

May 7, 2014

Frédéric Vincent
Chairman and CEO, Nexans SA
8 rue du Général Foy
75008 Paris
France

Re: Nexans SA and Iran

Dear Mr. Vincent:

United Against Nuclear Iran (“UANI”) is writing in response to Nexans SA’s (“Nexans”) announcement that it is attending the Oil, Gas, Refining and Petrochemical Exhibition (“Iran Oil Show”) in Tehran. UANI is troubled by Nexans’s announcement. Notwithstanding the terms of the Joint Plan of Action (“JPA”) interim agreement in effect between Iran and the P5+1 group of countries, there remain severe reputational, financial and legal risks associated with Iran business, particularly in sectors of the Iranian economy such as oil and gas that remain under comprehensive multilateral sanctions. In light of such risks it should be clear to all responsible companies that Iran is not open for business.

Iran is hosting its 19th international Oil, Gas, Refining and Petrochemical Exhibition on May 6-9, 2014. On its website, Nexans has announced that it will have a booth at the Iran Oil Show “to present its global oil & gas cable solutions ... Complete, reliable cable solutions and services at the core of onshore complex oil and gas projects.” (Nexans Website, “[Nexans exhibits at 19th Iran Oil Show](#)”) The objective of the Iran Oil Show is to facilitate action that on its face appears to constitute inappropriate if not potentially sanctionable activity, including activities related to the “exchange of commodities, services and technical data,” “promoting Iran’s products,” and “Boosting the status of Iran’s Oil Show in the region and the world.” (Iran Oil Show Website, “[About Exhibition](#)”) Such activities work in direct contravention to efforts by the international community to isolate the Iranian energy sector in response to the regime’s pursuit of a nuclear weapons capability.

UANI is also concerned that Nexans appears to maintain an ongoing relationship with Iran via the Tehran-based companies Persian Meraat Co. and Noble Inc. (Nexans Website, “[Middle East Contacts](#)”; Nexans Website, “[NCS contacts and activities in the Middle East](#)”) For example, Persian Meraat describes itself as the “registered official agent of Nexans France to operating in Iran.” (Persian Meraat Website, “[About Persian Meraat](#)”) Furthermore, the Persian Meraat website states that its “technical and commercial teams are in direct contract with and supervised by Nexans HQ and divisions all around the world ...” and that “Nexans participates

in all major events and exhibitions related to his target industries which as an example we can name: Iran Telecom, Iran Oil and Gas, Iran elecomp [sic], Iran Railway, Iran Heating and Cooling and Iran cable and wire international exhibition.” (Persian Meraat Website, “[About Persian Meraat](#)”)

Nexans’s apparent interest in expanding its Iran business is both premature and ill-advised. As clearly indicated in numerous statements issued by U.S. and EU officials, the JPA in no way gives a green light for companies to enter or re-enter the Iranian market. Simply put, Iran is not “open for business.” (AFP, “[US: Iran 'not open for business'](#),” 2/4/14) For example, in remarks before the U.S. Senate Committee on Foreign Relations on February 4, 2014, Undersecretary for Terrorism and Financial Intelligence David Cohen stated, “The sanctions that remain in place are broad and that we intend to enforce our sanctions vigorously.” In reference to trade delegations visiting Iran, Undersecretary Cohen stated, “We are as crystal clear as possible in all of our engagements that if these talks turn into something more, if these talks turn into deals that violate the elaborate sanctions that remain in place, that we will take action.” (U.S. Department of Treasury, “[Testimony Of Under Secretary For Terrorism And Financial Intelligence David S. Cohen Before The Senate Foreign Relations Committee](#),” 2/4/14) At a news conference with French President François Hollande on February 11, President Obama stated, “Businesses may be exploring ... some possibilities to get in sooner rather than later, if and when there is an actual agreement to be had, but I can tell you that they do so at their own peril right now. Because we will come down on them like a ton of bricks.” A similar view has been expressed by EU leaders as well. At the same press conference, President Hollande said, “Sanctions will only be lifted if and when there is definite agreement.” (AFP, “[Obama warns French firms on Iran sanctions](#),” 2/11/14)

