

Capability Statement and Services Introduction



The group of companies

VSD Group of Companies

- 7 businesses (~\$18M Rev)
- Solutions delivered in 14 countries and in 2 alliances
- 3 years into a 7 year planned Middle Eastern rollout

VSD, LLC (VA, USA)

- Focus: Simulation and Training (10 yrs record)
- · Defense, Security markets
- Systems integration

VSD Global, Inc. (Saudi Arabia, UAE)

- Focus: Solution sourcing & Management
- Partnering with local powerhouses
- Saudi & GCC local company treatment

DTM, WLL

- Focus: Defense training focus (14+ countries)
- Modeling and simulation capabilities
- UK & European Export licenses

Satcom

- (unincorporated
- Focus: Satellite communications products
- Monopoly supplier for the TV-DTS program on 300 US Military Vessels

Timeline:

2001: Establishment with service model (CBT & ILT)

2006: Sold majority stake to QED Systems

2007: Acquired Satcom business line

2008: Contract for Integrated Simulator for Iraq

First forays into Saudi Arabia

2010: Contract for Second Integrated Simulator

2011: Acquired DTM (training products)

Commenced Saudi / UAE operations

2012: 5x increase in solution sourcing requests (across the

Middle East, but also Africa and Global)



Our business at a glance

Parent Company	VSD, LLC (U.S.A.)		
Founded	2001	Standards	DTM is ISO 9001:2007 Quality Control Accredited
Major Areas of Expertise	 Defense and Security Forces Training in Operations & Maintenance Civil Defense, Urban Security, and National Defense Training (via consortiums) Engineering & Critical Systems Training Industrial & Vocational Training Complete Performance Improvement and Capability Building Programs 	Simulator & Training Solution range	 Simulators (tech products) Computer-based training (products & services) Instructor-led training (products & services) Total "blended" training (multifaceted) Design, acquisition, upfront strategy and planning services
		VSD training course availability	2,000,000 student granted access to VSD I DTM online courses worldwide every year.
Employees	57, with resource network of literally hundreds of additional subject matter experts, instructors, designers, and developers	Partnerships	In civil defense / emergency response In urban security / critical asset protection In offshore oil & gas operations (2013)
Additional Resources	Experts in organizing consortiums for tackling large scale, multi-faceted challenges	Courses in VSD's inventory	~ 85 distinct operations & maintenance areas ~ 2,150 hrs of courseware in the current model inventory



The scope of our business

Strategize, plan, design, build, outfit, staff, operate and maintain – all activities we perform as part of a large training solution delivery effort.

Analyze needs, Help define the RIGHT solution (not just a solution)

Assemble the Team, Lead the Design Effort

Drive all
Development
And Integration
Processes

Manage and Support the Initial Instruction Delivery

Operate and Maintain the Systems

Strategies & Advisory Services

Acquisition & Design Services

Development & Systems Integration

Launch Support & Instruction Delivery

Long-term Support including Outsourcing

- Analyze situations, assess current capabilities and prioritize issues
- Aid in the establishment of the strategies, objectives and program priorities
- Define and evaluate solution options
- Provide estimates of time, money and other resources required
- Provide expert, confidential advice

- Define in detail the sub-systems
- Perform initial engineering tasks
- Conduct technical inspections and coordination
- Identify and pre-screen necessary OEMs, partners, and individual experts
- Prepare and present the detailed design and the integrated master plan

- Procure components and schedule efforts
- Assemble and test sub-systems
- Daily monitoring of progress towards integration and redirect resources as necessary
- Daily validation of process and quality control
- Manage the details and take proactive corrective actions

- Coordinate delivery at client site
- Complete integration and installation
- Conduct system operation and verification testing
- Conduct configuration audit and turnover tasks
- Provide training on system operation and maintenance
- · Launch system

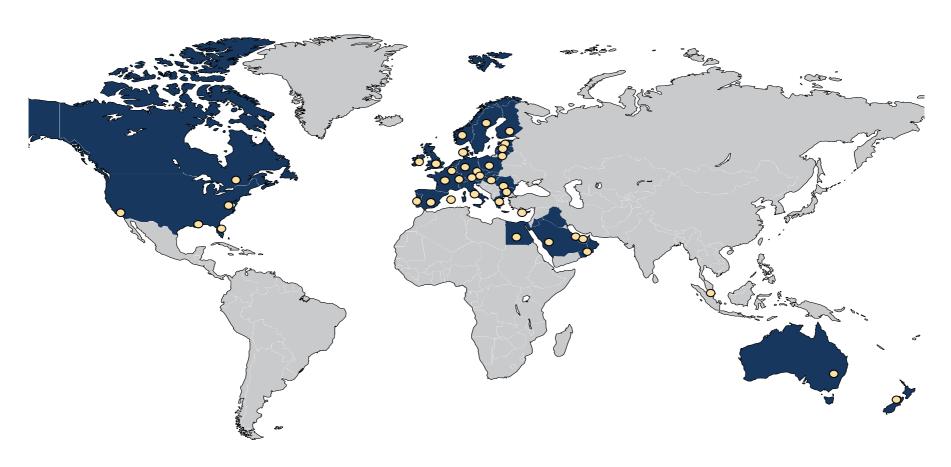
- Provide complete operation, maintenance and repair services
- · Provide curriculum
- · Provide instructors
- Provide complete life cycle support
- Perform management and operation of the training facility (if so required)



The countries where we serve

Countries/Multilateral Security Organizations we have served since 2001

VSD's group of companies have delivered in 14 countries and in 2 defense alliances (NATO and European Union's Security Pact)





The partners we work with

Many of our client situations call for team efforts – VSD is the organizer and planner behind three major business development efforts







Program Delivery Partner Organizations:

Asset Protection Co (security)

BAE Systems (defense)

Boeing (defense)

BoozAllen Hamilton (defense)

Bluedrop (combat systems)

Computer Science Corp

DAS (combat effectiveness)

Fireblast (fire fighting)

4D (security)

J.L. Marshall (security)

Kratos (defense products)

L3 Communications

Lasershot (combat)

Lockheed Martin (defense)

OEG (oil & gas)

Northrup Grumman (defense)

Raytheon (defense)

RiverHawk (shipbuilding)

Rolls Royce (defense)

SAIC (defense)

Sperry Marine (marine)

Swiftships (shipbuilding)

Ulstein (shipbuilding)

VT Halter (shipbuilding)

Westland Helicopter (defense)



How VSD excels in this business

Our TRAINING SOLUTIONS are unique and distinctive in the marketplace in four ways:

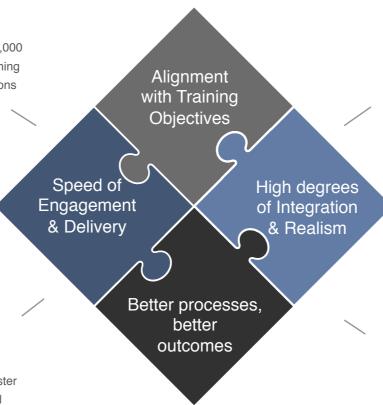
Alignment with Training Objectives

 Technical depth in training, with over 200,000 hours invested in the development of training solutions for governments and organizations spanning five continents

 Solutions are built with multidisciplinary team and with a clear and direct focus on the simulator's functionality as a training tool

Speed of Engagement and Delivery

- Capacity to engage with expertise in multiple forms of contracting and inhouse design support, to define the right scope from among the many possible scopes
- Documented deliveries that were 70% faster than the clients' best estimate. With rapid development, complete programs may be completed 40% faster



