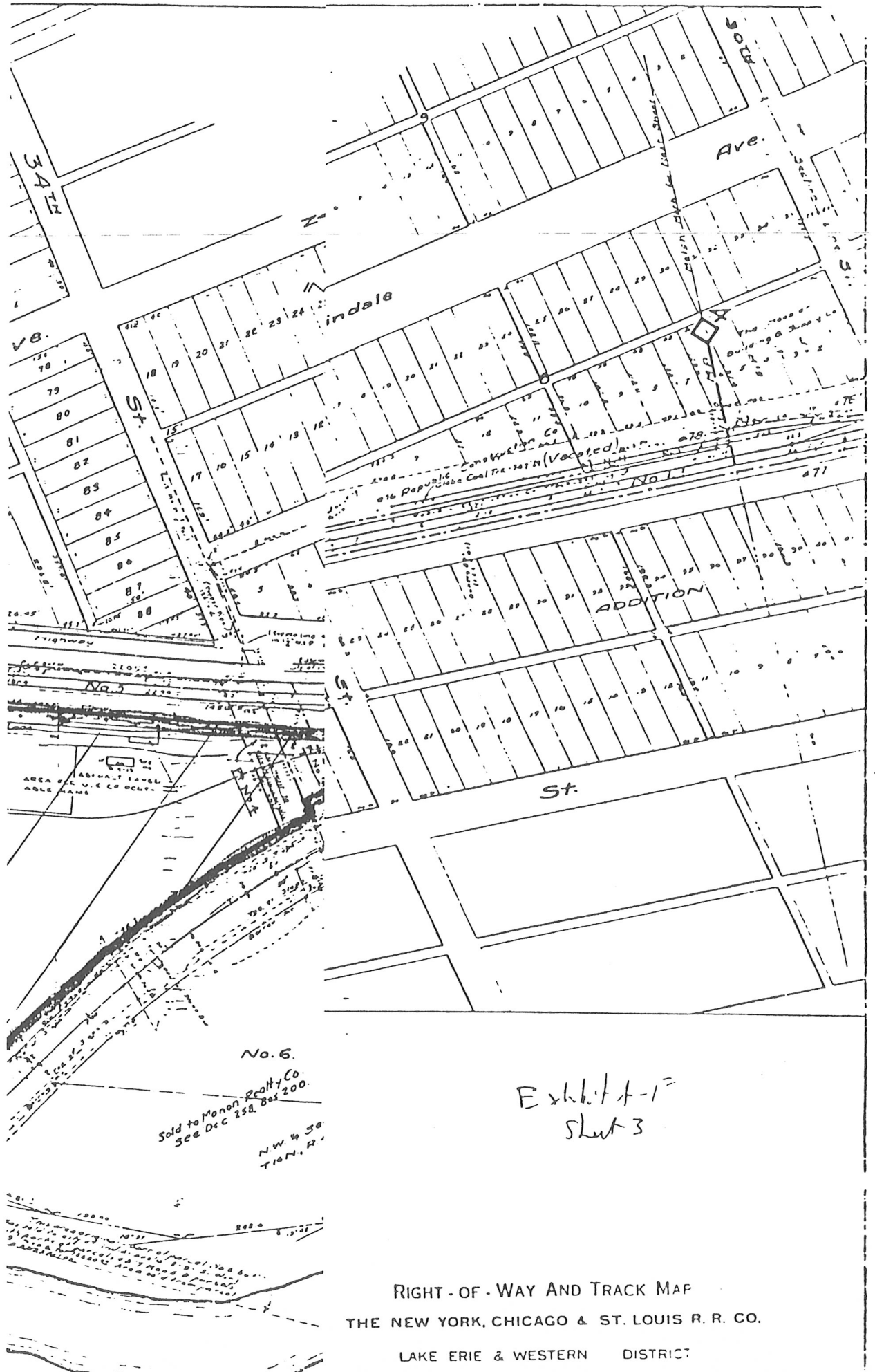
- 1. No paper title found.
- 1. City of Indianapolis.
- 1. No paper title found.
- 1. City of Indianapolis.
- 1. No paper title found.

Indpls. Paru

RIGHT - OF - WAY AND TRACK MAP
THE NEW YORK, CHICAGO & ST. LOUIS R. R. CO.

