

March 28, 2023

Adam Lisberg
Director Corporate Communications
DJI International North America
Los Angeles CA
By email: adam.lisberg@dji.com
CC: us.marketing@dji.com; pr.us@dji.com

Re: DJI and Iran

Dear Mr. Lisberg:

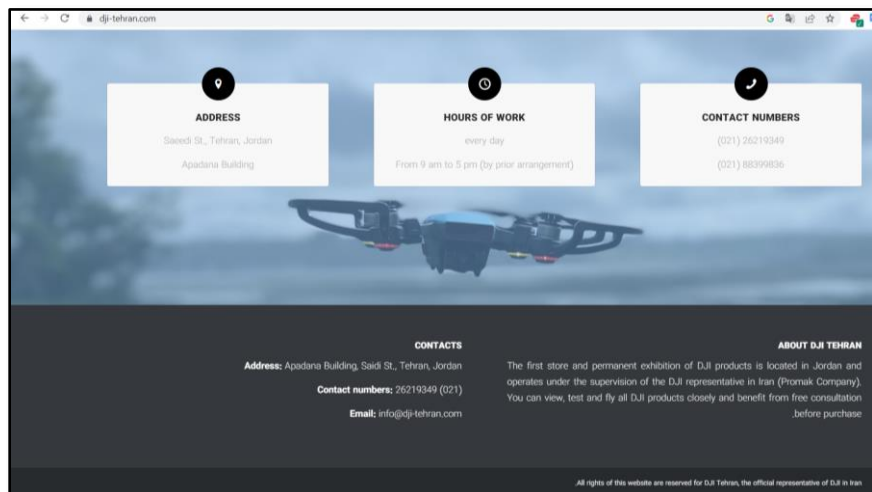
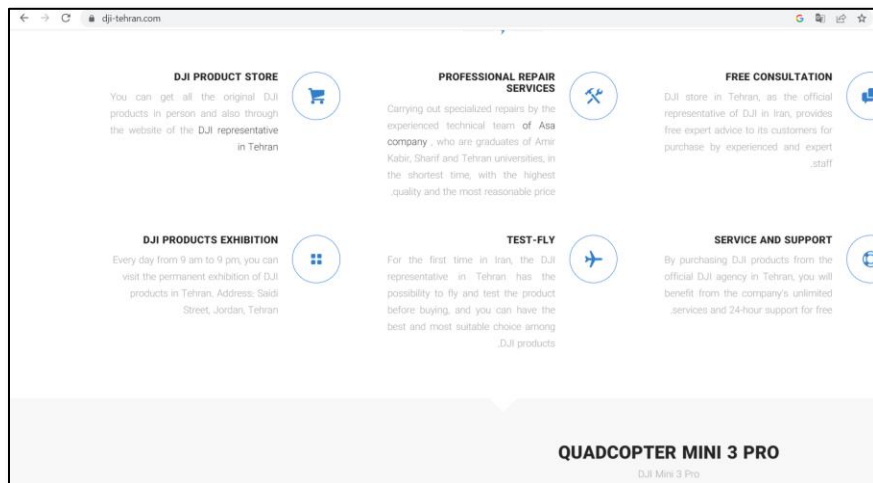
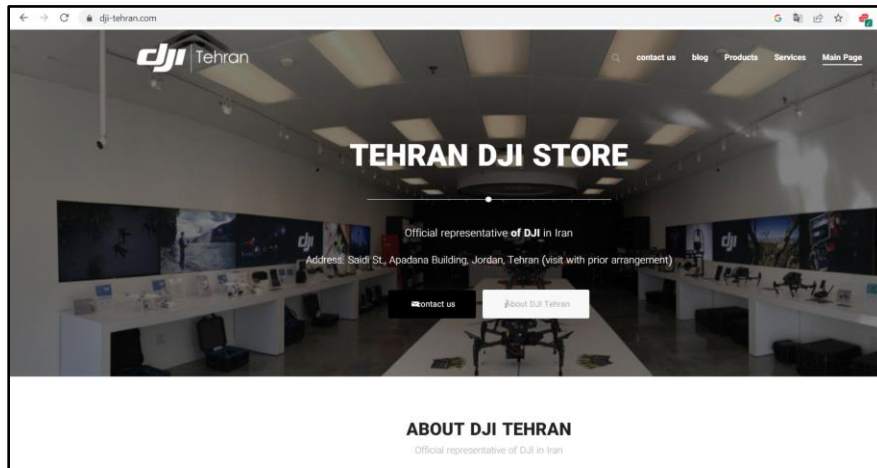
We are writing in furtherance to our correspondence in early 2022. At that time, UANI had noted extensive advertised ties between DJI International (“DJI”) and the Iranian drones company, Bal Golstar. In your reply dated March 3, you assured UANI:

