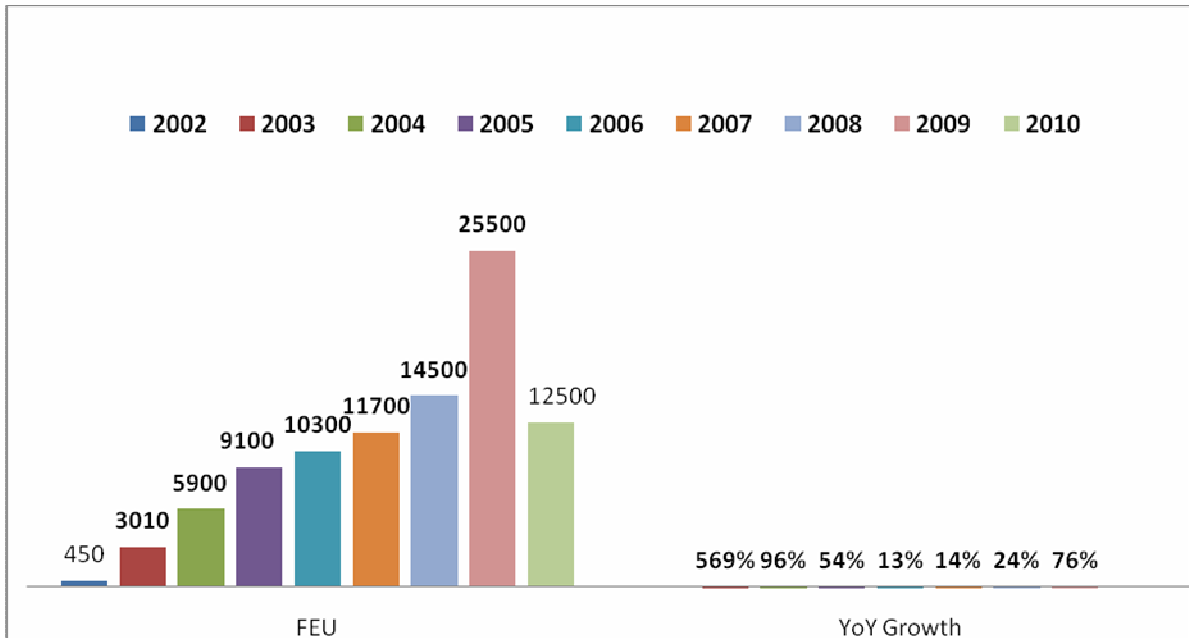


6. The Services:

The partners together had handled the volumes exclusively for the US Military as illustrated in the following chart:



The above volume includes dry cargo in closed containers, refrigerated cargo in temp controlled containers, out of gauge cargo as break bulk and on flat rack/platform containers, rolling stocks, heavy lifts, construction materials, road construction machinery, pre fabricated housing units, tank containers, food stuff, etc.

6.1. Transportation Services Solutions and Details

6.2. Security Tracking Check Points

In order to ensure reliability and predictability of our transportation, we set up security tracking check points to monitor the movement of truck and drivers. Drivers are instructed to call back through mobile phone or public shop communication when they arrive at certain designated checkpoints. We also have a parallel verification and communication system through own designated staff at check points and surveillance staff en route to provide status of the trucks.

Below is the arrangement for land transportation and list of checkpoints, from where drivers and our own staff communicate and update status:

North:		
Karachi-Torkham-Kabul	Super highway 0 point	

	Hyderabad	
	Nawabshah	
	Moro	
	Sukkur	Main CP
	Rahim yar Khan	
	Muzaffar Gadh	Main CP
	Mianwali	Main CP
	Talagang	Main CP
	Fateh Jang	
	Peshawar	Main CP
	Jamrud	
	Torkham	Border PA
	Daka	Border AF
	Jalalabad	Main CP
	Pole-charkhi	Main CP
	Kabul	Main CP
South		
Karachi-Chaman-Kandahar	Hub Chowki	Main CP
	Lasbella	
	Wadh	
	Khuzdar	Main CP
	Kalat	
	Quetta	Main CP
	Balaili	
	Chaman	Border PA
	Spin Bouldak	Border AF
	Thakhta pul	
	Kandahar	

6.3. Security Staff & Crew Selection:

KGC has a well-defined strategy for selecting partners to work with. All partners are selected based on a rigorous audit process, which measures their capabilities, logistics management expertise and performance. Our preferred partners are those who have worked with us for a stipulated minimum time span, have the necessary resources and capabilities to support our operations, and consistently exceed our performance targets.

KGC believes in forming strategic partnerships with partners who bring best-of-breed capabilities to achieve an integrated solution. We have a trucker database containing information on each trucker in different areas such as their geographical coverage, environment focus, customer base, truck availability and pricing etc. This information is used to evaluate a trucker's capabilities and network reach.

6.4. Contingency Plans



KGC will implement both preventive and corrective action systems to ensure that the transportation lead-time variances are well within the acceptable tolerance limits.

6.5. Preventive action programs include:

- Periodic Maintenance program to ensure that equipment downtime is minimized
- Regular Driver Training program to ensure that the drivers we employ are always aware of Customers and regulatory requirements
- Regular Safety Training program to reinforce the importance of safety as well as to ensure that our drivers are trained to practice safe driving and how to handle emergency situations
- Regular Operating Audit Program to measure performance and to implement any improvement where necessary

6.6. Corrective action programs include:

Information System Back-Up plan to ensure that information flow to customers is not compromised. Operations Back-up plan to ensure that KGC takes appropriate action to ensure missions are not disrupted should any unforeseen contingency arise.

6.7. Contingency Plans – Truck Breakdown

If repair works cannot be accomplished within allocated float for delays:

- Driver to inform both KGC Afghanistan and Pakistan Offices and trucking company and find a nearest work shop for repairs.
- Arrange replacement truck head within 36 hours , if necessary.

6.8. Contingency Plans – Truck Accident

- Driver to inform both KGC Afghanistan and Pakistan Offices and trucker to send back-up truck head and handling equipment to for the recovery.
- KGC Afghanistan and Pakistan Office to inform Custsomer of accident.
- Driver to inform authorities (where applicable).
- Trucker to dispatch back-up truck heads within 36 hours.
- Trucker to log accident and await further instructions from KGC.

6.9. Contingency Plans – Truck Hijack

- Trucker to report police and inform both KGC and its partners in Afghanistan and Pakistan and trucking partner;
- KGC will inform Customer.
- KGC will use all their available resource and influence if recovery would be possible.

7. *Some preventive measures are identified as follows:*

- Security staff at check points must always check and ensure that the cargo compartment and container is always secured and sealed.
- The in-house intel and security staff sends pre alert notices to Usman/Clique Head office and seek further instruction on movement of the trucks.
- The Driver/Trucker must report to Usman/Clique Pakistan Office immediately if he suspects vehicle is being tailed.
- Driver must NEVER make any unauthorized stop during delivery except at the designated check posts or in the event of a breakdown or accident.

7.1 Reporting:

KGC will provide the customized operational reports including the following:

- Daily Dispatch Report with detail
- Daily In-transit Visibility Report as per the prescribed SDDC format.
- Daily Delivery and Empty pick up Report
- Incident Report with detail.
- Intel report about the security situation, hold up, obstructions,
- Un-announced change of procedures etc.

8. Other Support Services:

KGC and its partners will provide support services to Customers on regular and on demand basis. The support services include, but not limited, to the following:

Off Dock Terminal in Karachi-

M/s. Usman Enterprise, one of the partner of KGC for this venture, has established an off dock terminal in main Gubai, S.I.T.E. on Mauripur road. The terminal has been in exclusive use of USM cargo since 2008. It's a secured and guarded facility to accommodate over flow containerized and wheeled cargo. The terminal was inspected by SDDC local reps and US Consulate Security Advisor. They have not opposed and not raised apprehensions for security of the cargo.

Customs Clearance Facility-

M/s. Usman Enterprise is a licensed customs clearing and forwarding agents. Therefore, we have our own in-house customs clearance dept. in Pakistan. It provides us better control of documentation process at various stages and support to our trucking plan.

Customs Handling in Afghanistan-

M/s MECO, one of the partners of KGC on this venture, Afghanistan is owned and operated by one of our Directors Mr. Muhammad Anwar. We have a skilled and professional team to process exemption (Muafi Nama), custom clearance at border and in all other Customs offices in

Afghanistan. Hence we are well covered to handle customs processes from port to final destination through own offices.

Bed Down Facility En route-

MECO and Usman have facilities along the route to provide security and rest facilities for trucks and the drivers. The facilities are used to protect cargo from potential security threats, temporary staging due to route closure and if necessary to hold trucks over night. These facilities are available in Sukkur, Chowk Azam, Fateh Jang, Peshawar, Torkham, Daka, Lasbella, Khuzdar, and Quetta.

Terminals for transshipment/trans loading-

Forward operating bases could not be supported with Pakistan origin trucks and drivers. Therefore, KGC and its partners in Afghanistan and Pakistan have established own transshipment hubs in Peshawar, Quetta, Daka, Kabul and Kandahar. The hubs provide us flexibility to switch cargo from Pakistani trucks to host nation trucks with proper plan. KGC pre plan trans loading to avoid idle time at hubs.

Technology Based Tracking Service-

KGC and its partners for this venture have contracted service provider for Satellite and GPS technology based live tracking of trucks and containers. It conforms with US TRANSCOM Enhanced ITV requirement. Service can be activated within three weeks of placing the demand.

KGC trucking network in Afghanistan have access to all Forward Operating Bases and PRTs with capabilities to manage a distribution network from Hubs to small locations covering RC South, RC West and East.

Conclusion-

KGC and its partners i.e. MECO and Usman Enterprise are well placed to provide robust and expedited logistics service through a fleet of over 500 trucks. KGC is financially sound to support movement of over 1000 truck load per month. The network in Pakistan and Afghanistan with integrated support services, proven expertise and complete understanding of customer's demand, KGC believe that their service will add substantial value to the existing contracts and enhanced their capability, performance standard and competitive edge over other contractors and help grow their business substantially in the years to come.

Pricing-

In the event of an RFP, KGC will offer its prices and timeline for services after carefully evaluation of the service requirement, time line, contract period, estimated weekly/monthly volume, economical and sustained pricing on demand.