

February 29, 2016

Kazuo Hirai
President and CEO
Sony Corporation
1-7-1 Kona
Minato-ku
Tokyo 108-0075
Japan

Re: Sony, ISIS Recruitment, and Sanctioned Entity Stars Group Holding s.a.l.

Dear Mr. Hirai:

I am writing on behalf of the Counter Extremism Project (“CEP”), a non-partisan, non-profit international policy organization formed in 2014 to confront the growing threat from extremist groups and extremist ideology. The purpose of this letter is to convey CEP’s concern about the widely reported apparent use of the Sony PlayStation 4 Network (“PSN4”) to communicate, recruit, and plan attacks on behalf of the extremist group Islamic State in Iraq and al-Sham (“ISIS” a.k.a. “ISIL” a.k.a. IS” a.k.a. “Daesh”). Separately, we also seek Sony’s comment on the apparent availability of Sony products sold by Stars Group Holding s.a.l. (“Stars Group”), a Lebanese-based entity sanctioned by the United States.

Following the November 13 attack by ISIS militants in Paris, which claimed the lives of at least 127 people and injured over 300, it was reported that “ISIS is using the PlayStation 4 network to recruit and plan attacks...” (*Daily Mail* (London), “[Britain on terror alert: Special forces on the streets of London as experts warn ISIS is using the PlayStation 4 network to recruit and plan attacks because it’s ‘more secure than WhatsApp’](#),” 11/16/2015) Speaking three days prior to the Paris attacks, Belgian Minister of Home Affairs Jan Jambon stated, “I heard that the most difficult communication [to decrypt] between terrorists is the PlayStation 4...It’s very, very difficult for our services...to decrypt the communication that is done via PlayStation 4.” (*Politico* (Europe), “[Jan Jambon on why terrorists love Playstation 4](#),” 11/15/2015) Jambon also reportedly ranked PlayStation 4 as “even more difficult to monitor than WhatsApp,” referencing the instant messaging service notorious for being used by jihadi militants. (*International Business Times*, “[Is ISIS Using PlayStation 4 To Communicate? Islamic State Could Use PS4 To Spell Out Attack Plans](#),” 11/14/2015)

Mr. Jambon is also attributed as saying that intelligence agencies have found evidence of a “special, hidden recruitment channel” used by jihadi extremists on PSN4 to exchange messages. The possible methods of communication encompass a wide range via the PSN, “from sending messages through the PlayStation Network (PSN) online gaming service and voice-chatting to even communicating through a specific game.” One of several police raids in

Brussels – which appears to be a key geographical nexus of those responsible for the Paris massacre – has also reportedly unearthed physical evidence that includes “at least one PlayStation 4 console.” (*Forbes*, “[How Paris ISIS Terrorists May Have Used PlayStation 4 To Discuss And Plan Attacks](#),” 11/14/2015)

In a response to Eurogamer online magazine, Sony acknowledged that PlayStation 4 “has the potential to be abused.” Furthermore, “[w]hen we identify or are notified of [offensive, suspicious or illegal]...conduct, we are committed to taking appropriate actions in conjunction with the appropriate authorities and will continue to do so.” (Eurogamer, “[Sony responds to claim PS4 used for terrorist communications](#),” 11/16/2015)

We respectfully suggest that such boilerplate language is insufficient. Accordingly, we would greatly appreciate your specific comment on the possible existence of an ISIS, ISIS-affiliated or jihadi channel or channels on the PSN4 or any previous iteration of the PlayStation Network. Regrettably, “the most popular gaming devices also happen to be the most effective at connecting not just the world’s friends, but the world’s enemies as well.” (*Forbes*, “[How Paris ISIS Terrorists May Have Used PlayStation 4 To Discuss And Plan Attacks](#),” 11/14/2015)

We would also like to convey our concern about the apparent sale of Sony products by Stars Group Holding s.a.l. (“Stars Group”), an entity sanctioned by the United States.

On July 20, 2014, the U.S. Department of the Treasury designated Stars Group for its key role in a funding network for the Lebanese-based extremist terrorist organization Hizballah, described by the U.S. government as “among the most dangerous terrorist groups in the world.” The Department of Treasury also designated brothers Kamal and Issam Mohamad Amhaz – the owners of Stars Group – as well as Stars Group subsidiaries and Hanna Elias Khalifeh, a Hizballah member and Lebanese businessman who worked directly with Stars Group managers to procure sophisticated electronics and other technology on behalf of Hizballah. (U.S. Department of the Treasury, “[Treasury Sanctions Procurement Agents Of Hizballah Front Company Based In Lebanon With Subsidiaries In The UAE And China](#),” 7/10/2014)

According to the Department of Treasury:

“Hizballah has used the Stars Group Holding network to covertly purchase sophisticated electronics and other technology from suppliers across the world. Items obtained by Hizballah using the Stars Group Holding network have directly supported the group’s military capabilities...”

