



QUALAWASH

Quala Systems sold by Quality Distribution

QualaWash Holdings, LLC purchased substantially all of the QualaSystems, Inc operating assets from Quality Distribution, Inc.

In connection with the sale, QualaWash entered into long term leases for the real estate used in the tank wash business along with various operating agreements. The transaction closed on October 10.

QualaWash Holdings (QWH) was formed by Mike Bauer and KLH Capital LP, a Florida based Small Business Investment Company. Mike Bauer has stepped down from his role as President of QSI and is now President of QualaWash. QualaWash is no longer affiliated with Quality Distribution, Inc or its subsidiary Quality Carriers, Inc.

Mike Bauer, president of QualaWash, commented, "QualaWash is excited for this opportunity to further enhance a valuable service to the bulk tank truck network across the United States. We are committed to being the premier provider of tank wash services."

Mark Hunter, Director of KLH Capital LP, also commented "QualaWash is backed by a private equity group, KLH Capital, L.P., that is eager to deploy additional financial resources to support the company's growth initiatives. These initiatives could include selected acquisitions and geographic expansion to enhance the level of service to nationwide carriers in the bulk transportation industry."

QualaWash currently operates 30 tank wash locations across the United States and plans to reopen a facility that was closed in Baton Rouge LA, according to Mike. The wash rack operator also plans to open at least two new locations over the next year. Eleven locations currently offer vehicle maintenance services, and that total will grow to 20 facilities over the next two years. New services are being added, including intermediate bulk container cleaning, hydroblasting, hose testing, ISO tank container cleaning and storage, and office space leasing.

For more information, please contact Mike Bauer at 813-569-7265 or P.O. Box 1777 Mango, FL 33550. Please also visit us at www.qualawash.com.

