

March 2, 2010

Mr. Michael W. Lamach
President and CEO
Ingersoll-Rand PLC
800 Beaty Street
Davidson, NC 28036

Re: Ingersoll Rand's Business in Iran and SEC Disclosures

Dear Mr. Lamach:

United Against Nuclear Iran ("UANI") has learned that Ingersoll Rand conducts extensive business in Iran. The purpose of this letter is to clarify those dealings.

Havacaran Industrial Technologies, an Iranian company, is a certified distributor of Ingersoll Rand products in Iran. The National Iranian Drilling Company ("NIDC"), a subsidiary of the state-owned National Iranian Oil Company ("NIOC"), states on its website that it uses Ingersoll Rand compression systems. UANI and its supporters believe that Ingersoll Rand's decision to do business in Iran is wrong and has added Ingersoll Rand and Havacaran to our Iran Business Registry ("IBR").

According to the Ingersoll Rand Business Conduct Guidelines:

We must always pursue our business objectives with integrity and in compliance with all laws. There are no exceptions. Through our unrelenting commitment to ethics and compliance, we strengthen our bond of trust with all of our stakeholders, customers, shareholders, business partners, regulators and each other.

Our Code of Conduct is deeply rooted in our Core Values – Integrity, Respect, Teamwork, Innovation and Courage. The Code sets forth our responsibilities for ensuring that we not only follow the letter and spirit of the law but also foster and maintain the highest ethical standards. *Ingersoll Rand Code of Conduct*.

Conducting business in Iran is certainly a violation of this creed.

Air compressors are widely used in industrial plants and in the oil and gas industry. Air compressors are also widely used in nuclear power plants. Air operated valves (AOVs), essential to the operation of nuclear plants, require clean dry compressed air delivered by air compressors. High quality air ensures that the equipment operates effectively. Compressed air can also be

used to operate air driven tools and pumps. Several different types of air compressors are used throughout the petroleum industry, including in oil refineries, pipelines transport and natural gas processing.

In the face of overwhelming bipartisan support in the U.S. Congress to economically isolate Iran's oil and natural gas industry, Ingersoll Rand continues to make its machinery available for use in Iran. For example, The National Iranian Drilling Company ("NIDC") states on its website that it uses Ingersoll Rand compression systems and air hoists. The NIDC also states that it employs a technique called "air drilling," which is used to drill in medium to hard-consolidated formation. Air compressors are needed to apply this technique. In its inventory for air drilling, the NIDC lists that it owns 10 air compressors with specifications of "1070 SCFM@250 PSI." The Havacaran website lists for sale in Iran Ingersoll's "SIERRA oil-free rotary screw air compressor," which has exactly those specifications. It is a reasonable inference to conclude that NIDC is using Ingersoll Rand air compressors to perform this work.

Sameh Afzar Tajak Co. ("SATCO") is a commercial company in Iran "working in the operation, maintenance, procurement and planning of power stations, automotive industries, steel industries and oil fields," (SATCO website, "About Us"). Ingersoll Rand is one of seven "Principals" affiliated with SATCO, selling assembly and industrial tools as well as material handling products (SATCO website, "Principals"). SATCO has sold products to several oil, gas and petrochemical companies, such as the state-owned NIDC, as well as numerous light and heavy industries, power stations, the steel industry and automotive industry (SATCO website, "Sales").

As I am sure you are aware, the Islamic Revolutionary Guard Corps ("IRGC") is the dominant entity in Iran's economy. It oversees Iran's nuclear and missile programs, many of its vast engineering projects and is heavily involved in if not the leader of Iran's major oil and gas projects, such as those in South Pars. Given the prevalence of Ingersoll Rand products in Iran and especially in the oil and gas industry, it is clear that the IRGC is a major beneficiary, owner and operator of Ingersoll Rand's machinery.

To this day Iran defies the international community by secretly developing illegal nuclear weapons. It is the world's leading state sponsor of terrorism – supporting groups such as Hamas and Hezbollah. Iran has supported the Iraqi insurgency, resulting in the deaths of heroic American soldiers. The human rights violations that the Iranian regime perpetrated against its own people in the wake of last year's fraudulent Iranian election were appalling. Yet, Ingersoll Rand very comfortably does business in Iran.

Simply put, given the extensive use of Ingersoll Rand machinery in Iran, Ingersoll Rand has some tough questions that it must answer.

What steps does Ingersoll Rand take within Iran's closed society to ensure that its equipment can, in no way, be used to support Iran's illegal nuclear program?

Given Iran's sponsorship of terrorism, its pursuit of illegal nuclear weapons and its gross human rights violations, why would Ingersoll Rand sell its machinery into Iran even for benign purposes?

Do Ingersoll Rand's vows of corporate responsibility not apply to sponsors of terrorism?

Does the convenience of an Ingersoll Rand foreign subsidiary making the sales into Iran somehow allow you a clean conscience to accept the profits of such sales?

UANI calls on Ingersoll Rand to cease doing business in Iran. By conducting business in Iran, Ingersoll Rand provides support to the Iranian regime. For Iran, the decision to continue to pursue nuclear weapons comes down to a simple cost-benefit analysis: Do the benefits of having a nuclear capability outweigh the costs of international economic isolation? Ingersoll Rand, by ceasing its business dealings in Iran, can send a clear message to Iran that it will not conduct business with a regime that is illegally developing nuclear weapons.