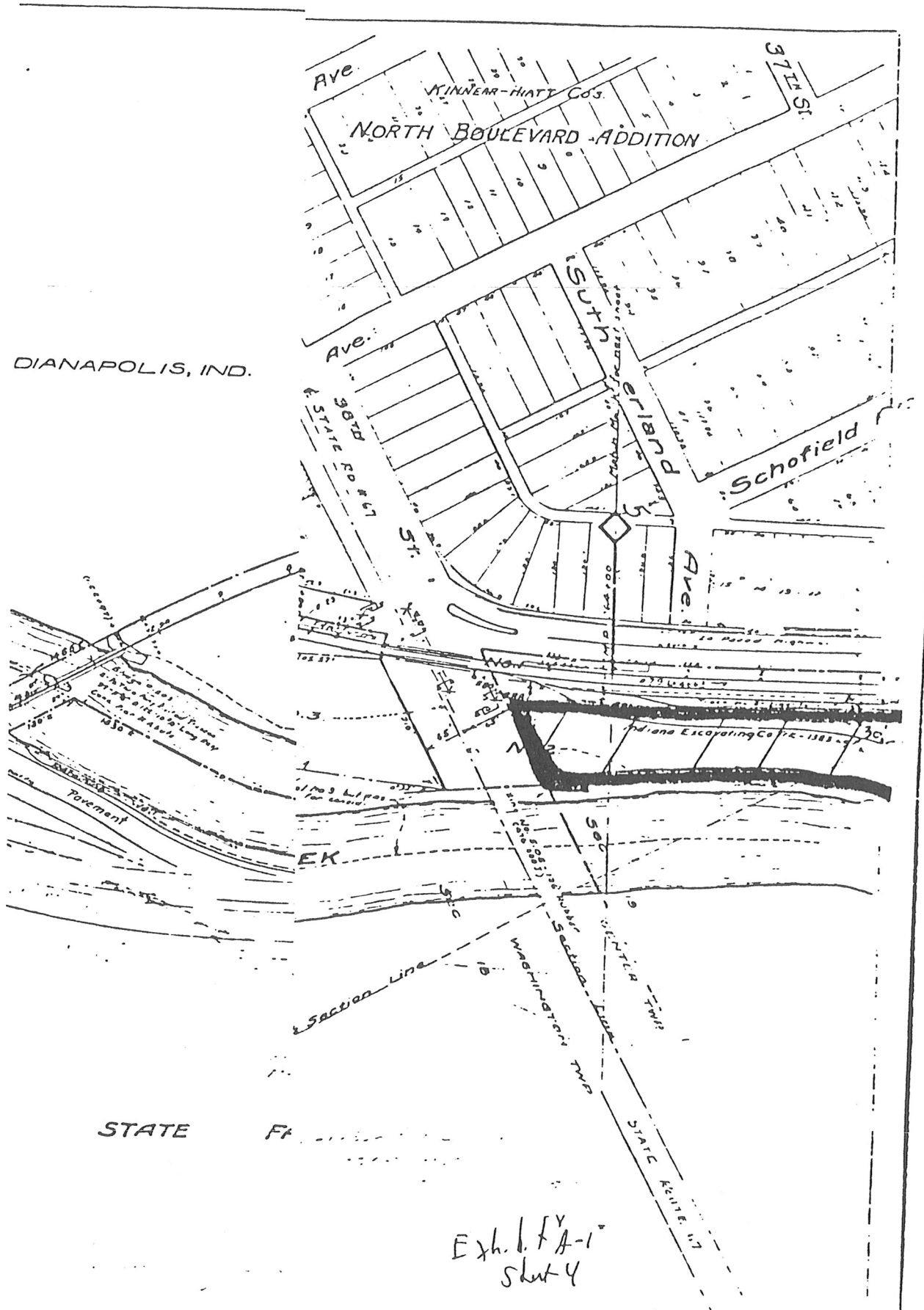
LAKE ERIE & WESTERN DISTRICT

STATION 24420