In his statement announcing the designations of the Amhaz brothers and their network of businesses including Stars Group, Undersecretary for Terrorism and Financial Intelligence David S. Cohen stated, “With disturbing reach far beyond Lebanon, Hizballah’s extensive procurement networks exploit the international financial system to enhance its military capabilities in Syria and its terrorist activities worldwide.” (U.S. Department of the Treasury, “[Treasury Sanctions Procurement Agents Of Hizballah Front Company Based In Lebanon With Subsidiaries In The UAE And China](#),” 7/10/2014) Furthermore, as media reports note, “The U.S. sanctions ban American entities from conducting any business with Stars Group Holding of Beirut, its subsidiaries and its top managers.” (*Wall Street Journal*, “[U.S. Sanctions Companies for Ties to Hezbollah](#),” 7/10/2014)

CEP is therefore understandably alarmed by the apparent availability of Sony products and presumably services to a sanction-designated entity controlled by individuals clearly associated with illicit terror-financing activities. The Sony logo is prominently displayed on the Stars Group website, and a wide range of Sony products – including the full Sony Experia cellphone range – are advertised for sale.¹ Please therefore clarify Sony’s relationship with Stars Group and detail what action, if any, Sony is taking to stop Stars Group sales of Sony products as well as the use of Sony’s name and logo

CEP appreciates that Sony’s apparent relationship with Stars Group in no way reflects support for violent extremist organizations. Nonetheless, we believe that in light of the troubling facts concerning the legal status of Stars Group and the Amhaz brothers, it is incumbent upon Sony to take responsible and decisive action to sever any connection, affiliation or association with Stars Group.

President Obama has called for a wide coalition of stakeholders to contribute to the global battle against extremism. In a 2015 op-ed published in the *Los Angeles Times* the President declared, “We must stand united internationally and here at home...” Recognizing that “military force alone cannot solve this problem...” the President added “[w]e also have to confront the violent extremists – the propagandists, recruiters *and enablers* – who may not directly engage in terrorist acts themselves...” (*LA Times*, “[President Obama: Our fight against violent extremism](#),” 02/18/15 – emphasis added)

CEP wholly endorses the President’s view. Propagandists, recruiters and enablers are contributing to the growth of extremist networks worldwide. Clearly, the Amhaz brothers and their front organizations in Lebanon, including Stars Group, are examples of such “enablers,” and as such must be confronted.

All reputable businesses, entities and individuals must refuse to knowingly associate with extremists and/or their enablers. Therefore, CEP calls on Sony to cease any association with Stars Group with immediate effect, and sever any remaining business relationships with the Amhaz brothers, Stars Group and its front companies. We also call on Sony to urgently review its policies on exchange of messages via the PSN4.

Thank you for your attention to both of these important matters. An advanced courtesy copy of this letter was provided to your General Counsel Nicolle Seligman. Please let us hear from you by March 4, 2016. We look forward to your response.

Very truly yours,

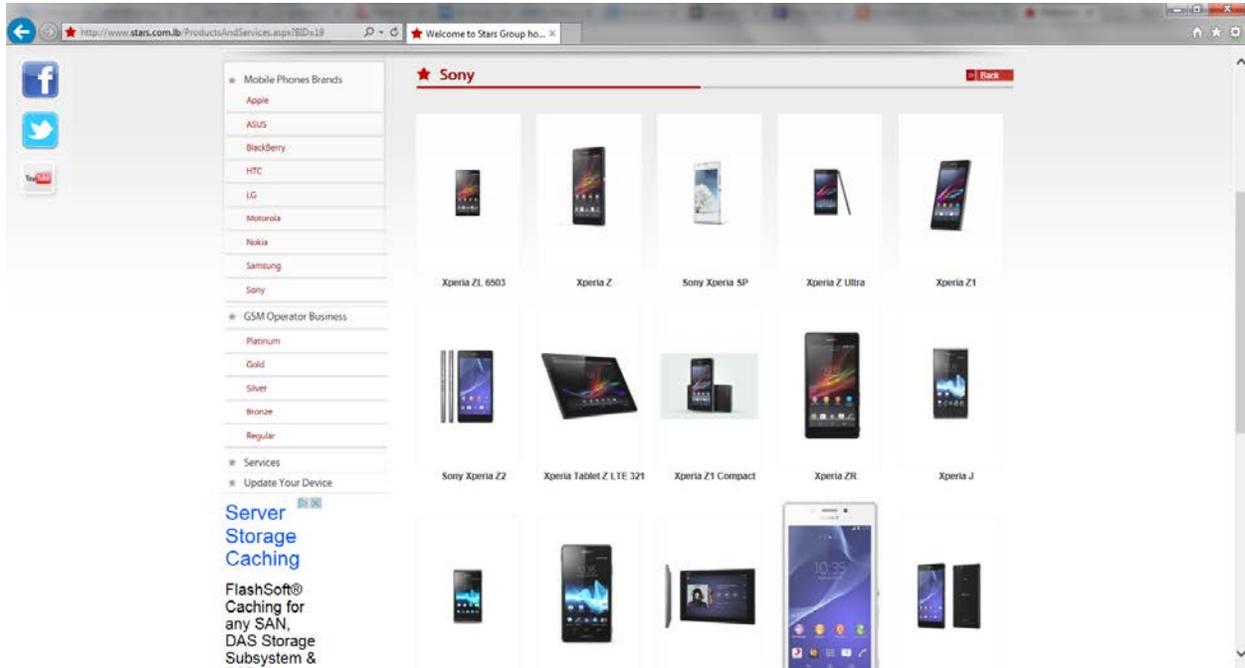
A handwritten signature in dark ink, appearing to read "Mark Wallace". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Ambassador Mark D. Wallace

¹ See Appendix

APPENDIX

Screenshot of advertised Sony products on Stars Group website (accessed 2/29/2016), <http://www.stars.com.lb/ProductsAndServices.aspx?BID=19>:



Screenshot of Sony logo displayed on Stars Group website under “Products and Services” (accessed 2/29/2016), <http://www.stars.com.lb/ProductsAndServices.aspx>:

