



July 22, 2010

**Via Electronic Mail**

U.S. Army Legal Services Agency  
Procurement Fraud Branch  
ATTN: Pamoline McDonald  
901 North Stuart Street  
Suite 514  
Arlington, Virginia 22203-1837

Re: Supplemental Response to 8 June 2010 Request for Information

Dear Ms. McDonald:

On 14 July 2010, Congressmen Brad Sherman and Ron Klein wrote to Secretary Gates raising the same issue that was the subject of our company's 30 June 2010 response regarding the relationship between Kuwait & Gulf Link Transport Company ("KGL")<sup>1</sup> and Valfajre-8 Shipping Company ("Valfajre"), a subsidiary of Islamic Republic of Iran Shipping Lines and a party listed on the U.S. Department of Treasury Office of Foreign Asset Control's Specially Designated Nationals list. The letter from the congressman references the recent *Comprehensive Iran Sanctions, Accountability and Divestment Act* and questioned KGL's ability to certify its compliance with section 5 of the revised *Iran Sanctions Act* in connection with future federal procurements.

First, as reported in our prior letter to your office, the transaction to divest KGL of all equity interest in the Combined Shipping Company ("CSC") (a Kuwaiti shareholding company with KGL owning 51 percent and Valfajre owning 49 percent) is on track to be completed at the end of next week.

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<sup>1</sup> As previously explained to your office, KGL reorganized its operations in May 2005. As part of that reorganization, KGL spun off its operational activities to other companies beginning in mid-2004 in order to allow each company to efficiently concentrate on one market. For purposes of this letter and simplicity, we will refer to KGL as meaning all KGL affiliates.

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Kuwait and Gulf Link Holding Company K.S.C. (Closed) - C.R. 101839

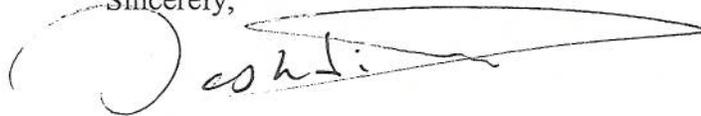
شركة رابطة الكويت والخليج القابضة ش.م.ك. (مقفلت) - س.ت. 101839

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Second, as explained in our last submission, CSC provides services to vessels owned by third parties. CSC does not own any vessels, transport any passengers, or ship any cargo. The services provided by CSC include a 2002 shipping agency agreement with Valfajre under which CSC acts as the cargo and passenger booking agent for vessels owned by Valfajre when those vessels call on Kuwaiti ports. Neither KGL nor CSC engages in any activity for which sanctions may be imposed under section 5 of the *Iran Sanctions Act*.

We have scheduled a meeting for this Friday with the offices of Congressmen Sherman and Klein to explain KGL's divestment of its interest in CSC and that KGL will be able to certify that neither it nor any person owned or controlled by KGL engages in any activity for which sanctions may be imposed under section 5 of the *Iran Sanctions Act*.

Sincerely,



Ali Esmail Dashti, Ph. D.  
Chairman