

ON TRACK



FEATURE FROM THE PRESIDENT



It is time to ring in 2020, and besides representing the New Year, one can't help but think of that number in terms of its representation of visual acuity. That representation serves us well today, as we are reminded that our corporate vision is vital to our continued growth and success. It is

of further importance that we not forget the fact that our corporate visual acuity is gauged not only by our focus on short term objectives, but also by our focus on long term goals.

In 2019, our management team and employees very clearly demonstrated our corporate vision to be strong and driven, and not content with the status quo, as represented by the following accomplishments in: safety, growth, expansion, acquisition, maintenance, customer service, employee benefits and community involvement.

2019 Accomplishments

- Zero FRA-reportable injuries
- 10% growth in railcar volume system-wide
- Six new rail freight customers located on the system
- Purchase of multiple properties for transload facility construction/development and facility improvement
- Addition of 40 railcars to our fleet in order to better accommodate existing customers
- Equipment purchases in order to improve efficiency

- Award of multiple PennDOT grants for several economic development and safety improvement rail projects
- Administration of the largest annual maintenance of way program in the company's 35 year history
- A gift of \$1,000 to every employee in celebration of our 35th anniversary
- A bonus paid day off on Christmas Eve was given to afford employees more time with loved ones
- Hiring of new, fulltime employees, to prepare for the company's future
- Receipt of the Phillips/Plankenhorn Small Business of the Year Award from Williamsport/Lycoming Chamber of Commerce
- Continued, exemplary level of community involvement and commitment

These accomplishments are indicative of our day to day philosophy, and they lend themselves to our vision for the future, one where our company is larger, stronger, and more diversified. These attributes will help us take our company to new levels of success, which will intrinsically lead to the betterment of our employees, customers, partners and communities.

Here is to 2020 and beyond - we at North Shore hope for a future full of health, happiness, and prosperity for all of our employees, customers, vendors, contractors, partners, elected officials, communities and friends.

Jeb Stotter
President & CEO

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www.facebook.com/NorthShoreRailroad
www.instagram.com/northshorerailroad
www.NSHR.com

Cover Photo Courtesy of Steven Schorr

Fighting a snow squall, LVRR 2011 (GP38-2DC) works its way around the bend in Muncy, PA, before crossing the Susquehanna River.

NOTES FROM MARKETING

THANK YOU FOR A GREAT 2019

If you recall in our 2019, 1st Quarter On Track, we announced five new customers were coming to our lines... Fast forward to the close of 2019, and make that six. This past quarter, we saw the addition of a new oil and gas customer.

Thinking back on how great 2019 was for North Shore Railroad Company & Affiliates, we want to take this time to pause, reflect, and give thanks.

Thank you to everyone we have worked with throughout the year. Everything we do is based on hard work and relationships - we could not do what we do alone! As you focus on growing your business in 2020, let us help you!

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SPECIAL GUESTS

To the Right: October 25th

Distinguished guests joined us for a caboose tour and business update of LVRR. Guests included: PA State Rep. Tim Hennessey; PA State Rep. Lou Schmidt; PA State Rep. Jeff Wheeland; Matt Rucci, PA House Transportation Committee Analyst; Jason Fink, Williamsport/Lycoming Chamber of Commerce President; Justin Shuey, Keystone State Railroad Association Deputy Executive Director; and more.

Below: November 15th

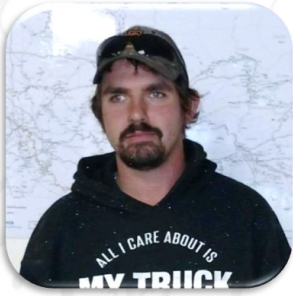
PA State Rep. Borowicz toured LVRR to see railroad projects and customers.

Bottom Corner: December 11th

Penn State Rail Transportation Engineering Class toured the JVRR Engine House.



2019 New Hires



Josh Johnson
LVRR MoW



David Dersham
LVRR T&E



Thomas Flynn
NBER T&E



Mark Anonia
Customer Service



Devin Mahoney
LVRR MoW



John Metz
LVRR T&E



Matthew Shope
NBER T&E



Logan Boucher
NSHR MoW



Conner Toner
LVRR MoW



Aaron Miller
LVRR T&E



Jonathon White
NBER T&E



Adam Scholl
NSHR T&E



Wayne Brewer, Jr.
LVRR T&E

Welcome to the Family!

MoW **T&E**
Maintenance of Way *Train & Engine Service*

Workforce Statistics

75% of our employees have been with the company for 5+ years, half have been with us 10+ years, 25% have been with us 15+ years, and 12% have been with the company for 20+ years!

NOTABLE 2019 ANNIVERSARIES



FIVE YEARS OF SERVICE

Joe Kantz
Business & Development Manager

10 YEARS OF SERVICE



Lucas Harter
NBER T&E



Josh Miller
NBER General Manager



Christi Haverovich
Customer Service

15 YEARS OF SERVICE



Greg Coleman, Jr.
LVRR MoW



Nikki Reedy
Accounting

20 YEARS OF SERVICE



Steve Beach
NBER T&E



Jim Mackey
Safety & Compliance Manager



Jeffrey Jeffrey
Communications & Signals

OUR RAILROAD FAMILY

2019 RETIREES



Phil Lucas

23 Years of Service

Safety & Compliance Manager

Start Date: 11.08.1996 - Retire Date: 05.02.2019

Pete Symons, Jr.

