

## **The GeoPolitical Update: Iran Conference Call Part 2**

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Phil McConkey: Good morning, everyone. This is Phil McConkey with Academy Securities, and this is our GeoPolitical series, part two, Iran. Last week we had a discussion and, due to heightened interest and a few significant events that have occurred over the past week, we decided to have another series this morning with General Frank Kearney and General "Spider" Marks. This morning Spider will discuss a couple of those events we just talked about over the past week. He has retired as a two-star General and was Senior Intelligence Officer in multiple theaters of operations that included Iraq during our nation's invasion. And then General Frank Kearney, who retired with three stars this past January while serving as second in command at the National Counterterrorism Center. He also spent his entire career in special ops units around the globe. Frank will be discussing the question of whether or not Iran is weaponizing its nuclear program. We will take questions via email at [cmims@AcademyProperties](mailto:cmims@AcademyProperties) – excuse me, [cmims@AcademySecurities.com](mailto:cmims@AcademySecurities.com), [cmims@AcademySecurities.com](http://cmims@AcademySecurities.com), or via the chat

function on the webinar. So we'd like to turn it over right now to Spider to talk about those two significant events that have occurred over the past week. Spider?

General Marks: Well, Phil, thanks very much, and good morning everybody. And again, thanks for your time this morning. Just very briefly, as kind of a transition from last week until today's discussion, Iran – I mentioned last week, Iran has indicated that it was willing to enter into discussions essentially with the NPT signatories, Non-Proliferation Treaty signatories, and including Israel, in terms of its nuclear development program. That, apparently, according to media sources, is continuing and will in fact move towards some degree of discussions that we'll be able to follow in the open press. Primarily, as you can well understand what that does, is that just lowers the global heat on Iran and specifically this topic, and buys some time for Iran to continue its efforts unchecked. So, certainly, I'm quite cynical toward any effort on the part of the Iranians to talk vice to demonstrate their desires relative to their nuclear program.

And then the second piece is there's increasing activity at the Parchin military facility. Parchin is, in fact, and has been declared as a military facility and not a part of Iran's nuclear development. However, evidence is very clear that there has been in the past activities centered around the effort to weaponize. And clearly weaponization has to do with a couple of issues. Frank will get into those details, but just as a summary, it has to do with accuracy of their surface-to-surface missile, the ability to build a physics package, if you will, which gets to weaponization, and then the enrichment of the uranium. Activities like that have taken place, we suspect, at Parchin. And most recently there seems to be activity to clean Parchin and to remove any evidence of that weaponization, clearly in advance of opening the doors to

international inspectors. So two significant observations relative to Iran's nuclear development.

Having set the table, I'd like to do is turn it over to Frank at this point.

General Kearney: Okay, thanks, Spider, for the transition there. And thanks again for the opportunity. I think the key question is, what is Iran doing with their nuclear program? Is it a peaceful electricity generation program, power generation, or is it something greater? And what, I think, we can do is tell you that Iran's lines of effort in this nuclear program continue to leave open the opportunity to pursue nuclear weaponization. And as a result of that, because there are decision points that could have been made along the way, it's important to understand the components of the program and in what we're hearing and seeing in the news and what people are reporting, and why does that matter. And of course we discussed Parchin, which is just one piece of the entire puzzle.

But if you look at – what would we have to do to weaponize a nuclear program? I mean, the first key piece is a delivery system. Okay, the most simplistic weapons can be delivered by air, as we did during World War II, and are very easy to construct a bomb that can be dropped through gravity and pressure and ignite. But as you take a look at what Iran probably is trying to do, you see them for the last five years trying to improve their long-range missile program. They've modified the al shahab-3 missile to the Ghadr, which has a 995 mile range and can actually touch Israel. They have a second solid-fueled rocket system, the Sajjil, which also can reach out and touch Israel, but has not been tested to a degree that it is in a usable status. The difference between the Ghadr and the Sajjil with its solid fuel means you don't have to go through an obvious process that takes a good amount of time to do the liquid fuel mixture to be able to propel a rocket. So, in a missile system,

you're worried about guidance. And what we've seen is very inaccurate systems from the Iranians. We're worried about reliability and some of them have not done the things they've been able to do. We're worried about the ability to erect it on a – on some sort of platform. Iran currently has at least six erector launchers which are mobile, and then you go through this process of mixing fuels out near a site, which all takes time, which means you can be observed and interdicted in that process, where with a solid fuel rocket, you don't have that happen. So, frankly, what we've got in the missile system is a multi-year history of them trying to do that.

