

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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:
UNITED STATES OF AMERICA
:
- v. -
:
AFEWORK BEREKET,
a/k/a "Affe Bereket,"
:
Defendant.
----- x

SEALED INDICTMENT

20 Cr.

20 CRIM 283

COUNT ONE

(Conspiracy to Violate the Foreign Corrupt Practices Act)

The Grand Jury charges:

Relevant Entities and Individuals

1. At all times relevant to this Indictment, Telefonaktiebolaget LM Ericsson ("LM Ericsson") was a multinational telecommunications equipment and services company headquartered in Stockholm, Sweden. LM Ericsson maintained a class of securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 and was required to file periodic reports with the U.S. Securities and Exchange Commission ("SEC"). LM Ericsson was an "issuer," as that term is used in the Foreign Corrupt Practices Act ("FCPA"), Title 15, United States Code, Section 78dd-1. LM Ericsson was a holding company operating worldwide through its subsidiaries and affiliated entities. The subsidiaries acted as divisions of the

parent, rather than separate and independent entities, and employees of LM Ericsson's subsidiaries acted as employees and agents of LM Ericsson.

2. At all times relevant to this Indictment, Ericsson AB was a wholly owned subsidiary of LM Ericsson that served as one of LM Ericsson's largest operating entities and oversaw telecommunications equipment and services operations in all regions worldwide. Ericsson AB's books, records, and accounts were included in the consolidated financial statements of LM Ericsson filed with the SEC. LM Ericsson treated Ericsson AB not as a separate and independent entity, but rather as a division or office of LM Ericsson.

3. At all times relevant to this Indictment, Ericsson Egypt Ltd. ("Ericsson Egypt") was a majority-owned subsidiary and operating entity of LM Ericsson. Ericsson Egypt oversaw LM Ericsson's operations in North East Africa, including in Djibouti. Ericsson Egypt's books, records, and accounts were included in the consolidated financial statements of LM Ericsson filed with the SEC. LM Ericsson treated Ericsson Egypt not as a separate and independent entity, but rather as a division or office of LM Ericsson.

4. At all times relevant to this Indictment, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, was an employee of Ericsson Egypt and an agent of LM Ericsson. From in or about

November 2010 through and including in or about July 2013, BEREKET was on a long-term assignment with a branch of Ericsson AB in Africa, where BEREKET served as the account manager for the Horn of Africa, a region that included Djibouti. BEREKET was an "agent" of an issuer, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1.

5. At all times relevant to this Indictment, "Telecom Company-1" was a wholly state-owned telecommunications company in Djibouti. Telecom Company-1 was controlled by the Djibouti government and performed a function that the Djibouti government treated as its own. Telecom Company-1 was an "instrumentality" of a foreign government, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1.

6. At all times relevant to this Indictment, "Foreign Official-1" and "Foreign Official-2" were high-ranking officials in the executive branch of the government of Djibouti. Foreign Official-1 and Foreign Official-2 had influence over decisions made by Telecom Company-1. Foreign Official-1 and Foreign Official-2 were each a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1.

7. At all times relevant to this Indictment, "Foreign Official-3" was a high-level executive at Telecom Company-1. Foreign Official-3 had influence over decisions made

by Telecom Company-1. Foreign Official-3 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1.

8. At all times relevant to this Indictment, "Consulting Company-1" was a consulting company in Djibouti. Consulting Company-1 was registered to the spouse of Foreign Official-2, and Foreign Official-2 acted as a representative of Consulting Company-1.

Overview of the Bribery Scheme

9. From at least in or about 2010 through at least on or about January 31, 2014, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, and others known and unknown, including LM Ericsson, Ericsson Egypt, Ericsson AB, and other employees and agents of LM Ericsson, participated in a scheme to bribe foreign officials in Djibouti in order to obtain and retain business with Telecom Company-1. BEREKET and his co-conspirators corruptly paid and caused to be paid bribes totaling approximately \$2,100,000 to, and for the benefit of, foreign officials in Djibouti, including Foreign Official-1, Foreign Official-2, and Foreign Official-3, in order to influence the foreign officials, induce them to take or omit certain acts, and secure an improper advantage in obtaining and retaining business with Telecom Company-1 valued at approximately €20,300,000 ("Telecom Contract-1").

10. In order to conceal the true nature of the approximately \$2,100,000 in bribe payments, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, and his co-conspirators disguised the bribes as payments to Consulting Company-1 for services performed pursuant to a consultancy agreement. In furtherance of the scheme, BEREKET and his co-conspirators caused Ericsson AB's branch office in Ethiopia to enter into a sham contract with Consulting Company-1, completed a draft due diligence report that failed to disclose the relationship between Foreign Official-2 and the registered owner of Consulting Company-1, and caused Ericsson AB to approve fake invoices from Consulting Company-1.

