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Press Release

SWEDISH TELECOMMUNICATIONS GIANT LM ERICSSON AND ITS U.S. DIVISION ERICSSON INC. SUED BY 862 AMERICANS FOR ALLEGED PROTECTION MONEY PAYMENTS TO AL-QAEDA, AL-QAEDA-IN-IRAQ, AND ISLAMIC STATE

WASHINGTON, D.C. (December 21, 2022) – Last night, hundreds of Americans filed an amended Anti-Terrorism Act complaint against Ericsson Inc. (“Ericsson Inc.”), Ericsson Aktiebolag (“Ericsson AB”), Telefonaktiebolaget LM Ericsson (individually, “LM Ericsson” and collectively with Ericsson Inc. and Ericsson AB, “Ericsson”), Ericsson CEO Börje Ekholm, and Ericsson senior executive Rafiah Ibrahim, (Ericsson, Ekholm, and Ibrahim, collectively, “Defendants) for aiding campaigns of terrorism in Iraq, Afghanistan, Turkey, and Syria conducted by Islamic State, al-Qaeda, al-Qaeda-in-Iraq, and the Taliban, including its Haqqani Network, from 2004 through 2022. Defendants stand accused of making protection payments to designated Foreign Terrorist Organizations, providing operational aid to the terrorists by obstructing U.S. government counterterrorism efforts, facilitating terrorist attacks against Americans through their manipulation of key communications networks in Afghanistan, and fraudulently concealing their aid to terrorists from the United States, Ericsson’s shareholders, and victims of terrorism like Plaintiffs. The Anti-Terrorism Act complaint, captioned *Schmitz, et al. v. Ericsson Inc., et al., Case 1:22-cv-02317 (D.D.C. Am. Compl. filed Dec. 20, 2022)* follows an exhaustive investigation by the Washington, D.C.-based law firm Sparacino PLLC after Ericsson’s Iraq disclosures in 2022.

Plaintiffs are 862 Americans, comprised of 286 Gold Star families, including numerous former hostages and families of hostages, and dozens of severely injured service members. Each Plaintiff was injured, or is the loved one of someone who was killed or injured, during attacks committed by Islamic State, al-Qaeda, al-Qaeda-in-Iraq, or a proxy acting at their direction, in Iraq, Afghanistan, Turkey, and Syria from 2005 through 2021. Plaintiffs say Ericsson knowingly supported a terrorist campaign that attacked, killed, and wounded thousands of Americans in Iraq, Afghanistan, Turkey, and Syria, including Plaintiffs, by aiding the terrorists through Ericsson’s regular protection money payments to terrorists, Ericsson’s intentional obstruction of United States counterterrorism policy, and Ericsson’s deliberate facilitation of the terrorists’ use of Afghanistan’s cellular networks as a weapon.

“Plaintiffs say while Americans were risking their lives between 2005 and 2021 to help rebuild places like Iraq, Afghanistan, and Syria, LM Ericsson, Ericsson AB, Ericsson Inc., Ekholm, and Ibrahim facilitated illicit Iraq-related and Afghanistan-related transactions that they knew terrorists such as ISIS and al-Qaeda used to finance attacks against Americans in Iraq, Afghanistan, Turkey, and Syria,” said Ryan Sparacino, the Founding Partner of Sparacino PLLC. “As alleged, even though the terrorists openly proclaimed their desire for protection money and other assistance to help prosecute their campaign to kill Americans in the Middle East and the U.S. government publicly opposed illicit transactions that flowed protection money to terrorists, Ericsson defied the United States – and its obligations under the Anti-Terrorism Act – in pursuit of profit.”

Mr. Sparacino continued: “Plaintiffs allege that when Islamic State overran Mosul in 2014, responsible businesses suspended operations to avoid funding ISIS, but Ericsson calculated that pulling back was ‘premature.’ Instead, the Complaint details that Ericsson’s cold calculation was that paying terrorists protection money to ensure safe passage through Iraq would be better for its business. As we will show in court, Ericsson continued its long-standing practice as a corporate criminal on a global crime spree where ‘money talks’ regardless of what the law demanded.”

Indeed, Plaintiffs say that Ericsson explicitly chose illegal options over legal alternatives while knowing that their money was flowing to terrorists. For example, when Ericsson was presented with a ‘Speedway’ (unlawful) and a ‘legal way’ (lawful), Plaintiffs allege Ericsson chose the low road.

“Plaintiffs allege it was Ericsson that made that choice, but it was Plaintiffs who suffered the consequences,” Sparacino said.

The filing of today’s Anti-Terrorism Act Complaint against Ericsson followed an extensive investigation (which continues today) that started after Ericsson’s Iraq-related disclosures in February 2022, including extensive time spent investigating the terrorist campaigns in Iraq, Afghanistan, and Syria and how al-Qaeda, al-Qaeda-in-Iraq, and Islamic State funded themselves through illicit corporate deals with companies like Ericsson.

Sparacino PLLC is the same firm that currently represents more than 1,200 American clients who recently secured a comprehensive Anti-Terrorism Act victory in the United States Court of Appeals for the D.C. Circuit in a separate Anti-Terrorism Act matter (that is also about how corruption in Iraq financed terrorism) against Johnson & Johnson, Pfizer, GE Healthcare, AstraZeneca, and Roche, captioned *Atchley et al. v. AstraZeneca UK Ltd., et al.*, Case 1:17-cv-02136 (D.D.C.). Sparacino serves as lead investigative counsel in both the *Schmitz* and *Atchley* cases, following a similar investigative approach in each.

The Complaint in *Schmitz et al. v. Ericsson Inc. et al.* is available online at:

<https://terrorismcase.com/ericsson-amended>

Media Contact: TerrorismCaseMedia@sparacinopllc.com