Second piece is you need a warhead, okay. So we need this physics packet, which is yet to be developed likely by Iran, which could be what is occurring out in the Parchin site where they have built a facility that looks like it can allow plasma testing, blast testing, to occur inside of it without escape of particles that can be detected by detection systems that are in and around the area. Now, there's multiple physics packages that you can do this. You may have heard of the nuclear peanut that we use in modern nations now, which is a thermonuclear blast, which is a plutonium and uranium-235, the base system, with implosion that occurs. Probably what we want to find out in Parchin, and why the folks are taking so long to get in there, is what will be the residual chemicals and isotopes that are found there, and can they be removed? So, what we find in there, like tritium, which is a neutron igniter for 235; beryllium, which is a – an accelerant which boosts the reaction; whether you find uranium isotope 235 or 238; whether there's lithium-deuteride—these are all the indicators that something other than just building a conventional blast warhead has been occurring out in that facility. And that is why the IAEA would like to get in there and do some testing to figure out what's going on inside of that. So, the residue—whether it be radiation, whether it be particles, whether it be chemical, from a number of things that would occur in there—would tell us what type of bomb they could be trying to

make, if they were trying to make one. Or whether or not in fact they are just doing blast testing in there and, as they say, very, very worried about bringing the IAEA into a facility. Because when they've done that before, they felt there's been great leaks and it puts them at risk. So you've got that particular component.

And then once you get to – in order to be able to build a physics package is you need weapons-grade enriched special nuclear material, which in this case is likely U-235, which is an isotope of U-238, which is the way uranium is found normally inside of the earth. And it has about .71% U-235 in it. And that's why you go through this large process that you hear about at Natanz and Esfahan, where they take this, combine it with fluorine gas and they go through the centrifuges and the cascades of centrifuges to be able to spin out the U-235 isotope, which weighs less than U-238, and then they begin to build this. Now, what you hear about in enrichment levels is critical to understand where Iran is and where they are going. So, when we talk about enrichment and you hear 2-5% low enriched uranium, that means that a fuel rod, or rod that is uranium oxide-encased, is got about 2-5% U-235 isotope in it, and then the 98-95% of that is U-238, which is not normally fissionable, except by a highly excited neutron. Okay, when you get up to 19.75%, you are at the high end of low enrichment. And people want to get to that 19-20% level because you can use a different type of reactor when you do that. But you really only need for electric and power generation 2-5% low enriched uranium, if you are in a peaceful energy-generating nuclear program. When you get up to 19.75 or you get to 20%, you start to cross into the threshold of highly enriched uranium. And what that means is if you add more cascade of – probably in this case – most experts think if you add 2000 more centrifuges to what we've got going on in Natanz or Esfahan, which could be done because they're protected underground facilities, that you can move very, very quickly from that low enriched uranium to high enriched uranium by continuing to move

through that process. So if you understand that when you move from 5% U-235 up to 90% U-235, then you are at that rate where you can weaponize that into a nuclear capability from some sort of system. If you go to high speed reactors, it also allows you to potentially move from just producing highly enriched uranium to producing plutonium as a byproduct, which can be weaponized. And it's probably used in most of the weapons that we find in western systems. Why? Because it's lighter. You need less of it to achieve super critical mass and to start that fissionable explosion than you do with U-235. So you go from about 110 pounds down to 50 pounds of special nuclear material inside of a warhead, with a lot of other igniters and other things in there that compress that, to make the bomb start the fission reaction (sounds like: and occur).