7 Years of Service

Director of Maintenance of Way

Start Date: 01.03.2012 - Retire Date: 08.31.2019



TERRY WEBSTER SAFETY AWARD

Congratulations to Caleb Hoover (Conductor/Engineer) - our 2019 Safety Award Winner!



Past Winners Include:

- | | |
|----------------------|---------------------|
| 2008 Terry Webster | 2014 Chris Girio |
| 2009 Jim Miller | 2015 Dean Weirick |
| 2010 Randy Ulrich | 2016 Roy Toner |
| 2011 Jeff Jeffrey | 2017 Mark Yost |
| 2012 Tom McCann | 2018 Pat McGaw |
| 2013 Steve Beach | |

Thank you to the awesome photographers who made our 2020 calendar so beautiful!

- James Appleman
- Ethan Brodie
- Cameron Crossley
- Tiarnan Ferry
- Patrick Greenbaum
- Zach Kedge
- Dylan Klein
- Chris Partsch
- Jack Pehowic
- Stephen Schorr
- Ethan Taylor



OUR RAILROAD FAMILY

2019 COMPANY PICNIC



Employees, retirees, and families enjoyed Knoebel's for our annual company picnic.

2019 COMPANY CHRISTMAS PARTY



Employees gathered for our annual Christmas Party, at the Lewisburg Hotel.

EMPLOYEES IN THE COMMUNITY - SERVING NONPROFITS

Todd Hunter, our Chief Marketing Officer, was honored to be re-elected as the Chair of the Transportation Committee of the Williamsport/Lycoming Chamber of Commerce. In addition to this Committee, Todd also serves on the board of the Loyalsock Township Planning Commission, American Short Line and Regional Railroad Association (ASLRRRA) Small Railroad Committee, the ASLRRRA' new Hall of Fame Committee, Norfolk Southern Shortline Caucus committee, and board of North East Association of Rail Shippers.

Todd is not the only active member of our family serving for nonprofits on a regular basis. Our Cost/Budget Accountant, **Russ Nicodemus**, serves as the Treasurer for the Ringtown Rotary Club.

Our Treasurer/Controller, **Diana Williams**, serves the ASLRRRA on various committees (Finance & Administrative Committee, Insurance Committee, Veterans Committee), as well as on the Eastern Region Signal Conference Committee and the National Highway-Rail Grade Crossing Safety Conference Committee.

Our President & CEO, **Jeb Stotter**, is also the President of Sunbury's Revitalization, Inc. and President of the Keystone State Railroad Association (KSRRRA). **Loni Martz Briner**, our Public Relations & Media Manager, is also active with the KSRRRA, serving on their Marketing Committee. She also serves on the Marketing Committee of Northern Dauphin Christian School and as a media consultant for New Life EC Church of Herndon, as well as serving as Treasurer of the Line Mountain/Mahantango FFA Alumni Association and President of Leadership Susquehanna Valley.

As if our Business Development Manager, **Joe Kantz**, isn't busy enough, he gives time to: Snyder County Planning Commission, Snyder County Conservation District Board of Directors, County Commissioner's Association of Pennsylvania Board of Directors, Elections Reform Committee, Resolutions Committee and County Governance Committee, SEDA-COG Board of Directors, Central Susquehanna Council Board of Directors, FOCUS Central PA Board of Directors, Milton Area Industrial Development Association Board of Directors, Community Aid Board of Directors, True Heart Music Ministries Board of Directors, and Westminster Chapel Steering Committee.

OUR RAILROAD FAMILY

NORTH SHORE IN THE COMMUNITY



Our Accounting Department handed out treats at the 16th Annual Trail of Treats at the Country Cupboard. Learn more about this event at www.wnep.com.



In conjunction with the SEDA-COG JRA, we created a scholarship for future railroad engineers through Penn State, in memory of John P. Conrad, PE. Congratulations to this year's recipient: Colin Seitz, a Junior at Penn State Altoona.



Toys pile up for our 16th Annual Toys for Tots Drive, at our home office in Northumberland, PA.

More information can be found to the right. >>>



We were happy to again sponsor the Bellefonte Victorian Christmas. Learn more about this fun-filled, annual event here:

www.bellefontevictorianchristmas.com.

For the 16th consecutive year, we invited North American Railcar Operators Association (NARCOA) motorcar drivers (with the help of Larry Maynard from Central PA Excursions), to ride the NSHR (from Northumberland to Danville and return) and help collect toys for the US Marine Corp Reserve Toys for Tots drive.

For the first time, we also collected toys on UCIR (from New Columbia, to Allenwood and Winfield).

With the help of all of the families who waited along the railroad tracks to make donations, we are glad to report more than \$3,113 in donations and more than 1,154 toys were collected!