DJI has a strict policy against distributing our products to countries targeted by global restrictions including Iran, Cuba, North Korea, Syria, and the Crimea, DNR, and LNR regions. We require all our dealers to adhere to this policy, and we have a robust compliance system that requires them to verify their customers and to expressly commit they are not selling products to those regions.

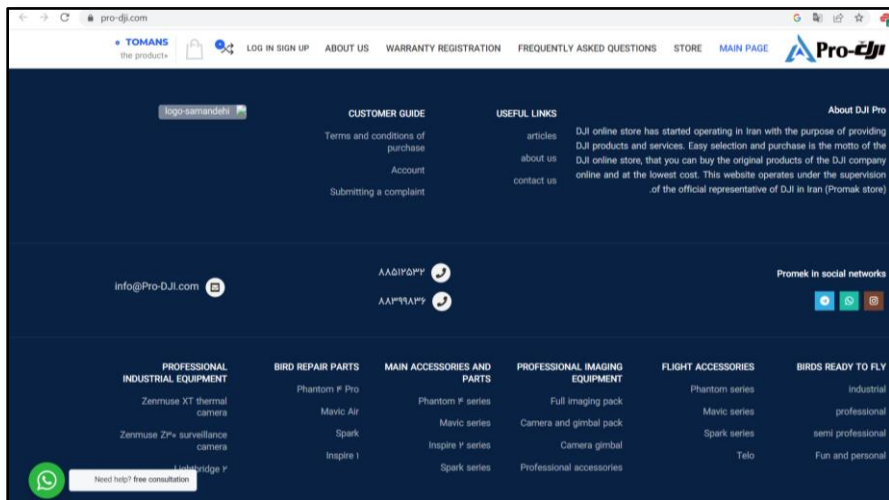
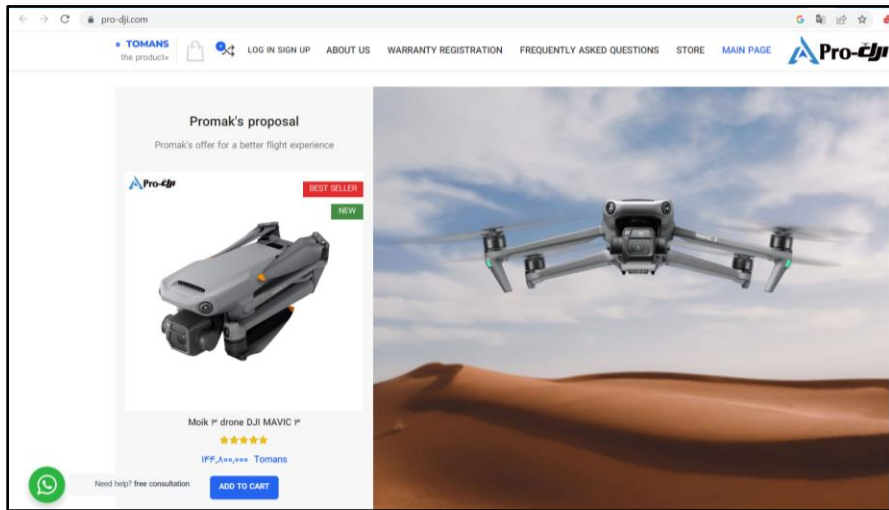
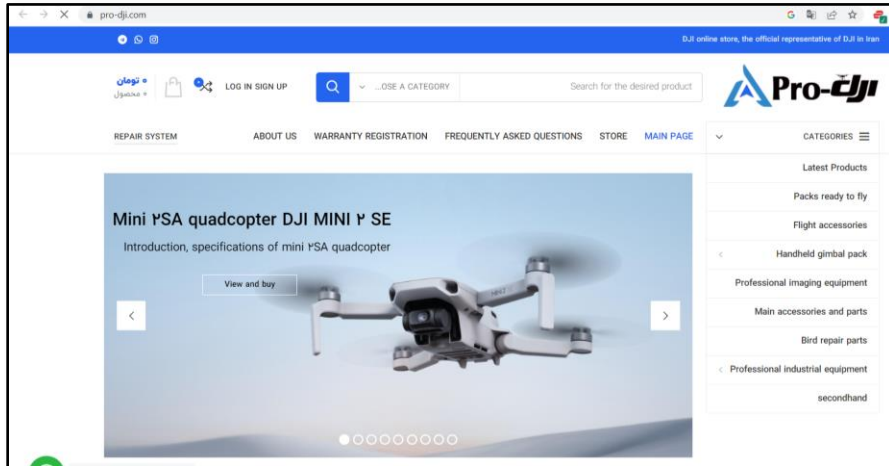
As well as recent reporting strongly implicating DJI in providing drone components to Russia,¹ we have since noted multiple and explicit examples of DJI products being sold in Iran. UANI found no fewer than three such sites from a cursory search. Please note the following Iranian websites below, each dedicated exclusively to DJI sales, all accessed at the time of writing:

¹ “Da-Jiang Innovations Science & Technology Co., also known as DJI, sent drone parts — like batteries and cameras — via the United Arab Emirates to a small Russian distributor in November and December 2022. DJI is a Chinese company that has been under U.S. Treasury sanctions since 2021 for providing the Chinese state with drones to surveil the Uyghur minority in the western region of Xinjiang.” Politico, “[‘Hunting rifles’ – really? China ships assault weapons and body armor to Russia](#),” March 16, 2023.

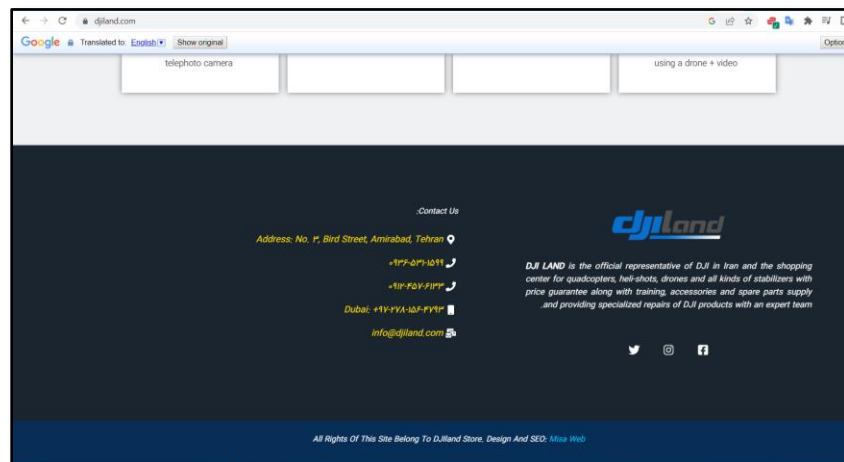
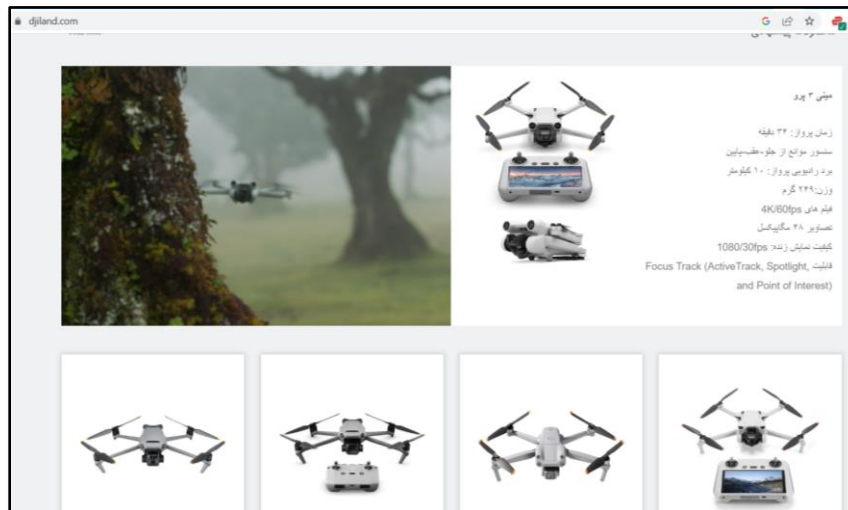
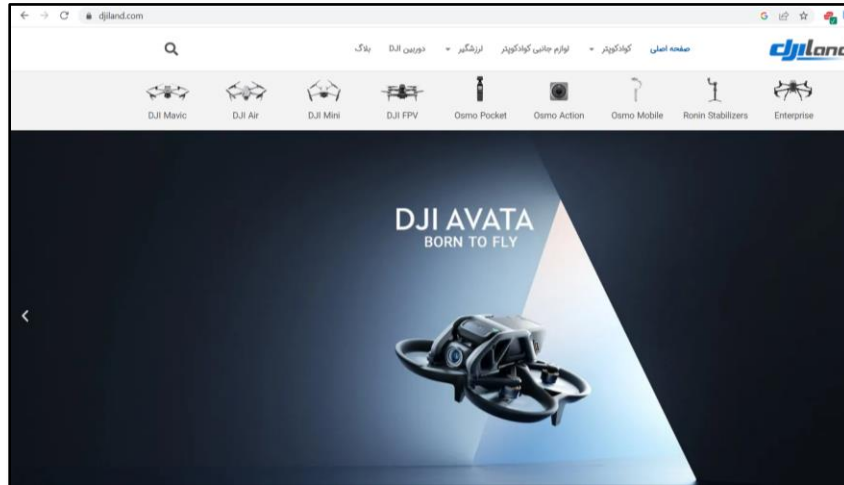
1. <https://www.dji-tehran.com/>



2. <https://www.pro-dji.com/>



3. <https://djiland.com/>



Clearly, the foregoing does not comport with your claim to UANI that “DJI has a strict policy against distributing our products to countries targeted by global restrictions including Iran....” As we suggested in our letter of February 24, 2022 – prior to Iran’s now well-publicized supply of deadly drones to Russian forces in their brutal invasion and occupation of Ukraine – “[t]he probability that DJI drones or components are finding their way to Iranian military and security elements is extremely high.”

In the same letter, we also noted that DJI was already placed on an “investment exclusion list.” Subsequently, in October 2022, the U.S. Department of Defense added DJI Technology “to a blacklist that subjects them to an investment ban for Americans.”² In response, DJI stated, “DJI stands alone as the only drone company to clearly denounce and actively discourage military use of our products ... DJI has never designed or manufactured military-grade equipment, and has never marketed or sold its products for military use in any country....”³

DJI’s public and private statements are simply not consonant with material facts. Given DJI’s position as the number one supplier of drones in the U.S. market, including a retail presence at more than 100 stores and resellers throughout the country, we must restate that doing business of any kind in Iran is simply not acceptable.

Very truly yours,



Ambassador Mark D. Wallace

UANI is a not-for-profit, bi-partisan, advocacy group that seeks to prevent Iran from fulfilling its ambition to obtain nuclear weapons. UANI was founded in 2008 by Ambassador Mark D. Wallace, the late Ambassador Richard Holbrooke, and Middle East expert Dennis Ross. UANI’s private sanctions campaigns and state and federal legislative initiatives focus on ending the economic and financial support of the Iranian regime by corporations until Iran verifiably abandons its drive for nuclear weapons, support for terrorism and gross human rights violations. Former U.S. Senator Joseph Lieberman is UANI’s Chairman. UANI’s Advisory Board consists of distinguished leaders in government, academia and business. See www.unitedagainstnucleariran.com/about/leadership.