General Electric recently partnered with UANI and signed the Iran Business Declaration, affirming that they will not do business in Iran. The Huntsman Corporation and Caterpillar also committed to sever business ties in Iran. Siemens has committed to forego new business in Iran. Attached to this letter is our Iran Business Declaration for your review. We ask that you sign it and we urge Ingersoll Rand to immediately cease all business dealings in Iran including the sale of spare parts.

We write also to call your attention to a very serious issue involving deficiencies in your company's public filings, specifically, your company's ongoing failure to disclose any of Ingersoll Rand's activities in, and risks of doing business with, Iran.

As you know, Ingersoll Rand frequently avails itself of the U.S. capital markets, raising billions of dollars through the sale of its equity and debt securities to individual and institutional investors in the United States. Your company's securities are sold pursuant to the U.S. Securities Act of 1933 and are registered under the U.S. Securities Exchange Act of 1934 and listed on the New York Stock Exchange. You are required to comply with the securities laws and regulations of the United States and to provide investors with timely, full and accurate disclosure of all material information concerning your operations and financial condition, as well as any risk factors that could affect your operations, financial position or future financial performance. In particular, U.S. Securities and Exchange Commission ("SEC") regulations require you to disclose with specificity the nature and extent of, and the risks associated with, your business activities involving state sponsors of terrorism such as Iran.

A review of your company's filings with the SEC reveals zero disclosure regarding your company's dealings with Iran. Such a failure to disclose is a violation of SEC requirements. Investors have a legal right to know how Ingersoll Rand's overall business could be affected as a result of your violations of the SEC's disclosure obligations and existing U.S. laws, such as the Iran Sanctions Act. In addition to your failure to adequately disclose the risk of sanctions, your SEC filings do not contain any discussion of the substantial risks posed by the ongoing

movement by pension funds and other large institutional shareholders to divest from companies with business ties to countries such as Iran, which support terrorism and threaten global security.

It is regrettable that you have continuously disregarded calls for full and honest disclosure regarding the business, legal and ethical implications of your Iran business. As you know, the Office of Global Security Risk (“OGSR”), a division of the U.S. Securities and Exchange Commission, has called attention to your lack of disclosure regarding your business in Iran and other state sponsors of terrorism in correspondence dating between July 24, 2008 and November 19, 2008. OGSR wrote, “We note that your Form 10-K does not include disclosure regarding any contacts with these countries.” Problematically, Ingersoll Rand conceded in its response that it could not verifiably state that its products were not sold to the Iranian government or appropriated for military purposes. Despite such correspondence with the OGSR, Ingersoll Rand has still failed to disclose the nature and extent of its dealings in Iran.

As a result of your failure to disclose your business in Iran, you are exposing the company to the risk of enforcement actions by the SEC as well as shareholder class actions. We are furnishing copies of this letter to the SEC and the New York Stock Exchange and have urged each of them to launch a full investigation into Ingersoll Rand’s disclosure practices. UANI will continue monitoring your disclosures with regard to your Iran business.

Please be advised that UANI, with the support of its tens of thousands of activists, will take any and all action we deem necessary to hold Ingersoll Rand accountable for its inappropriate business relationships in Iran and its unlawful and inadequate disclosure related to such business. In the event Ingersoll Rand continues its business operations in Iran and fails to adequately disclose the risks of such business, UANI will pursue appropriate legal action against Ingersoll Rand, will call on the New York Stock Exchange to delist Ingersoll Rand and will assist the many Ingersoll Rand shareholders who oppose Ingersoll Rand’s activities in Iran.

Ingersoll Rand is a great company that employs many Americans in these tough times and neither UANI nor its tens of thousands of activists seek to gratuitously harm Ingersoll Rand’s business. But Ingersoll Rand’s business in Iran must stop and UANI’s activists are prepared to take appropriate and legal steps to ostracize Ingersoll Rand for its irresponsible actions related to its machinery sales in Iran.

Given the urgent nature of this issue please let me hear from you on or before March 19, 2010 with your response.

I look forward to your response.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "Mark D. Wallace".

Ambassador Mark D. Wallace

cc: Mary L. Schapiro
Chairwoman, United States Securities Exchange Commission

Adam J. Szubin
Director, Office of Foreign Assets Control, U.S. Department of the Treasury

Duncan L. Niederauer
Chief Executive Officer, New York Stock Exchange

United Against Nuclear Iran/Iran Business Declaration

The undersigned [Name], the [Title] of **Ingersoll Rand** (the “Company”), does hereby certify on behalf of the Company, and not in the undersigned’s personal capacity, that neither the Company nor any Affiliate¹ of the Company, directly or through an agent, representative or intermediary:

- (1) Is or is currently planning on engaging in any business or in providing any goods or services in Iran or with Iranian-based business anywhere in the world except for the provision of goods or services to relieve human suffering in Iran or as part of news gathering for the dissemination of news and information about Iran worldwide;
- (2) Is or will be a party to any agreement with any Iranian business or other entity or Iranian governmental authority, or the owner of an equity interest in, any Iranian entity, or;
- (3) Owns or operates any plant, property, equipment or other assets located in Iran.

The undersigned hereby authorizes United Against Nuclear Iran to publicly disclose the contents of this Certificate.

Dated this ____ day of ____, 2010.

I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on **MM/DD/YYYY**.

Signed by:
(Name)
(Title)
(Company)

¹ “Affiliate” means any individual or entity that directly or indirectly controls, is controlled by, or is under common control with, the Company, including without limitation direct and indirect subsidiaries of the Company