

## **Stellus Capital Management, LLC Provides Second Lien Financing to Support T.F. Hudgins, Inc. merger with Allied Reliability, Inc.**

**Houston, TX - November 2, 2016** - Stellus Capital Management, LLC (“Stellus”) announced today that it provided second lien debt to support The CapStreet Group’s portfolio company, T.F. Hudgins, Inc., and its merger with Allied Reliability, Inc. (“Allied”). Allied is an existing portfolio company of Pfingsten Partners.

Founded in 1947, T.F. Hudgins, Inc. provides engineered product and service solutions for machinery used in a wide range of heavy industries, including petrochemical, refining, natural gas, manufacturing, mining and transportation. T.F. Hudgins has built a solid reputation for providing leading product and service technologies as well as an unparalleled level of experience, expertise and responsiveness.

Founded in 1997, Allied delivers best-in-industry operational reliability solutions, including condition monitoring, electrical services, consulting training and, staffing and integrated product solutions for commercial and industrial manufacturing industries.

The combination of T.F. Hudgins and Allied combines the domain expertise and resources of leading companies focused on improving the reliability and performance of a broad range of high-value assets operating in a variety of applications. By providing unique and integrated asset reliability and protection solutions, customers will benefit from an expanded portfolio of hardware, software, and value-added services.

Moore & Van Allen PLLC acted as legal counsel to Stellus in this transaction.

### **About Stellus**

Stellus is a leading middle market private investment firm with approximately \$1.3 billion of assets under management (as of June 30, 2016) across its two investment platforms - private credit and energy private equity. The private credit platform focuses on originating direct loans to middle market companies. The energy private equity platform focuses on providing flexible equity capital to small and middle market energy companies. Each platform is led by a dedicated investment team investing out of strategy-specific private institutional funds.

Collectively, the Stellus team has invested over \$4 billion in the middle market over the last 10+ years. Stellus has offices in Houston, TX and the Washington D.C. area. For additional information, please visit us at [www.stelluscapital.com](http://www.stelluscapital.com).

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