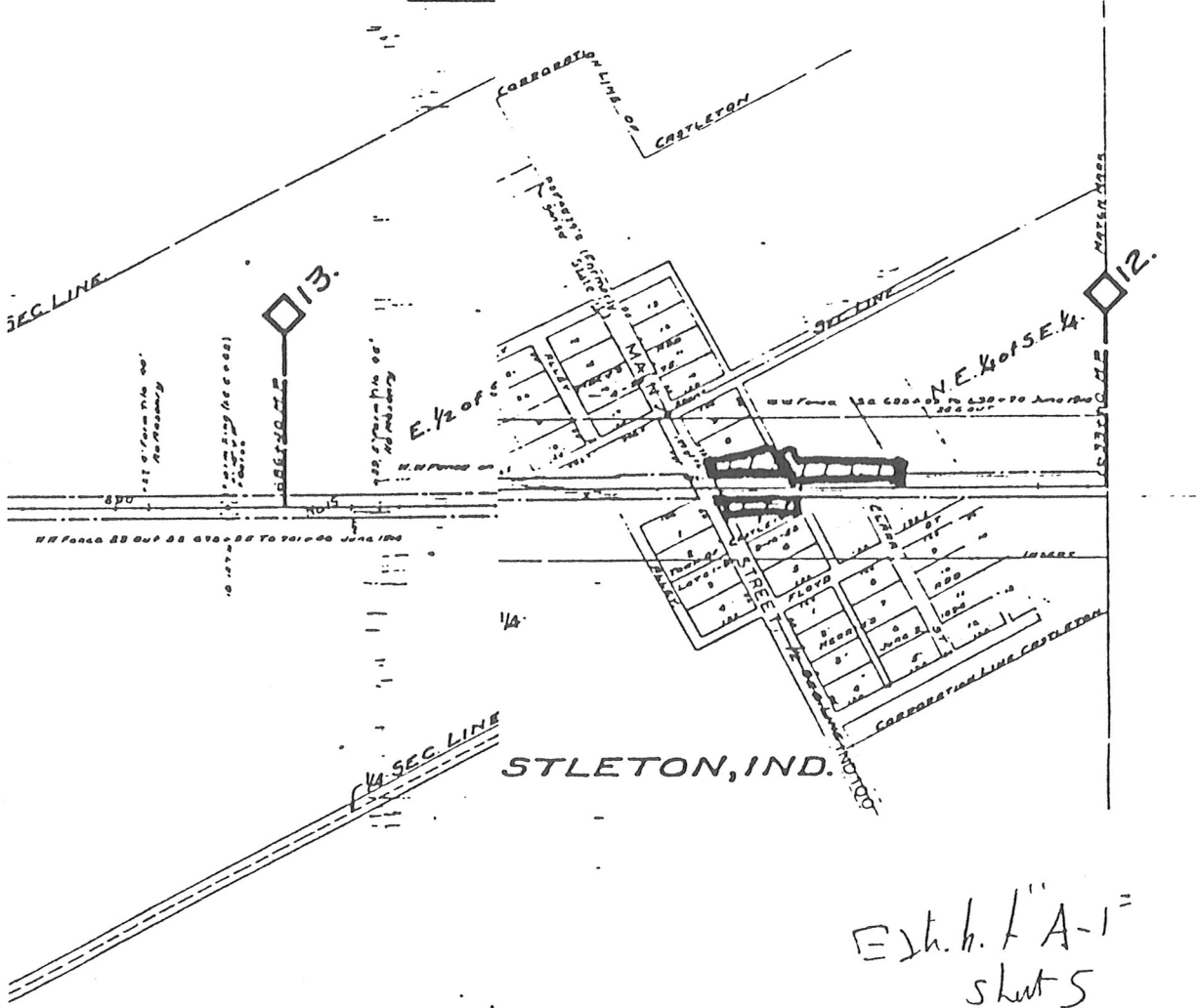
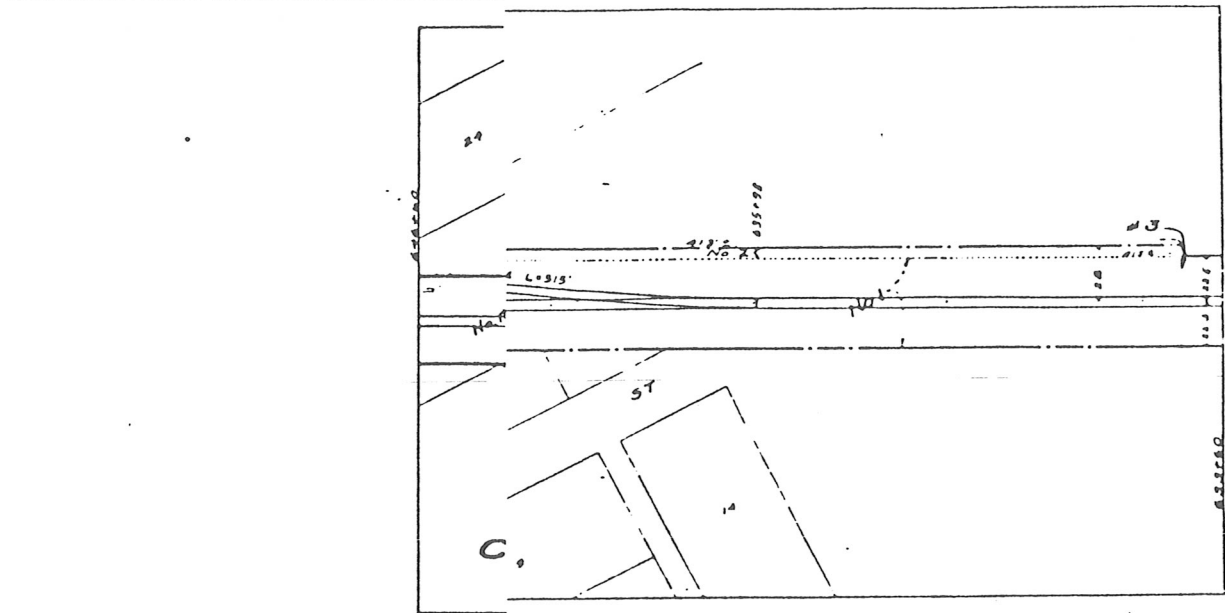
RIGHT-OF-WAY AND TRACK MAP
 THE NEW YORK, CHICAGO & ST. LOUIS R. R. CO.
 LAKE ERIE & WESTERN DISTRICT