So it's critical as we move along this to understand what could be in Iran and what's not – what has not yet happened and what they have not yet stopped doing. So, the three lines that you need to produce a capability: the physics package inside of a warhead; enriched uranium or plutonium inside of that physics package; and a delivery system, likely a missile with range to hit whatever targets Iran may have. We see that they have not stopped moving along paths to do that as – and that's what worries us about their weapons program, or their potential weapons program.

Two other things to think about is some years ago Iran moved its military nuclear program – it basically disbanded it, which was a very wise thing to do with all the scrutiny. But it began to house that inside of its university systems. Okay, it does that to provide a cover for their nuclear program as an educational and energy piece. But the same military scientists and people who were working in those programs transferred right over into the civilian side. So you now have this dual use, sort of, capability that you have residing

in a university that is learning this nuclear theory has the potential to do weaponization theory to do that stuff.

You also take a look at—and we talked about last week—the IRGC. Well, the IRGC Quds Force, a special operations component of the IRGC, has run front companies globally to help try to defeat the world's efforts to close down the transfer of materials that can help build nuclear programs. So, in order to control proliferation, we have tried to close down different things through sanctions, through different companies, through diplomatic kind of stuff. But as they do that, this organization continues to recreate opportunities to be able to do that. So, why is that happening if you have just a peaceful program?

So, five things tell me that Iran can still produce a weapons-grade production if they want. Again, go back over it. Missile improvements; enrichment levels that they're continuing to move on that they don't need to; potential testing that could be going on at military sites for physics packages inside of warheads; the way they have shrouded their military program and transferred it into a civilian education program; and the fact that they have surrounded the program with front companies run by their special operations IRGC component to be able to ensure they still have access to materials, fund transfers, and things like that to be able to get around sanctions, to be able to do what they want to do. So, I mean, that's the key piece of this.

And then as we look – move forward, the question becomes, well, if they are going to weaponize, what type, simple or complex? That will tell you how fast and how much time they need to do these things. Do they have the ability to sprint as we've seen discussed in the news lately? And as I mentioned, if they add centrifuges and can enrich, we can move forward. And, at last, the question is, test or not test? And I think – I see there are some questions out

there. I've kind of blasted through this quickly, and so we'll take a couple of questions here now if we like.

Phil McConkey: Frank and Spider, I guess the question a lot of people have is, are we just playing into their hands by continuing these international talks allowing them more time to develop the potential to weaponize their nuclear program?

General Marks: I think the short answer is we are. There's a very short history of truly effective sanctions against a regime like Iran. And the problem with Iran is that this regime that exists, exists for one reason, and it is to vitriolically view the West, primarily the United States. So you can't take away that hated relationship between this regime and the United States or this regime in Iran will disappear. It ceases to have its *raison d'être*. So the challenge becomes how does Iran respond? I mean, many have said that Iran's leadership – publically our Chairman of the Joints Chiefs of Staff has indicated that Iran's leadership is a rational actor and it follows that model of politics among nations. Others would argue – there is a debate. Others would argue that the leadership within Iran is – fundamentally is crazy. However, as laid out by Frank, the IRGC, primarily secularists, have increased their relationship and their influence over the mullahs, albeit decisions are made singularly by Khamenei, but he does those – makes those decisions based on input from the IRGC members that are a part of his various councils. So my view of all this is there has to be an impending threat that is acknowledged by Tehran of causing more harm than ignoring it. So – but that's kind of a background discussion on 'oh, absolutely, we are convinced that additional' – it's very difficult to measure the effectiveness of sanctions, and that's where we are right now. How do you measure that? So the specter that kind of overlays all of this is clearly we are products of our own internal mirror imaging. And this is an election year for the United States, and what would be extremely



difficult for this administration would be to divert its attention onto a problem that's as thorny and difficult as this one.

Phil McConkey: So I guess another question that's coming in just to that point, are we relying on the moderates in Iran to convince the mullahs that a weaponization of their nuclear program and a potential for a strike into Israel is not the way to go?