Statutory Allegations

11. From at least in or about 2010 through at least on or about January 31, 2014, in the Southern District of New York and elsewhere, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, to violate the FCPA, Title 15, United States Code, Sections 78dd-1(a) and 78ff(c)(2)(A).

12. It was a part and an object of the conspiracy that AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, being an agent of an issuer, and others known and unknown, would and

did willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, and offer, gift, promise to give, and authorization of the giving of anything of value to a foreign official, and to a person, while knowing that all and a portion of such money and thing of value would be offered, given, and promised, directly and indirectly, to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in that foreign official's official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such foreign official; (iii) securing any improper advantage; and (iv) inducing such foreign official to use that foreign official's influence with a foreign government and instrumentalities thereof to affect and influence acts and decisions of such government and instrumentalities, in order to assist LM Ericsson in obtaining and retaining business for and with, and directing business to, among others, LM Ericsson, Ericsson AB, Ericsson Egypt, and Telecom Company-1.

Overt Acts

13. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among

others, were committed in the Southern District of New York and elsewhere:

a. On or about July 24, 2011, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, sent a co-conspirator an email regarding Telecom Company-1 that stated, in substance and in part, "Maybe it will be better to pay the 1 M to [Foreign Official-1] and [another foreign official] so things can be pushed from them. What do you think?"

b. On or about August 18, 2011, BEREKET sent co-conspirators an email stating, in substance and in part, that Ericsson AB should pay a Consulting Company-1 invoice "ASAP," and that "[e]verybody in the management of [Telecom Company-1] & in the ministry are waiting their part of the cake."

c. On or about August 24, 2011, BEREKET and his co-conspirators caused Ericsson AB to wire approximately \$1,441,050 from an Ericsson AB bank account in Dubai to a bank account in New York, New York, from which the funds were then wired to a Consulting Company-1 bank account in Djibouti.

d. On or about October 27, 2011, BEREKET and his co-conspirators caused Ericsson AB to wire approximately \$171,703 from an Ericsson AB bank account in Dubai to a bank account in New York, New York, from which the funds were then wired to a Consulting Company-1 bank account in Djibouti.

e. On or about March 8, 2012, BEREKET and his co-conspirators caused Ericsson AB to wire approximately \$545,230 from an Ericsson AB bank account in Dubai to a bank account in New York, New York, from which the funds were then wired to a Consulting Company-1 bank account in Djibouti.

f. On or about February 17, 2013, BEREKET sent Foreign Official-2 an email attaching unsigned timesheets purportedly reflecting thousands of hours of work performed by Consulting Company-1. As BEREKET knew, the timesheets were falsified to disguise bribes as payments from Ericsson AB to Consulting Company-1 for legitimate services. BEREKET's email message stated, in substance and in part, that Foreign Official-2 should print, sign, and return scans of the documents to BEREKET "urgently."

g. On or about January 31, 2014, Telecom Company-1 sent Ericsson AB a payment for Ericsson AB's work pursuant to Telecom Contract-1.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Conspiracy to Commit Money Laundering)

The Grand Jury further charges:

14. The allegations set forth in paragraphs 1 through 10 and 13(a) through 13(g) of this Indictment are repeated and realleged as if fully set forth herein.

15. From at least in or about 2010 through at least on or about January 31, 2014, in the Southern District of New York and elsewhere, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Section 1956(a)(2)(A).

16. It was a part and an object of the conspiracy that AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, and others known and unknown, would and did knowingly transport, transmit, and transfer, and attempt to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside the United States and to a place in the United States from and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, BEREKET agreed to transmit and caused to be transmitted funds from and through Dubai to the United States, and from the United States to and through Djibouti, to promote a scheme to bribe foreign officials in Djibouti to secure a contract with Telecom Company-1, in violation of the FCPA, Title 15, United States Code, Sections 78dd-1 and 78ff(c)(2)(A), contrary to Title 18, United States Code, Section 1956(a)(2)(A).

(Title 18, United States Code, Section 1956(h).)

FORFEITURE ALLEGATIONS

17. As a result of committing the offense alleged in Count One of this Indictment, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense that the defendant personally obtained.

18. As a result of committing the offense alleged in Count Two of this Indictment, AFEWORK BEREKET, a/k/a "Affe Bereket," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, involved in said offense, or any property traceable to such property, including but not limited to a sum of money in United States currency representing the amount of property involved in said offense that the defendant personally obtained.


Substitute Asset Provision

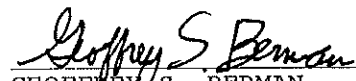
19. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

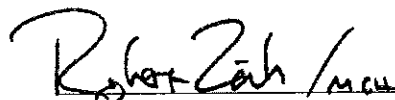
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third person;
 - c. has been placed beyond the jurisdiction of the Court;
 - d. has been substantially diminished in value;
- or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981 and 982;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)


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U.S. Department of Justice

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(18 U.S.C. §§ 371, 1956(h).)

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