

March 1, 2017

David M. Cote
Chairman and Chief Executive Officer
Honeywell International Inc.
115 Tabor Road
Morris Plains, NJ 07950

Re: Honeywell, the Trump Administration, and Iran

Dear Mr. Cote:

I write in furtherance to my letters of March 31, 2016 and November 9, 2016, outlining the continuing risks of doing business in Iran and seeking your explicit commitment to refrain from engaging in Iran business. I have yet to receive a response to either letter.

Media reports have since come to my attention suggesting that Honeywell intends to cut operations in the United States. In October 2016, Arizona-based Honeywell Aerospace, a subsidiary of Honeywell International Inc., announced plans to lay off an unspecified number of employees “for the third time in the past year...” (The Arizona Republic, “[Honeywell announces more layoffs](#),” 10/20/2016).

At the same time, as previously noted in my letters, Honeywell reportedly hopes to expand operations in Iran. In May 2015, Senior Vice-President Michael T. Millard expressed interest in capitalizing on the Iranian market following the lifting of sanctions: “We started contingency plans to look at what the opportunities will be and how we would mobilise our sales and market forces. We don’t have any contacts or sales in the country but we know who the players are...” (Gulf News, “[Businesses see opportunities in Iran if sanctions are eased](#),” 5/11/2015).

In view of this regrettable juxtaposition of Honeywell’s reported commercial blueprints, and given the current and foreseeable political climate – one in which the U.S. Administration has strongly and repeatedly urged American companies to retain operations in the United States or face punitive financial penalties – it would seem prudent for Honeywell to publicly commit to refraining from any Iran business at this juncture.

Moreover, as you may know, on February 1, 2017, the White House stressed that the Islamic Republic of Iran is “on notice” due to its ongoing “malign[ant] actions, including weapons transfers, support for terrorism, and other violations of international norms.” The statement concluded, “[t]he Trump Administration condemns such actions by Iran that undermine security, prosperity, and stability throughout and beyond the Middle East and place American lives at risk.... As of today, we are officially putting Iran on notice. (The White House, Office of the Press Secretary, “[Statement by the National Security Advisor](#),” 2/1/2017). The Trump Administration will not look favorably on any U.S. company that is cutting jobs and operations in America while at the same time expanding in Iran.

On February 3, 2017, the White House issued another statement accompanying the U.S. Government's designation of 25 individuals and entities for their support of Iran's ballistic missile program, concluding that "[t]he days of turning a blind eye to Iran's hostile and belligerent actions toward the United States and the world community are over." (The White House, Office of the Press Secretary, "[Statement by the National Security Advisor](#)," 2/3/2017).

In response to Iran's January 2017 test-firing of a medium-range ballistic missile, U.S. Ambassador to the United Nations, Nikki Haley, also warned:

We're not going to stand by. You're going to see us call them out as we said we would, and you are also going to see us act accordingly.... We have said with this administration that we are not going to show a blind eye to these things that happen.... We're going to act. We're going to be strong. We're going to be loud and we're going to do whatever it takes to protect the American people and the people across the world.

(New York Times, "[Iran Warns Trump Over Missile Dispute, and American U.N. Envoy Hits Back](#)," 1/31/2017). U.S. State Department spokesman Mark Toner recently stated, "[w]hen actions are taken that violate or are inconsistent with the resolution, we will act to hold Iran accountable and urge other countries to do so as well...." (NBC News, "[Iran Test-Fires Medium Range Ballistic Missile: U.S. Officials](#)," 1/31/2017). U.S. Senator Bob Corker, chairman of the Senate Foreign Relations Committee, added, "[n]o longer will Iran be given a pass for its repeated ballistic missile violations, continued support of terrorism, human rights abuses and other hostile activities that threaten international peace and security...." (Associated Press, "[UN to hold urgent meeting on Iran missile test at US request](#)," 1/30/2017).

The aforementioned press reports make quite clear that the U.S. will adopt a more assertive approach to strict enforcement of the terms of the JCPOA. In particular, sanctions may be re-imposed ("snapped back") at any time, and given Iran's shaky compliance with the JCPOA and the rapidly changing macro-political climate, a termination of the JCPOA seems more likely than ever.

In view of the foregoing, please clarify Honeywell's intentions with respect to its business plans in Iran. I look forward to hearing from you at your earliest convenience.

Very truly yours,



Ambassador Mark D. Wallace