General Kearney: I think the answer to that is the moderates have waning influence at all inside of Iran right now, okay. And that's your Rafsanjanis and your Khatamis who have been the president previously, who have previously been on the Guardian Council, which has advised – but what you've seen is an encroachment by the IRGC leaders, both still in the military active but folks who have become part of this business community. There is a huge amount of former IRGC and IRGC membership that is out there running many of the businesses. They basically dominate the petroleum industry, they dominate most of the coastal businesses along Iran, and so they have an increasing amount of interest. Now, that's a two-edged sword, okay, because since they've become businessmen and since the – they make a profit as a result of this – and even Khamenei, who is often described as a religious, you know, evangelist out there with it, but really is a traditionalist, he believes in the pillars of the revolution and being against the West as a core piece of that. But he also believes in this free enterprise, make a profit, trade with the rest of the world so that, you know, Iran can continue to grow back to what it was when it was one of the imminent intellectual powers in the world. So you've got these two competing ideas going on there. For me, our best hope now is that the IRGC businessmen who advise Khamenei, and Khamenei, who sees the value of the economic piece of this, that's where we might get some moderation.

Phil McConkey: Guys, you talked – Frank, you just talked a second ago about profits and businessmen. I'm sure very near and dear to many of our listeners, who profits from the weaponization of the nuclear program that they look like they're undertaking right now?

General Kearney: I think there is little benefit for them to have this, except that it projects power and makes them an international player where they are deemed a rogue regime. Very similar to the North Korean perspective is if I have a nuclear capability, I will be treated differently in the world. So Iran wants to be perceived differently in the world and be put in a place where nations have to talk to them, not just about their problems, but about their potential. And so that's the only advantage I see, and it's a power advantage. It's in the diplomatic arena when you're looking at elements of power and not in the economic arena. Spider?

General Marks: Yes, absolutely. And, in fact, if I could take 30 seconds, just very, very quickly, unless right now, Phil, there's a question that we want to address.

Phil McConkey: Why don't you follow up and I'll come back with another question?

General Marks: Okay, just very briefly. I don't want this to be too pedantic here, but there really is , what I would call, influence campaigns, or domains – verticals, if you will, through which you view a challenge such as Iran, and those are: diplomatic, intelligence, military, economic—which is different from the financial vertical—informational, and then law enforcement. And then just very specifically to your question, Phil, this has to do with an external perception of power. But it also in a rather academic way gets to the financial aspects of valuations and the storage of value, it really gets to the notion of barter. This is a capability that has more to do with Iran's stature vis-à-vis others, not necessarily exclusively along the military line, as opposed to the

economic line, for example, which is purely, in terms of globalization and trade and what I would call the relational existence among trading partners. But this is a – this is how we, guys like Frank and I as we have grown up in our military and now currently business experience, try to view problems. You try to – you don't try to bucket them, if you will, but we try to put them through these various filters so we get a view of what these various influence campaigns look like relative to these problems. Back to you, Phil.

Phil McConkey: Yes, regarding the cleansing activities at Parchin, who are these international inspectors? And will they be able to detect any evidence of the weaponization advancements of their nuclear program?

General Kearney: Okay, yes, it's the International Atomic Energy Association, a sub-body of the United Nations. And the question is framed well, but hard to answer because the answer really is what will Iran allow them to bring in? Now, this will tell us a little bit about where they want to go with talks. The IAEA should want to come in and observe and test. And yes, they can through swiping, through different spectrometers and, you know, we would all consider a Geiger counter kind of thing. There is enough portable test equipment to go in there and determine, dependent on the level that they've used to clean it or what they've done to bond different elements to what's in there to kind of hide it, they'll be able to give you an idea of what's in there. The answer is yes, they can. The question is, how much will they be allowed to do and how much time will they have by the Iranians as we look at this? We jump back to the last question just to kind of follow on. One of the things that Iran also wants is to live in this ambiguity, okay. Because inside of ambiguity they can still have the same benefits of power from the ability to move rapidly to a weaponized system, but at the same time, they want to hang onto this notion that it is a nuclear energy program. Their population supports this. They want to be ambiguous enough that should anything occur, it would have to be

instigated externally and not something they start so that their population kind of supports them as they go through this. So if they can stay in this zone of ambiguity, maintain talks with the West, keep the West at a point where they really can't say that they're pursuing weaponization but have the ability to continue to do so in secret, then they can reap economic benefits, power benefits, along multiple verticals, as Spider was talking about before, and really, that's where they want to live is in this position of ambiguity.