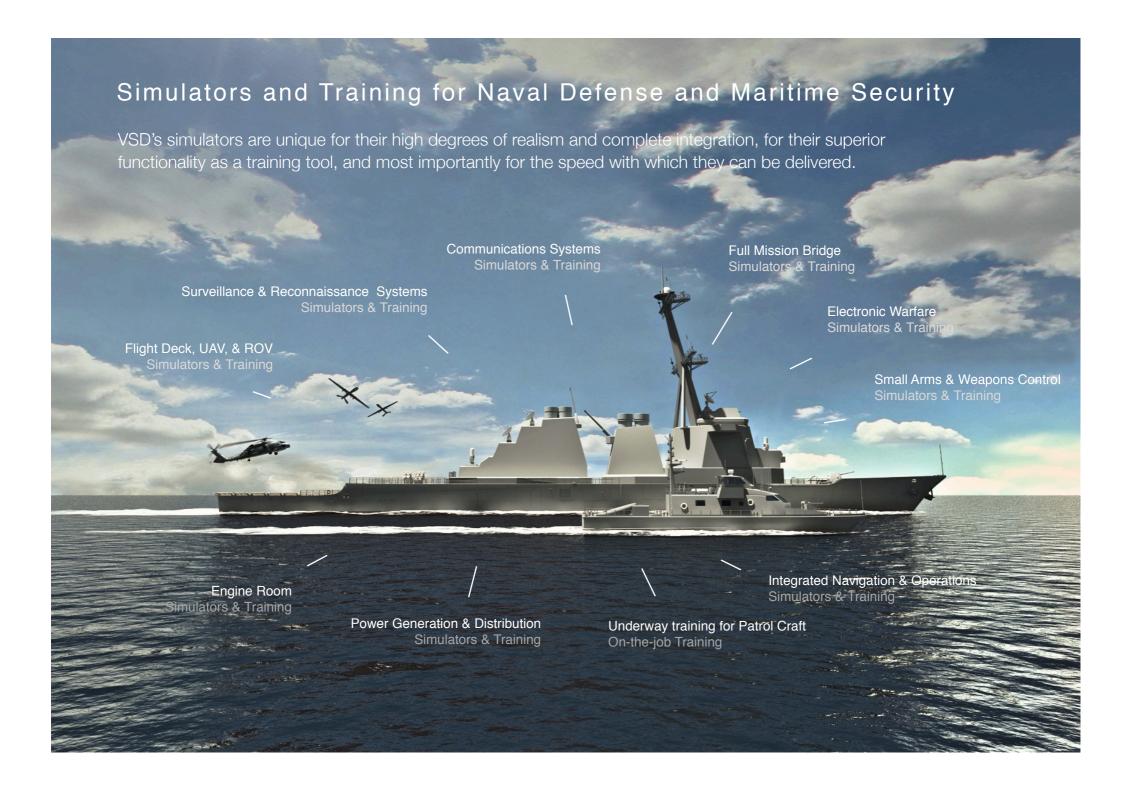
High Degrees of Integration and Realism

- Systems of systems, all working together through the integration of the hardware, software and courseware necessary to deliver a realistic working and learning environment
- A common virtual environment that allows a variety of simulators to be combined for training of complete crews

Better processes, better outcomes

- With hundreds of thousand of development hours under our belt, our processes are refined to provide our clients with optimum solutions
- VSD arranges its engagements around a lean production approach – where designers, builders and operators cooperate on the critical design efforts.
- At key points in overall program, VSD is able to process a number of key component developments in parallel, saving month of effort.





Solutions, Simulators & Training for Urban Security & Civil Defense

VSD has assembled global consortiums which includes firms at the forefront of safe cities and civil defense systems (fire fighting, emergency management, safety). Our consortium members has built systems that protect more than five hundred million individuals spread across hundreds of cities on a daily basis.



Safe Driving / Defensive Driving Simulators & Training

Safety & Emergency Management Solution, Simulators & Training

Fire Fighting & First Responder
Live Fire Simulators, Driving Simulators & Training



Training solutions for complex operations is where we excel. In industrial settings we work with industry experts and specialist technology providers to develop extremely precise training solutions. Our academic contributors – as necessary for complex engineering, driving simulation, etc. - are among the world's leaders.



Strategy, Planning, Design and Management Services

Our aim is not to deliver a solution, but to deliver the RIGHT solution. To achieve this goal, we assemble experts – regardless of where they are located - to provide upfront development assistance.

Upfront Planning Assistance	Operations-phase Assistance
Assessments of Needs	Post-launch Operations Shakedown
Performance Gap Analysis	Day-to-day and Management Operations Supports
Requirements Analysis	Program and Facilities Management
Strategies for building capacity	Maintenance, Repair and Upgrade Services
Planning of capacity building programs	Strategic Parts / supply Inventories
Technical Specifications	Administrative / Student Record Support
Sourcing of Suppliers	Certification & Testing Systems
Consortium Team Building	Evaluation and Program Enhancements



VSD | VSDG SIMULATION & TRAINING

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The contents, descriptions and information contained herein are subject to change without notice. References available.



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Appendix 1: Naval Defense and Maritime Security - Specifics

Though our simulators can be delivered as "stand-alones" one of the most valuable features is their ability to be combined to form an HIGHLY INTEGRATED FULL MISSION SIMULATOR for the effective training of entire crews.