DIANAPOLIS, IND.



Exh. 6. FY
Sheet 4

RIGHT-OF-WAY AND TRACK MAP
THE NEW YORK, CHICAGO & ST. LOUIS R. R. CO.
LAKE ERIE & WESTERN DISTRICT



RIGHT OF WAY AND TRACK MAP
 LAKE ERIE AND WESTERN RAILROAD
 OPERATED BY
 ERIE AND WESTERN RAILROAD CO.
 CINCINNATI AND MICHIGAN CITY DIVISION

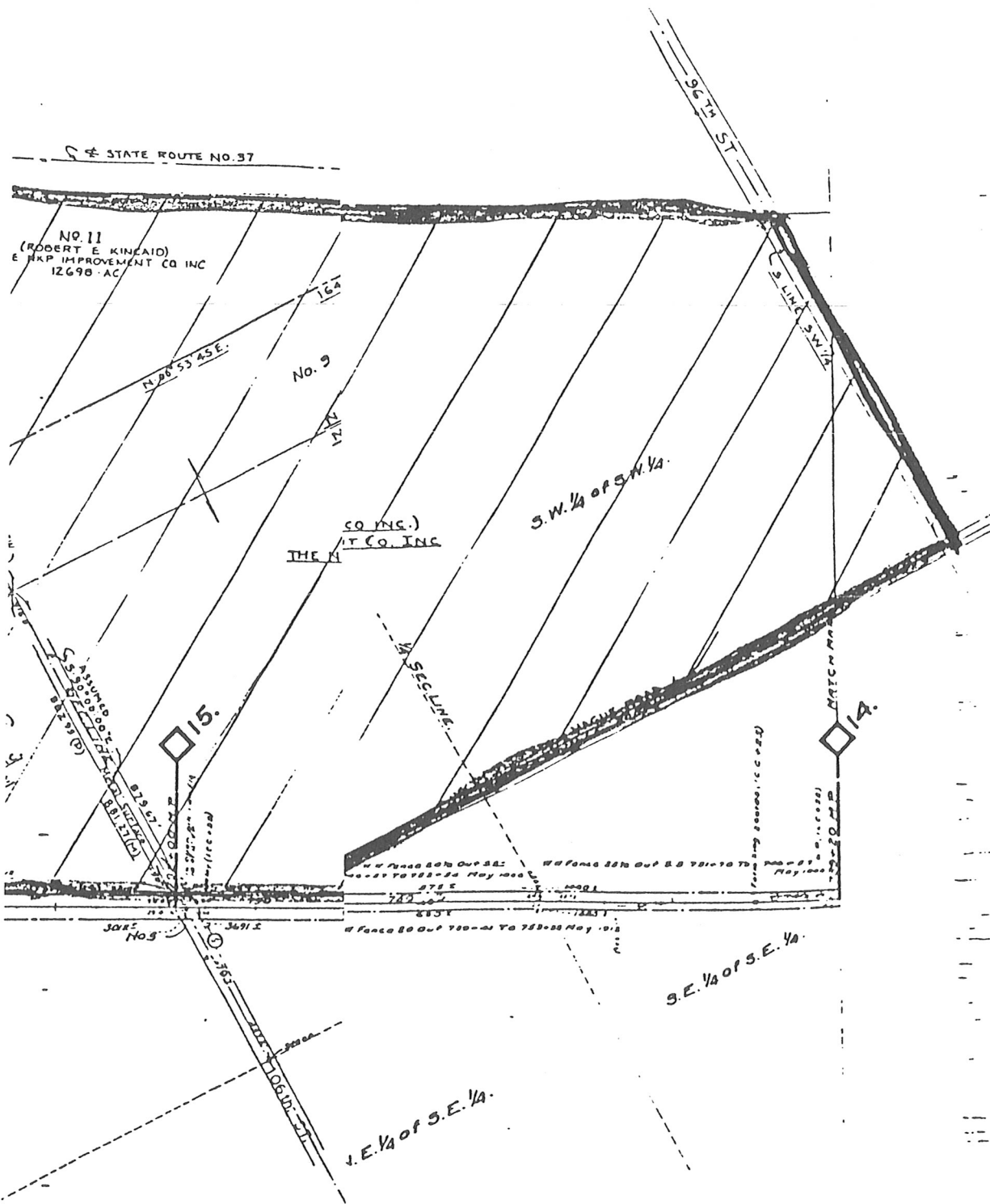
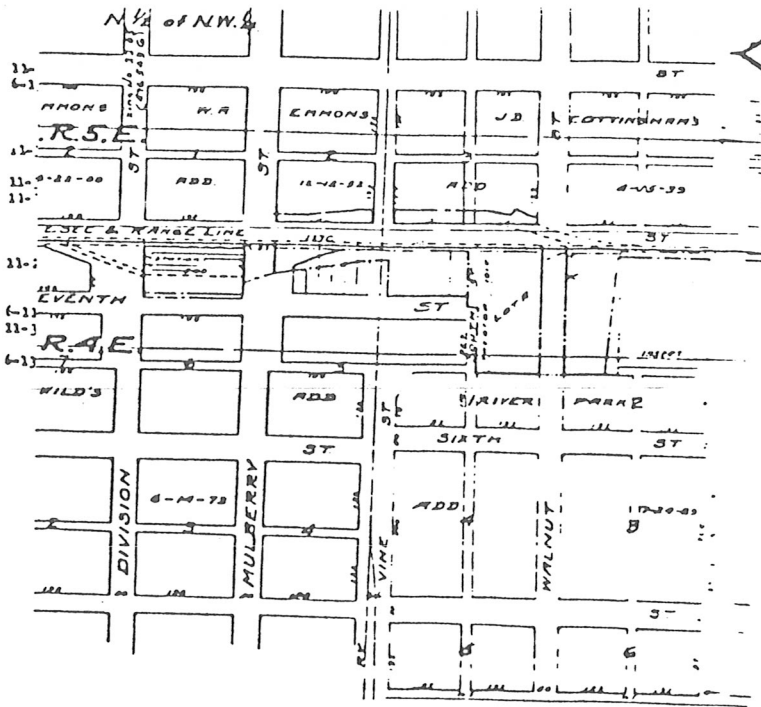