General Marks: And you know, Phil – unless there is something else, another question right now, I'd like to follow up on Frank.

Phil McConkey: Follow up, please.

General Marks: Let's go back to 1981. Well, right before the hostages were released, on 19 January, 1981, the United States and Iran signed the Algiers Accord. And this is a demonstration of Iran having it both ways. Number one, they gave up the hostages. There is – there are discussions on both sides of that situation as to why they did it. The simple answer has been laid down that they were very concerned about this new presidency that was coming in. But at the same time, what the United States pledged in the Algiers Accord was that we, the United States, will not interfere with the internal mechanisms, the internal politics, of the regime in Iran. In other words, if you give up the hostages, we'll give up, overtly and by signature, any attempt on our part to try to adjust your regime. So, they're at least is a precedent to how the Iran – the current Iranian regime could progress. They could raise a hand and say, "West, if you don't interfere with our regime, we will open our nuclear program to development and will allow you – we'll allow local powers, we'll allow international bodies, we'll allow the United Nations to be the preeminent assessor of our, Iran's, capability vis-à-vis its nuke development." And if it

was along the peaceful lines, everything would be fine and the regime could live and exist under its current structure.

Phil McConkey: Gentlemen, a question coming in. Are there any signs that investors should look for to determine when action might occur by the United States and/or Israel against Iran?

General Marks: I mean, well, Frank and I are both looking at each other. I think the first one is sales by the United States under the Foreign Military Sales program that exists among all the services and through the Department of Defense (DOD). And in terms of bunker-busting capabilities, the United States has developed capabilities that the Israelis do not have. I don't think you would overtly see any repositioning of capabilities other than what you see right now in terms of normal activity. In other words, the normal patterns of life with the movement of U.S. naval vessels, the flights in and out of theater into Qatar and United Arab Emirates, and elsewhere in theatre, I think those would be defined as normal. Anything aberrant, certainly we'd have to look for, but I think that would be very difficult for us to pick up. Frank, any thoughts on...

General Kearney: Well, I first say that along the diplomatic line, the U.S. will want some sort of enabling thing from the U.N. to be able to move forward. I mean, so one of the clear overt indicators we're getting ready to do something is to go in and ask the United Nations to do something about the problem.

General Marks: So asking permission.

General Kearney: Yes, but I mean, you know, that's a clear trigger, obviously something that people need to look at. I think Spider hit the key once. I mean, obviously, the way we will deal with Iran is air and naval capacity to do whatever we need to do. And so the repositioning of those assets from what is considered normal

would be an indicator. You know, we had an intelligence collection platform go down in Iran some time back, looked like it landed intact, you've seen it. If you hear a lot more intelligence surveillance and collection kind of activities over Iran, it could be an indicator that things are ramping up. You've already seen what's going on with Israeli assassinations and Iranian science assassination there. All those things can then begin to build a crescendo where someone can make a mistake, and you hit a threshold where you have the action, reaction, counter-reaction stuff goes forward and you begin to see diplomatic activity, military activity in repositioning, you see demonstrations of capability that occur through some sort of rehearsal system out there. All of that would probably be picked up by the news, picked up by other folks, and you start to move down this road to potential actions that people should be aware of. But I think the key pieces are what is the United States moving around and doing, what are the intelligence collection platforms doing, and are people picking up on rehearsals of something that would need to occur.

General Marks: I think, Phil both Frank and I have worked in this part of the world pretty extensively. I would think that if a U.S. carrier battle group exited the Straits of Hormuz and was in the IO, Arabian Sea, outside of the Persian Gulf, that would – that's an indicator. It's not an emphatic, unequivocal one, but it's a very clear indicator that something might happen. Clearly the point being is you don't want to get a carrier battle – bottled up in the Persian Gulf. It's like a bath tub, and that would not be a good thing.

