National Tank Truck Carriers

EFTCO 25TH ANNIVERSARY OPEN HOUSE CONFERENCE
APRIL 4TH 2019

TERRY O’BRIEN
PRESIDENT-QUALA
About National Tank Truck Carriers
Vision and Mission

Vision
To be the voice of the tank trucking industry and the recognized resource of its leaders.

Mission
To Champion Safety and Success in the Tank Truck community through Advocacy and Education.
FUNDAMENTAL PRINCIPLES

- ADVOCACY
- EDUCATION
- SAFETY
- NETWORKING

SEGMENTS

- TRUCKING
  - ENERGY
  - CHEMICAL
  - FOOD GRADE
  - DRY BULK

COUNCILS

- SAFETY
- TANK CLEANING
- ENVIRONMENTAL
- WORK-FORCE DEVELOPMENT
Introduction to the US Market
Typical North American Cleaning Station

- 2 Chemical Bays
- 1 Food Grade Bay
- 2 Maintenance (Shop) Bays
- Office for 2 Customers
- Parking for ~150 Tractors & Trailers
- ~2 Hectares property
Us Tank Cleaning Market

There are ~ 425 cleaning stations in North America
Service Offering Overview

- Tank Trailers
- Intermediate Bulk Containers
- ISOs, Frac Tanks, Repair and Other
- Commercial Waste Water
- Rail Cleaning & Repair
Key Similarities: Europe vs. US

- Highly fragmented market
- Market size
- Highly regulated
- Mission Critical
- One Stop Solution for Transportation Services beyond Cleaning
- Mix of cleaning station operators: T&L vs. Independent
## Key Differences: Europe vs. US

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<thead>
<tr>
<th>Difference</th>
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<tbody>
<tr>
<td>Port Development more advanced in Europe</td>
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<td>Rail service more advanced in Europe</td>
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<td>Real Estate costs higher in Europe</td>
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<td>European working hours more regulated vs. North America 24/7</td>
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<td>Utilities expense higher in Europe</td>
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<td>Types of Equipment cleaned are different</td>
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<td>SQAS Process more advanced in Europe</td>
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<td>European Cleaning Document (ECD) vs Individual Company Cleaning Certificates</td>
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<td>Prior product restrictions &amp; controls are more apparent in Europe</td>
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<td>Trailer to Tractor Ratio higher in US (2.2 to 1)</td>
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<td>Speed of cycle times: Hi Pressure / Low Vol vs. Low Pressure / Hi Vol</td>
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Introduction To Quala
Quala History

1986 - Inception
Chemical Leaman Tank Lines commercializes their in-house tank cleaning operation as Qualawash.

1999 - New Leadership
QualaWash is acquired by a newly formed Quality Distribution.

2009 - Autonomous
Quala separates from Quality Distribution and begins operation as a stand alone independent service provider with 27 locations.

2010 - Exciting Diversification
Manfredi Special Services is acquired, and Quala expands into the IBC cleaning market.

2011 - 49 Locations!
PSC Container Cleaning Division is acquired, and nearly doubles our company’s locations.

2012 - A Growing Family
Stallion Tank, Sparkle Clean, Shreveport Tank Wash and Tank Wash Specialists join the Quala Team.

2014 - Beneficial Capabilities
Pro Kleen Tank Wash and Cronbaugh Tank Wash make 52 locations!

2015 - Concentric Diversification
Long Tank Wash and Gator Env. Come on-board. Greenfield at Savannah facility is complete.

2016 - Elaborate Expansion
South St. Paul Truck Wash, ETC, Pedricktown Tank Wash, Penn Tank Truck Wash, and Pioneer extend our company footprint. Two more facilities add waste water capabilities.

2017 - Can’t stop this Train
Acquires Alpha Technical Services and is now able to offer Rail & Specialty Chemical cleans. Circle City Tank Wash and Action Resources join the team.

2018 - Culture Enhancement
OpEx, QualaWay, and new Vision, Mission, Values chart a course into the future!

2019 - IBC Cleaning Expansion!
Quala acquires Container Experts, nearly doubling the size of the company’s IBC business.

- 72 locations along the most active bulk transportation routes
- Locations in 8 of the 10 busiest ports in the United States
- 30 facilities with Food Grade Cleaning Capabilities, the largest network in North America
- 14 facilities with on-site, Quala-operated repair and maintenance shops
- 65 locations servicing IBC containers
Quala Facility Map

72 locations in North America creating an unrivaled network
Contact Information

Scott Harrison
Chief Executive Officer

Email: sharrison@quala.us.com
Cellphone: +1 248 761 6627

Terry O’Brien
President

Email: tobrien@quala.us.com
Cellphone: +1 813 334 5899
Thank You