Exhibit A-1
Sheet 6

S.W. 1/4 of S.W. 1/4

RIGHT OF WAY AND TRACK MAP
LAKE ERIE AND WESTERN RAILROAD
OPERATED BY
LAKE ERIE AND WESTERN RAILROAD CO.
CLEVELAND AND MICHIGAN CITY DIVISION

7-1848.	E. E. P. 106, Cass, Ind.	2522
4-1897.	Cass 9121, U. S. Ctr. Ct.	2529
11-1848.		2520
2-1853.		2553
8-1853.	E. Q. P. 272	2520
10-1853.	a. S. P. 210, 5-7-34.	2552
27-1851.	Rev. 1852, P. 409. Statute.	2544
2-1888.	B. 47, P. 466, 7-21-26.	2566
9-1853.		2551
13-1869.	B. B. P. 572, 12-8-69.	2560
1852		
1962	B. C7, P. 13, 9-25-02	300-Box 200

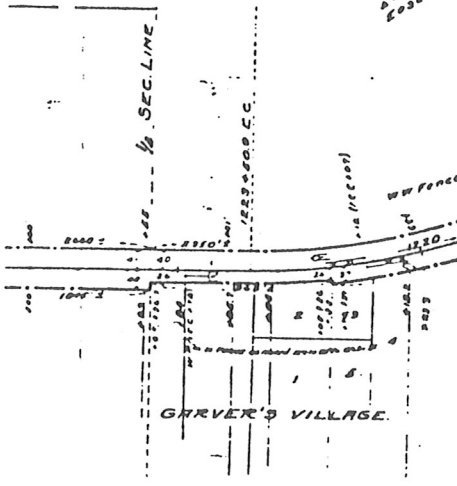


ILESVILLE, IND.

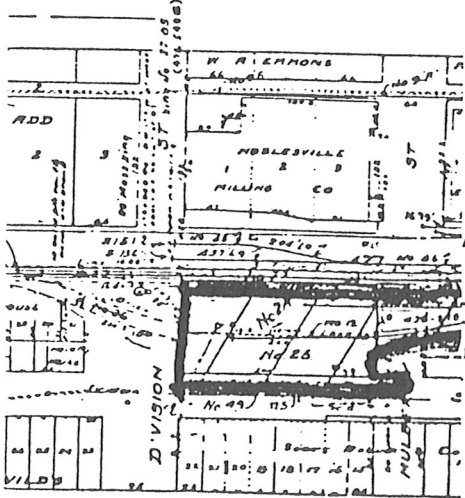
5 1/2

0-03-00 Easement

N. 1/2 of N.E. 1/4.



≡ Sh. h. + A-1"
Sheet 7



RIGHT OF WAY AND TRACK MAP
LAKE ERIE AND WESTERN RAILROAD
OPERATED BY
LAKE ERIE AND WESTERN RAILROAD CO.
CINCINNATI AND MICHIGAN CITY DIVISION

STATION 1181+60 TO STATION 1267+20
1 INCH = 200 FT
JUNE 20 1918
OFFICE OF VALUATION ENGINEER
INDIANAPOLIS, INDIANA

V9-7-18
9

INTERLOCAL AGREEMENT
REGARDING MUNICIPAL CONTRIBUTIONS TO SATISFY
REFUNDABLE "OPTION FEE"

WHEREAS, the Town of Fishers, and, the City of Noblesville, are both municipal corporations organized and existing under the laws of the State of Indiana; and,

WHEREAS, there is operating and existing within the corporate boundaries of each of said municipal corporations a railroad line, including real property, railroad right of way, railroad facilities, and appurtenances located thereon and affixed thereto between Milepost I-2.13 at Indianapolis, Indiana, and Milepost I-39.69 at Tipton, Indiana, all owned by the Norfolk and Western Railway Company, a Virginia Corporation; and,

WHEREAS, said Norfolk and Western Railway Company has caused a petition for abandonment to be filed with the Interstate Commerce Commission which may result, among other things, in the disposition of the right of way as described above; and,

WHEREAS, the municipal corporations party to this agreement have concluded that it is in the public interest to preserve the right of way for such purposes as may serve the commonwealth, including, but not limited to, future commuter rail projects, continuing commercial rail freight shipping currently in use, and such other purposes now and in the future which serve to public; and