General Kearney: Yes, I mean, you just saw the Abraham Lincoln battle group transit the Straits of Hormuz as a demonstration by the United States of its intent to keep open that global chokepoint on the global commons and to tell Iran, "Hey, listen, we will do this, we're challenging your rhetoric." Now, again, as Spider said, we probably need what's called at least a 2.0 or even greater carrier battle group present in the area of responsibility of central command in order to do

something against Iran. So, you know, when you see the overlapping periods of two carrier battle groups in the same place, those are always times you sit there and go, 'Wonder why there's two of them there right now?' Sometimes that's because one is transiting and one is exiting. But if they linger or if another one is moved into the (Med.) where they can also reach across from one side and you have this conflagration of real capability going on that is out there. The other key piece for all of this is to watch the U.S. Air Force tanker fleet. In order to be able to support operations, passing gas becomes the logistics challenge. So you've got to build up fuel on the ground, you've got to then move it to higher level air refuelers that keep our platforms in the air with the heavy loads they've got because they'll take off very light and then have to refuel to be able to get to their distances and get out. But, Spider?

General Marks: Another question, Phil?

Phil McConkey: Along those lines, can you guys comment on an article in today's *Wall Street Journal* that discusses some of our Navy's vulnerabilities in the Persian Gulf right now. For example, we've only – looks like we've only got one carrier and one Aegis cruiser in the vicinity. Is that correct?

General Marks: The article this morning was clearly taken from the, you know, the bridge of the Bunker Hill in the *Wall Street Journal*. And it talked – I can't say emphatically what's on or, you know, what capabilities exist among the various carrier battle groups and their presence. I'm sure there are some open-source acknowledgments of – in port calls and things like that, that we tell you what's where. But the key challenge is, is that interestingly, as pointed out in the article, the one area of function – what they've described as kind of a functional relationship, is the ability of the conventional Navy in Iran and elements of the IGRC Navy to communicate as ships are passing and transiting the Straits of Hormuz. That's maritime law and that just makes

good sense. Unless you have hostile intent, you need to talk with – and as you gentlemen know absolutely clearly, you need to be fully open, fully transparent and talking all the time, or you're going to slam into each other and now you potentially escalate to an incident you're not looking for. So those levels of communications and, what I would call, at least cooperation for a desired end state, and that is not to accelerate unintentionally into some international incident, exists as a matter of routine in that very, very narrow part of the world.

Phil McConkey: Well, I guess the ships the Iranians can see and monitor, but our stealth nuclear submarines is a different story, correct?

General Marks: Absolutely. Our submarines' capabilities without getting into the classified world are unmatched in the – anywhere – and incredibly capable and invisible to surveillance and detection capabilities.

Phil McConkey: Go back for a second to our discussion last week when we were talking about the potential for closing the Straits of Hormuz. If anything occurred like that and we got involved, what would China's reaction be, if at all?

General Kearney: I – my sense of this is that China will want the Straits open as soon as possible. They're a major consumer of Iranian and other oil, and it would have a great economic impact on them to – for the Straits to remain closed for some period of time. So they – this is where this escalation of military activity – and if it in fact became an international violation of law with the Iranians trying to close the Straits, I mean, this is where you bring in the diplomatic power that now was not mobile and not ready to go because it wasn't having an impact on China. Combat in the Persian Gulf is not good for China's economic position in the world. It also allows them to become a diplomatic arbitrator and gain some political power as they influence Iran to



reverse what they're doing inside of the Straits to be able to allow passage of – China does not, I don't think, want to see things. But China, Russia, and India are clear right now that they don't want to go to that sanction level and really can't support cutting off the hand that feeds them oil. They are in a diplomatically precarious position at that point in time. But once combat is imminent or has started and the Straits are closed for some period of time, China has to enter as a player because it's in their economic best interest.

General Marks: You know, keep in mind that intelligence is a combination of capability and intentions. What China might do falls into that category of intentions, and those are exceptionally difficult to determine, ascertain, assess, and really try to get ahead of. But they have the capability to interdict militarily as does Russia, Israel, and the United States. All other players in essence can only operate in terms of these influence campaigns that I was talking about along the diplomatic, informational, intelligence, economic, and financial lines and law enforcement lines. Those that can operate militarily are Russia, China, the United States, and Israel, probably India, but probably would choose not to. So it truly is a matter of looking at those capabilities. Another question, guys?