IRAN BUSINESS RISKS

Any desire from foreign firms to ramp up Iran business is short-sighted, ill-advised, and fraught with risk to its shareholders, employees, agents, and contractors. The risks inherent in doing business in Iran are serious and fall into at least ten distinct categories:

1. **Revocation of the JCPOA and Reimposition of U.S. Secondary Sanctions.** On May 8, 2018, the United States Administration announced it would withdraw from the JCPOA, and secondary sanctions were reimposed which affect companies even outside U.S. jurisdiction with respect to every major industry in Iran. Due to Iran’s military support of the Russian invasion of Ukraine, there are increasing calls for E-3 signatories to the JCPOA, France, Germany, and the United Kingdom, to follow the example of the U.S. and reimpose sanctions snapback.

² Reuters, “[U.S. widens investment ban to China’s BGI Genomics, drone maker DJI,](#)” October 7, 2022.

³ *Ibid.*

2. **Impairment of Corporate Reputation.** A company that seeks opportunities in a country notorious for sponsoring terrorism and violating fundamental human rights, including state sponsored torture and killing of its own citizens, like Mahsa Amini in late 2022, will inevitably corrode its reputation with consumers, trading partners, and the general public, as recent polling strongly indicates.
3. **Banking Risk.** U.S. and European banks are unwilling, largely as a result of Iran's own actions, to finance new business ventures in Iran. Along with the serious money laundering issues in Iran, banking-related Iran risks continue to be severe, as strong penalties remain for those institutions that directly or indirectly facilitate prohibited transactions. Iran remains on the Financial Action Task Force (FATF) blacklist.
4. **Doing Business with the Islamic Revolutionary Guard Corps.** Doing business in Iran means doing business with the IRGC. It is flatly illegal for American and international companies to do business with the IRGC, but corporate compliance officers and country managers will be unable to discern if their companies are doing business with a reputable Iranian company or one that is secretly operated, managed, and even owned by the IRGC.
5. **Economic Sanctions Independent of the JCPOA.** Notwithstanding the JCPOA, significant economic sanctions unrelated to Iran's illegal nuclear proliferation program remain in effect which bar companies and their affiliates from doing business in multiple sectors of Iran's economy. The passage of the JCPOA does not eliminate or ease those sanctions.
6. **Unavailability and Deficiency of Insurance Coverage.** Companies will find that their business operations and assets in Iran are either uninsurable or subject to inadequate coverage and/or extraordinary insurance premiums because of the highly unstable and risk-laden political, legal, and business environment. Germany no longer allows export credit insurance from 2023.
7. **Impairment of Shareholder Value.** Influential shareholders and the investing public will not look charitably upon any company whose drive for short term profits in Iran will inexorably finance that regime's policies of sponsoring terrorism, nuclear proliferation, subjugation of women, violent repression of LGBT individuals, and the arbitrary incarceration and execution of its citizens. It is difficult to see how share value will not suffer.
8. **Impairment of Future Business Opportunities.** A company that shortsightedly embraces business opportunities in Iran will likely be cut off from more lucrative business opportunities in countries that oppose Iran's hegemonic policies, especially among Gulf Arab states. Even worse, companies may be barred altogether from doing any business within the borders of these neighboring countries because they will be viewed as providing financial support to a lawless regime that is antithetical to their very existence.
9. **Arrest, Imprisonment, Kidnapping, Torture, and Execution.** A company that does business in Iran exposes its officers, employees, and contractors to a high risk of harassment, arrest, prosecution, and incarceration without due process of law, without the right to legal counsel, and without an effective and independent judicial system to protect basic legal rights. Even individuals with dual citizenship, such as British-Iranian Alireza Akbari, executed by the regime in January 2023, are not safe from regime's clutches.
10. **Hacking, Cyber Insecurity, and IP theft.** Doing business in Iran will inevitably lead to the hacking and theft by Iranian operatives and security agents of a company's proprietary information, trade secrets, confidential employee and corporate information, personal information, and customer information. Moreover, Iranian firms systematically use the slightest association with foreign firms as a pretext to continue advertising purported partnerships, and misappropriate corporate trademarks often many years after ties may have been excised.