WHEREAS, a reasonable estimate of the cost to replace said

right of way if it is disposed of is approximately One Million Dollars (\$1,000,000.00) per mile; and,

WHEREAS, the Norfolk and Western Railway Company has tendered a "Lease and Option to Purchase Agreement" to the Indiana Transportation Museum, an Indiana not-for-profit corporation, (a copy of which is attached hereto and made part hereof, and marked "Exhibit A"), which provides, in part, for an exclusive option for the Indiana Transportation Museum, or its designee, to purchase said right of way up to and including the 31st of December, 1993, upon the tender of an "option fee" in the amount of One Hundred Thousand Dollars (\$100,000.00); and,

WHEREAS, in the event of termination of the Lease and Option to Purchase Agreement, pursuant to paragraph 28, thereof, the "option fee" shall be refunded, without interest; and,

WHEREAS, pursuant to I.C.36-_____, the parties hereto may enter into an interlocal agreement upon the adoption of resolutions in substantially similar form expressing the substance of their agreement.

NOW THEREFORE BE IT RESOLVED AND AGREED by and between the Town of Fishers, and, the City of Noblesville, as follows:

Section 1. Purpose. The purpose of this agreement is to provide for the contribution of One Hundred Thousand Dollars (\$100,000.00) to satisfy the conditions of Exhibit A for the payment of an "optio

fee," all subject to the conditions set forth hereafter. In addition, the parties contemplate a continuing relationship for the purpose of enabling the purchase of the rail line and right of way described above.

Section 2. Contributions and Claim Approval. Simultaneous with the adoption of this interlocal agreement and resolution, each party hereto shall cause to be approved in the legally appropriate manner, a claim in the following amount, payable to the Norfolk and Western Railway Company:

Town of Fishers:	\$20,000.00
City of Noblesville:	\$80,000.00
TOTAL:	\$100,000.00

Section 3. Conditions of Tender. The following conditions precedent to the tender shall be satisfied:

- a. The parties to this agreement shall be acknowledged as the "designee" of the Indiana Transportation Museum, as referenced in Exhibit A, and such acknowledgement shall be in writing and executed by both the Indiana Transportation Museum and the Norfolk and Western Railway Company, the form of such acknowledgement to provided by the parties hereto;
- b. The Norfolk and Western Railway Company shall consent in

writing to the assignment of all the right, title and interest in and to the Lease and Option to Purchase Agreement to the parties hereto, or to an entity created by them, or designated by them, the form of such consent to provided by the parties hereto;

c. The Indiana Transportation Museum shall execute an irrevocable conditional assignment of the Lease and Option toPurchase Agreement to the parties hereto, or to an entity created by them or designated by them, the form of such irrevocable conditional assignment to provided by the parties hereto.

Section 4. Conditions Applying After Tender. Immediately following the satisfaction of the foregoing conditions and completion of the tender of the sum of One Hundred Thousand Dollars (\$100,000.00) to the Norfolk and Southern Railway Company (the "option fee") the following conditions shall apply:

a. The Indiana Transportation Museum shall meet and satisfy all of the conditions of the Lease and Option to Purchase Agreement in a timely fashion, and, said continuing conditions of performance shall be set forth in the Conditional Assigment of Lease and Option to Purchase;

b. The parties hereto shall undertake the process of identifying and defining the nature of the entity or entities which shall ultimately be responsible for the acquisition and ownership of the rail line and right of way;

c. The parties hereto shall undertake the process and identifying and acquiring the funds necessary to satisfy the

option price set forth in the Lease and Option to Purchase Agreement.

Section 5. Rights Upon Termination or Withdrawal. In the event of the termination of the Lease and Option to Purchase Agreement pursuant to paragraph 28 thereof, each party shall be entitled to receive out of the refunded sum, that amount of money which each contributed as set forth above, without interest. In the event that any party hereto takes action to withdraw from this agreement and resolution, they shall not be entitled to a refund of their contribution unless or until a termination occurs, or, upon exercise of the option, if such additional funds may be acquired by the remaining parties to pay the purchase price and refund the initial contribution, then, and only then, shall such withdrawing party be refunded their initial contribution, without interest.