Chance Mims: Yes, gentlemen, this is Chance. We spoke last week about – some about Israel, just going back to that topic. Is it probable that Israel would go alone on an attack against Iran? And if it is probable, what would be a realistic timeline that something like that would happen?

General Kearney: I think – it's a capability. Is it probable? I think hard to determine because frankly they're looking at us, they're looking at the effect of sanctions, they're looking at the capability as we discussed here. Do they – have they improved the missile well enough to hit anything? Do they have a physics package? And they will be extremely interested in what's going on in Parchin as part of

their decision calculus. Their population is not really interested in an escalation of violence at the time that they have Hezbollah on one flank and Hamas on another flank, but are far more likely to take some effective action inside of Israel than a missile from Iran. If you look at the point, say Iran doesn't have the capability to strike Israel at this point except through terrorist organizations, then this would be an invitation by the – as a response from Israel to do that. So, now, how fast can they do that? I think Israel has probably done all the prudent planning to be able to go after what they believe they can go after. The question is, is how many repeat visits to sites do they have to do to achieve their overall end state? Since they are trying to do two things, if they strike, which would be to degrade the capability for a period of time, you've already seen that potentially coupled with the death of scientists, where they are trying to kill the intellectual property and retard the return of the system in there. So, I mean, if you assume Israel is the actor who has done that, then they are already in the game doing things, and the question is, when do I go to the next level? And some of that calculus may be things that we haven't thought about, but I – they will watch. So, is it probable? I couldn't tell you how probable. They could do it very, very quickly if they wanted to, they have the capability, and, frankly, strategic surprise is important for them, so that's what unbalances the predictability of this.

General Marks: If I can put a spotlight on a point that Frank has made now a couple of times—it's very, very interesting—is that Israel clearly sees Iran as an existential threat. And the only way you change the balance or alter that perception, that definition, is you can't fundamentally change it by attacking the physical facilities. You can put them off their timelines and there's nothing wrong with that. But through an effort to destroy their intellectual capability, clearly Israel is walking down a path of making it very clear that if you're a young man in Iran and you make a choice to be a – or somebody makes a choice for you to be a nuclear physicist or scientist, man, at some

point you want those guys to come back home and you say, 'You know, mom, I think I made a bad career choice here because my shelf life is pretty limited.' That's how you eliminate a capability and alter the balance fundamentally.

Chance Mims: Okay, well, we can go ahead and – we're just about out of time if you guys have anything else. If not, we'll wrap it up.

General Marks: Well, I think it's important – just very briefly, I've got a couple, what I would call, key judgments. Clearly the regime exists for only one reason, and that is to hate the West and the United States. So if a western power—and Israel is in that category—attacks Iran, it further solidifies that reason to exist. And I think also – two more, very quickly. The Iranian people have a very favorable opinion of the United States. Where Israel or the United States or together we were to attack Iran, that would fundamentally throw everybody into the camp of supporting Iran and supporting their regime and supporting their leadership, and that would be an unfortunate circumstance. So this really becomes a conundrum. And then the other thing that we talked about, when you're buying time, what you're doing is you're giving yourself space. And by giving yourself space, what are the, you know, the technology surprises that are out there, either in a conventional or an unconventional, i.e., a nuclear way? Frank?

General Kearney: No, I think that sums it up pretty good. Great opportunity for us to discuss with you, and good questions.

General Marks: Thank you, guys, thank you.

Phil McConkey: Well, Spider and Frank, we really appreciate your time and your great insight into a timely topic of Iran. Obviously, this was our second in a week, and we'd love the opportunity to call upon you as developments occur, which I'm

sure they will here in the near future. So, thank you so much. For all our friends, there will be a replay and a transcript available, you can contact Phil McConkey or Chance Mims at Academy Securities. And we will contact you for our next geopolitical call with General Spider Marks and General Frank Kearney. Thank you everyone.

THE END