

April 10, 2012

Philippe Varin
Chairman of the Managing Board
PSA Peugeot Citroen
Paris Grande Armeé
75, Avenue de la Grande Armeé
75116 Paris

Re: PSA Peugeot Citroen and Iran

Dear Mr. Varin,

United Against Nuclear Iran (“UANI”) is writing to follow up on recent statements made by General Motors (“GM”) to the media regarding PSA Peugeot Citroen’s (“Peugeot”) business operations in Iran.

On Wednesday, March 28, 2012, GM spokesperson Greg Martin stated that Peugeot has “halted its business dealings with Iran.” (*Agence France-Presse*, “[Anti-Iran Lobby Hits GM-Peugeot Deal](#),” 3/28/12). GM also issued a statement to the media that Peugeot had “made the decision to suspend the production and shipment of material into Iran some time ago.” (*Wall Street Journal*, “[GM Says Peugeot Has ‘Suspended’ Shipments to Iranian Car Maker](#),” 8/28/12) At the same time, a Peugeot spokesman offered the contradictory position that while Peugeot has halted shipments to Iran for March and April, this decision to cease business in Iran is still being taken “month by month.” (*Agence France-Presse*, “[Anti-Iran Lobby Hits GM-Peugeot Deal](#),” 3/28/12)

GM and Peugeot’s statements fail to respond substantively to UANI’s concerns regarding Peugeot’s business in Iran. In our March 12, 2012 letter to you, UANI explained its concern over Peugeot’s longstanding and lucrative partnership with entities connected to Iran’s Islamic Revolutionary Guard Corps (“IRGC”), the driving ideological, internal security and military force behind the Iranian regime and caretaker of the regime’s missile and nuclear weapons programs.

In addition, it is unclear whether Peugeot's stated decision to suspend "production and shipment of material into Iran" means that Peugeot has ended its extensive cooperation with Iran Khodro Group (“IKCO”) and specifically whether Peugeot has ended its support of IKCO’s 'national car' projects. As Iran's largest auto manufacturer, IKCO was selected by the Iranian regime to produce 'national cars' as part of a broader effort by the regime to acquire foreign technology and expertise in order to develop its domestic automobile industry and enter the lucrative automobile export market. As part of this effort, IKCO designs and produces the

Samand, Runna and Dena models in collaboration with Peugeot. For example, the foregoing models have utilized Peugeot parts and technology, including 307 and 405 platforms and PSA XU engines. In 2010, Peugeot and Peugeot-based models accounted for over 80% of IKCOs production, and almost 40% of Iran's total vehicle production. (Iran Vehicle Manufacturing Association, "[Production 2010](#)") Peugeot's partnership with IKCO has enabled IKCO to develop a market presence in over 30 countries and become the largest carmaker in the Middle East.

In light of Peugeot's partnership with GM, a company that was rescued from bankruptcy and is 31.9% owned by U.S. taxpayers, it is imperative that Peugeot add substance and clarity to its recent statements and confirm that it has, inter alia, completely severed its relationships with IRGC-affiliated entities, including IKCO.

Accordingly, UANI calls on Peugeot to immediately confirm that it is not, directly or through legal entities that it controls or through foreign subsidiaries, affiliates or beneficial ownership interests, engaged in any business or providing any goods or services in Iran. Please also confirm that Peugeot is not engaged in the implementation of any agreement with any Iranian entity or governmental authority including IKCO, and that Peugeot no longer provides platforms or technology to IKCO for the production of Samand, Runna, Dena and/or any other 'national car' model. In addition, please explain what steps Peugeot has taken to ensure that Peugeot platforms and technology are no longer utilized by IKCO. UANI also calls on Peugeot to confirm that it has no intention to conduct business in Iran in the future.

Due to the time sensitive nature of this issue, please let us hear from you on or before April 16, 2012 about whether or not Peugeot has terminated all such business activities in Iran.

Thank you for your immediate attention to this matter.

Very truly yours,



Ambassador Mark D. Wallace

cc: The Honorable Barack Obama
President of the United States

The Honorable Joseph I. Lieberman
Chairman, United States Senate Committee on Homeland Security &
Governmental Affairs

The Honorable Susan M. Collins
Ranking Member, United States Senate Committee on Homeland Security &
Governmental Affairs

The Honorable John Kerry
Chairman, United States Senate Committee on Foreign Relations

The Honorable Richard Lugar
Ranking Member, United States Senate Committee on Foreign Relations

The Honorable Jon Tester
United States Senate

The Honorable Peter T. King
Chairman, United States House Committee on Homeland Security

The Honorable Bennie Thompson
Ranking Member, United States House Committee on Homeland Security

The Honorable Ileana Ros-Lehtinen
Chairman, United States House Committee on Foreign Affairs

The Honorable Howard Berman
Ranking Member, United States House Committee on Foreign Affairs

The Honorable Howard P. McKeon
Chairman, United States House Armed Services Committee

The Honorable Adam Smith
Ranking Member, United States House Armed Services Committee

The Honorable Henry Waxman
Ranking Member, United States House Committee on Energy and Commerce

The Honorable Steve Israel
United States House of Representatives

The Honorable Ted Deutch
United States House of Representatives

The Honorable Nita Lowey
United States House of Representatives

The Honorable Carolyn Maloney
United States House of Representatives

The Honorable Gary Ackerman
United States House of Representatives

The Honorable Rob Andrews
United States House of Representatives

The Honorable Steve Chabot
United States House of Representatives

The Honorable Gerry Connolly
United States House of Representatives

The Honorable Henry Cueller
United States House of Representatives

The Honorable Susan Davis
United States House of Representatives

The Honorable Tim Griffin
United States House of Representatives

The Honorable Jim Himes
United States House of Representatives

The Honorable Kathy Hochul
United States House of Representatives

The Honorable Rush Holt
United States House of Representatives

The Honorable Jerry Nadler
United States House of Representatives

The Honorable Bill Owens
United States House of Representatives

The Honorable Ed Perlmutter
United States House of Representatives

The Honorable Adam Schiff
United States House of Representatives

The Honorable Betty Sutton
United States House of Representatives

The Honorable Bob Turner

United States House of Representatives

The Honorable Leon E. Panetta
Secretary of Defense, United States Department of Defense

The Honorable David S. Cohen
Under Secretary for Terrorism and Financial Intelligence, United States
Department of the Treasury

The Honorable Adam Szubin
Director, Office of Foreign Assets Control

The Honorable Mitt Romney
Governor of Massachusetts

Bob King
President, United Automobile, Aerospace and Agricultural Implement Workers of
America

H.E. Ambassador François Delattre
Ambassador of France to the United States

H.E. Gerard Araud
Permanent Representative of France to the United Nations

H.E. Mohammad Khazaei
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Chief Executive Officer and Chairman of the Board, General Motors