Section 6. Compliance With Law for Adoption. Each party acknowledges that this resolution and agreement may be acted upon and executed in several counterparts, and that each party hereto has taken such steps as are necessary for the legal adoption of the resolution contained herein and the execution hereof.

ALL OF WHICH IS SO RESOLVED, and this Interlocal Agreement is duly executed this _____day of _____, 199____.

COMMON COUNCIL OF THE CITY OF NOBLESVILLE,
HAMILTON COUNTY, INDIANA

AYE

NAY

_____Terry Busby_____

_____Nicki Trabilisy_____

_____Douglass McDonald_____

_____Barry McNulty_____

_____James Swan_____

_____Christy Moore_____

_____C. Murphy White_____

APPROVED and signed by the Mayor of the City of
Noblesville, Hamilton County, Indiana, this _____day
of _____, 199____.

Mary Sue Rowland, Mayor, City of
Noblesville, Indiana

ATTEST

Marilyn Conner, Clerk-Treasurer
City of Noblesville, Indiana

EXCLUSIVE CONDITIONAL ASSIGNMENT OF LEASE
AND OPTION TO PURCHASE AGREEMENT

In consideration of the mutual covenants and other considerations set forth herein, in particular, the tender of the sum of One Hundred Thousand Dollars (\$100,000.00) as an "option fee" pursuant to the terms of a certain Lease and Option to Purchase Agreement, a copy of which is attached hereto and made part hereof and marked Exhibit A, the Indiana Transportation Museum, an Indiana not-for-profit corporation, does hereby exclusively assign all of its right, title and interest in and to said Agreement to the following Indiana municipal corporations: the **Town of Fishers**, and, the **City of Noblesville** who are collectively acting pursuant to an Interlocal Agreement, a copy of which is attached hereto and made part hereof and marked Exhibit B.

The assignment of this Agreement is conditioned upon the following:

- a. That the Indiana Transportation Museum is unable or unwilling to satisfy the terms and conditions of the Lease and Option to Purchase Agreement;
- b. That the municipal corporations, upon sixty (60) days notice in writing to the Indiana Transportation Museum request expedited performance of the exercise of the Option to Purchase at any time during the term of the Lease and the

Indiana Transportation Museum is unable to timely comply with such request;

c. That the municipal corporations, or their successor in interest, determine that in the public interest the Agreement should be assigned to them, or their successor in interest, and, thereafter, they shall give the Indiana Transportation Museum ninety (90) days notice in writing of such determination after which the assignment shall be deemed to have occurred.

Upon any of the foregoing occurrences, the municipal corporations, or their successors in interest shall take all reasonable steps to insure that, to the extent that it is economically feasible, the rail line identified in Exhibit A shall continue to be made available for operation and use to the Museum, and any and all other shippers who are utilizing the rail line.

Executed this 27th day of *FEBRUARY*, 1992. *180*

INDIANA TRANSPORTATION MUSEUM

BY: *Richard W. Jones*

ATTEST:

J. Alan ... Board of Dir (v. 1)

ACKNOWLEDGEMENT AND CONSENT

The undersigned Indiana Transportation Musuem, an Indiana not-for-profit corporation, and the Norfolk and Western Railway Company, a Virginia corporation, being the parties to a certain Lease and Option to Purchase Agreement, a copy of which is attached hereto and made part hereof, and marked Exhibit A, do hereby acknowledge that the term "designee" as it is used in said agreement refers to the following Indiana municipal corportions: the Town of Fishers, and, the City of Noblesville who are collectively acting pursuant to an Interlocal Agreement, a copy of which is attached hereto and made part hereof and marked Exhibit B.

In addition, the parties hereto do hereby consent to the Exclusive Conditional Assignment of the Lease and Option to Purchase Agreement by the Indiana Transportation Museum to the municipalities pursuant to the Exclusive Conditional Assignment of the Lease and Option to Purchase, a copy of which is attached hereto and made part hereof and marked Exhibit C.

EXECUTED this 27th day of FEBRUARY, 1993. 1502

INDIANA TRANSPORTATION
MUSEUM

BY: Michael W. Jount

ATTEST:

John W. Davis - Road of Ind. (Vol)

NORFOLK & WESTERN RAILWAY
COMPANY

BY: R. E. H. Smith V.P.

ATTEST:

Sandra J. Borby