

Rhodes Holdings LLC

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Hi Alloy Valve Industries, Inc. ("HVI")

Corporate Info. Hi-Alloy Valve Industries, Inc.
9022 Frey Rd; Houston, TX 77034
<http://www.hialloy.com/>

Description



HVI uses high quality materials, advanced manufacturing techniques, and automation to produce a quality product at a competitive price. HVI valves are used in oil & gas, chemical, power generation, mining, and cryogenic industries. HVI has distributors in Mexico other Latin-America countries.

- ✓ Valve diameter sizes range from 2" thru 36"
- ✓ Valve classes from 150# through 1500#
- ✓ Valve types include slab gate, expanding gate, trunnion ball, and swing check
- ✓ Valves available in carbon, alloy, and stainless steel including low temperature and sour gas alloys

Ownership

- ✓ 42.86% Luis Beita
- ✓ 42.86% Bob Kelly
- ✓ 14.28% Frank Beita

Benefits

- ✓ **With its strategic supply chain, HVI delivers product in 14 weeks compared to its competitors' 30 week delivery.**
- ✓ Positive operating cash flow

Financials

Revenue:	\$3,500,000	FY 2008 (estimated)
Operating Profit:	\$500,000 15%	
Debt:	\$0	
Inventory:	\$200,000	

Proposal

Transaction

- ✓ Reverse merge with trading / clean OTC:BB shell
- ✓ Raise \$11,000,000 growth & acquisition capital

Employment

- ✓ 2 year employment agreements with Luis Beita (CEO) and 1 year agreement with Robert C. Rhodes (CFO)

Upside

Acquisitions \$6,000,000 cash and public stock can purchase valve and related companies, with \$1,000,000 for integration costs. \$20,000,000 revenue gain.