Products offered:	Customers served:	Highlights from some of our successful deliveries:
Full Mission Bridge SIM	Navies of 12 countries	 Superior integration with other simulators for total crew training Speed of delivery, quality of the system as a training tool
Communications SIMs	Navies of 6 countries	Essential tool for force-level training, part of the integrated full mission SIM
Surveillance and Reconnaissance SIMs	Navies of 2 countries	Linked with the world's leading THREAT RECOGNITION training tool
Flight Deck, UAV, and ROV SIMs	Navies of 2 countries	Linked with the world's leading THREAT RECOGNITION training tool
Engine Room SIMs	Navies of 4 countries	Tailored to specific engines, with "hot engine" add on for maintenance training
Power Generation & Distribution SIMs	Navies of 3 countries	Reverse engineered the GE LM2500+ turbine
Small Arms SIMs	Navies of 2 countries	Supports 7 different crew-served small weapon types, M2 through M16, AK47
Weapons Control SIMs	Navies of 3 countries	Simulated Fire Control Trainer with adaptable configuration and Ballistics
Electronic Warfare SIMs	Navies of 4 countries	Advanced EW Simulation for Air and Surface EW Training

Unlike any other simulator developer, we offer MILITARY GRADE TRAINING CURRICULUM, PROFESSIONAL INSTRUCTORS and IN-COUNTRY SYSTEM SUPPORT for every simulator that we produce.



Appendix 2: Land and Air Defense - Specifics

VSD specializes in the enabling training and simulation solutions that allow Armies and Air Forces to apply the newest and most advanced technologies. VSD is the global leader in commercial Threat Recognition Training Solutions.

Land Defense	Highlights	
Combat Effectiveness (Small Arms)	Partnerships with global leaders	
Threat Recognition (INSIGHT) UAV Combat Effectiveness Satellite Recon Combat Effectiveness	 Used by 38 national forces Documented to produce 15% to 30% performance improvement Reduced the time to produce pre-mission briefings by 97% for the US Airforce 	
Military Vehicle Driver (Truck)	NextGen driving SIM produced in partnership with Valencia Univ.	
Military Vehicle Driver (HUMV)	NextGen driving SIM produced in partnership with Valencia Univ.	
Military Vehicle Driver (Specialty)	Paired with advanced models	
Land Equipment (SIM & Training)	Strength in maintenance	

Air Defense	Highlights	
Threat Recognition (INSIGHT)	Global leader product	
Rotary Aircraft (SIMs and Training)	 Currently providing SIMs for 11 helo platforms In partnership with global leaders 	
Vehicle Driver (Truck)	NextGen driving SIM	
Vehicle Driver (HUMV)	NextGen driving SIM	
Vehicle Driver (Specialty)	Paired with graphic terrain data	
Air Forces Equipment	Strength in maintenance	

VSD's new driving simulators are based on unique proprietary knowledge built up over the past 22 years by one of Europe's premier Simulation and Robotics R&D team.



Appendix 3: Urban Security and Civil Defense Solutions - Specifics

In these settings, VSD not only provides all of the necessary training required for operations, we also help Cities, Ministries and Corporations acquire these solutions through the multinational OEM consortiums we assemble.

Products offered:	Customers served:	Highlights:
Integrated Urban Security	Seven cities, include the world's most modern system	 Delivered in partnership with the undisputed leading global firms 7 world-class projects, representing the pinnacle of urban security solutions
Critical Urban Asset Protection	Cities, Ministries, Corporations	Providing full services: assessment, design, development, installation, operation
National Border Protection	• 10+ Countries	Delivered in partnership with the undisputed leading global firms
Natural Disaster Risk Monitoring	Over 10,000km monitored	Delivered in partnership with the leading global firm
Safety & Emergency Training	Over 500 projects delivered	Full range of courses to international standards, specializing in industrial settings
Fire Fighting & First Responder	Over 200 clients	Delivered through an exclusive partnership with the leading global providers
Safe Driving & Defensive Driving SIM	Cities, Nations, Corporations	Delivered in partnership with one of Europe's leading Traffic Solution R&D Labs
Construction Operations SIM	Corporations, Ports, Shipyards	Specialization in the larger heavy lift cranes for port and shipping applications
Critical Infrastructure Protection	Oil & Gas, Power, Cultural	Providing full services: assessment, design, development, installation, operation

Many of the urban security and civil defense challenges we face today have never been solved before. This is why we have emphasized partnerships in order to access the world's leading innovators that are essential for such effort.