Nexans should also be mindful of the potentially damaging financial and reputational risks associated with Iran business activities, particularly given the potential application of Nexans’s goods and services in the energy sector. U.S. officials, including Undersecretary of State for Foreign Affairs Wendy Sherman, have issued stern warnings to firms about such risks. In testimony before the U.S. Senate, Undersecretary Sherman stated, “We have told them all that they are putting their reputations, themselves, and their business, [their] business enterprises, at risk if they jump the gun.” (*The Washington Post*, “[Foreign firms lining up to do business with Iran once sanctions are loosened, officials say](#),” 2/4/14) Moreover, in January 2014, a senior U.S. administration official said Iran was still a “perilous” place for foreign companies to do business and warned, “Businesses need to take into account the legal *and reputational risk* of doing business with Iran.” (AFP, “[US warns firms against breaking Iran sanctions](#),” 1/15/14) Furthermore, as you may know, Iran’s energy sector is dominated by the Islamic Revolutionary Guards Corps (“IRGC”) – the sanctioned caretaker of Iran’s ballistic missile and nuclear weapons programs and the main instrument used in Iran’s domestic repression and global terrorist activities. The IRGC largely operates in this sector through its engineering arm, Khatam al-Anbiya, which is also blacklisted by the EU, the U.S. and the United Nations. As you are surely aware, the U.S. and the EU have sanctioned investment, activity, and the provision of goods and services to Iran’s energy sector.

In view of the above, please clarify the current status of Nexans’s business activities in Iran and your intentions with respect to maintaining and expanding such activities. Specifically, please provide UANI with a comprehensive list of all ongoing Nexans projects in Iran as well as

a description of any such projects or other related business activities. If Nexans serves as a vendor to any Iranian regime or regime-affiliated entities involved in Iran's oil and gas sectors - such as the National Iranian Oil Company (NIOC) or the National Iranian Gas Company (NIGC) - or any other Iranian government or government-controlled entity, please describe the nature of such relationships in detail. Please also provide us with a comprehensive summary of all Nexans activities and meetings held during the Iran Oil Show, including the names of all individuals and entities that Nexans and its representatives met with during the show. *Please specifically confirm that Nexans did not meet with representatives of any sanctioned entity or Specially Designated National ("SDN") and also describe what steps Nexans took to ensure that its representatives did not interact with such individuals or representatives.* Finally, please also clarify what, if any, agreements or other exploratory business undertakings were initiated, executed or otherwise discussed during Nexans's time in Iran.

Furthermore, UANI is cognizant of Nexans's significant U.S. business presence, including its multiple offices and subsidiaries across the U.S. (Nexans U.S. Website, "[Contacts](#)") On its U.S. website, Nexans also advertises its services to "A leading contractor for the U.S. Department of Defense," as well as the products of its U.S. subsidiary Berk-Tek and their "application for local, state, and federal government facilities." (Nexans U.S. Website, "[Hybrid cables for military applications](#)"; Nexans U.S. Website, "[High-Performance Cabling Solutions For Secure Government Applications](#)") UANI strongly believes that no company should benefit from access to the world's largest economy and consumer market while at the same time being active in Iran. Certainly, members of the U.S. Congress and the American public at-large will not look kindly on any business that attempts to conduct business with Iran - particularly via its most sanctioned sector - while also enriching itself through U.S. markets and taxpayers' dollars. Please be advised that UANI will not waver in its commitment to shining the full light of public scrutiny on any company that gives succor to the Iranian regime in its illicit pursuit of a nuclear weapons capability and worldwide sponsorship of terrorism.

Thank you kindly for your attention to this matter. We look forward to hearing from you regarding Nexans's intentions.

Very truly yours,



Ambassador Mark D. Wallace

cc: The Honorable Ed Royce
Chairman, United States House Committee on Foreign Affairs

The Honorable Eliot Engel
Ranking Member, United States House Committee on Foreign Affairs

The Honorable Tim Johnson
Chairman, United States Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Michael Crapo
Ranking Member, United States Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Jeb Hensarling
Chairman, United States House Committee on Financial Services

The Honorable Maxine Waters
Ranking Member, United States House Committee on Financial Services

The Honorable Robert Menendez
Chairman, United States Senate Committee on Foreign Relations

The Honorable Bob Corker
Ranking Member, United States Senate Committee on Foreign Relations

The Honorable Ileana Ros-Lehtinen
United States House of Representatives

The Honorable Steve Israel
United States House of Representatives

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

Catherine Ashton
High Representative of the EU for Foreign Affairs and Security Policy

Ambassador Charles H. Rivkin
United States Ambassador to France and Monaco

Ambassador François Delattre
Ambassador of France to the United States

Bertrand Lortholary
Consul General, Consulate General of France in New York

Stephen Hall
Executive Vice President, North America Area, Nexans