

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA

3
4 MELISSA HANNA, Derivatively on Behalf of
5 MOMENTUS INC. (F/K/A STABLE ROAD
6 ACQUISITION CORP.),

7 Plaintiff,

8 vs.

9 BRIAN KABOT, JUAN MANUEL QUIROGA,
10 JAMES NORRIS, JAMES HOFMOCKEL,
11 MIKHAIL KOKORICH, DAWN HARMS,
12 FRED KENNEDY, CHRIS HADFIELD,
13 MITCHEL B. KUGLER, VICTORINO
14 MERCADO, KIMBERLEY A. REED, LINDA J.
15 REINERS, JOHN C. ROOD, STABLE ROAD
16 ACQUISITION CORP., and SRC-NI
17 HOLDINGS, LLC,

18 Defendants,

19 and

20 MOMENTUS INC. (F/K/A STABLE ROAD
21 ACQUISITION CORP.),

22 Nominal Defendant.
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Case No. 5:23-CV-00374

**SUMMARY NOTICE OF PENDENCY
PROPOSED SETTLEMENT OF
DERIVATIVE MATTERS**

1 **TO: ALL CURRENT RECORD HOLDERS AND BENEFICIAL OWNERS OF**
2 **MOMENTUS INC. (“MOMENTUS” OR THE “COMPANY”) COMMON STOCK OF**
3 **AS OF AUGUST 26, 2024 (“CURRENT MOMENTUS SHAREHOLDERS”)**

4 YOU ARE HEREBY NOTIFIED, pursuant to the September 16, 2024 Preliminary
5 Approval Order entered in the above-captioned shareholder derivative action (the “Action”), that a
6 Stipulation and Agreement of Settlement dated August 26, 2024 (the “Stipulation” or “Settlement”)¹
7 has been entered to resolve all shareholder derivative claims pending on behalf of nominal defendant
8 Momentus pending in several related shareholder derivative actions in federal and Delaware courts
9 as well as a shareholder litigation demand (the “Derivative Matters”).

10 The Derivative Matters allege that, beginning in at least October 2020, Momentus, through
11 the actions of the Individual Defendants, engaged in a pattern of manipulation to boost its reported
12 financial performance. The Derivative Matters asserted claims for, among other things, violations
13 of Section 14(a) of the Securities and Exchange Act (the “Exchange Act”), breaches of fiduciary
14 duties, aiding and abetting breaches of fiduciary duties, waste of corporate assets, unjust enrichment,
15 and/or contribution under Sections 10(b) and 21D of the Exchange Act against the Individual
16 Defendants who allegedly caused Momentus to make and/or fail to correct materially false and
17 misleading statements and omissions regarding the business operations and prospects of Momentus,
18 particularly leading up to the Merger. The Derivative Matters allege that certain of the Defendants
19 were materially interested in the Merger and that the alleged false and misleading statements and
20 omissions artificially inflated the Company’s stock value.

21 In connection with, and conditioned upon, the Settlement, Momentus has agreed to
22 implement and/or maintain corporate governance reforms, as defined and set forth in the Stipulation.
23 The plaintiffs in the Derivative Matters believe – and the independent members of the Company’s
24 Board shall approve a resolution reflecting its determination, in a good faith exercise of its business
25 judgment – that the Settlement is fair, reasonable, and in the best interests of the Company and its

26 ¹ Except as otherwise defined herein, all capitalized terms shall have the same meanings as set forth
27 in the Stipulation.

1 stockholders, and that the Settlement, including the Reforms, confers substantial benefits upon the
2 Company and its stockholders. The Defendants dispute the allegations in the Derivative Matters
3 and enter into the Stipulation and Settlement without in any way acknowledging any fault, liability,
4 or wrongdoing of any kind.

5 On November 21, 2024, at 9:00 a.m., San Jose Courthouse, Courtroom 4, 5th Floor, 280
6 South 1st Street, San Jose, CA 95113, the Honorable Judge Edward J. Davila will hold a hearing
7 (the “Settlement Hearing”) in the Action. The purpose of the Settlement Hearing is to determine,
8 pursuant to Federal Rule of Civil Procedure 23.1: (i) whether the terms of the Settlement are fair,
9 reasonable, and adequate and should be approved; (ii) whether the notice of the Settlement to
10 Current Momentus Shareholders fully satisfied the requirements of Federal Rule of Civil Procedure
11 23.1 and the requirements of due process; (iii) whether a final judgment should be entered; (iv)
12 whether the separately negotiated and agreed Fee and Expense amount of \$300,000 to be paid to
13 Plaintiffs’ counsel by Momentus’ insurers should be approved; (v) whether Service Awards for each
14 of the Plaintiffs in the amount of \$2,000 each, to be paid out of the Fee and Expense Amount, should
15 be approved; and (vi) such other matters as may be necessary or proper under the circumstances.

16 The Court may: (i) approve the Settlement, with such modifications as may be agreed to by
17 counsel for the Settling Parties consistent with such Settlement, without further notice to Current
18 Momentus Shareholders; (ii) continue or adjourn the Settlement Hearing from time to time, by oral
19 announcement at the hearing or at any adjournment thereof, without further notice to Current
20 Momentus Shareholders; and (iii) conduct the Settlement Hearing remotely without further notice
21 to Current Momentus Shareholders. If you intend to attend the Settlement Hearing, please consult
22 the Court’s calendar and/or the website of Momentus (<https://investors.momentus.space/>) for any
23 change in date, time or format of the Settlement Hearing.

24 **PLEASE READ THIS SUMMARY NOTICE CAREFULLY AND IN ITS**
25 **ENTIRETY. IF YOU ARE A CURRENT MOMENTUS SHAREHOLDER,**
26 **YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THE**
27 **ACTION.**

1 This is a summary notice only. For additional information about the claims asserted in the
2 Action and the terms of the proposed Settlement, please refer to the documents filed with the Court
3 in the Action, the Stipulation and its exhibits (they are filed as an exhibit to the Company’s Current
4 Report on Form 8-K filed with the Securities and Exchange Commission and available at
5 www.sec.gov), and the full-length Notice of Pendency and Proposed Settlement of Derivative
6 Matters (the “Notice”). The “Investor Relations” section of Momentus website
7 (<https://investors.momentus.space/>) provides hyperlinks to the Notice and to the Stipulation and its
8 exhibits.

9 **PLEASE DO NOT CONTACT THE COURT REGARDING**
10 **THIS SUMMARY NOTICE.**

11 If you have any questions about matters in this Summary Notice you may contact any of
12 Plaintiffs’ counsel at: (i) Brett M. Middleton, Johnston & Fistel LLP, 501 West Broadway, Suite
13 800, San Diego, CA 92101, Tel: (619) 230-0063, email: brettm@johnsonfistel.com; (ii) Timothy
14 Brown, The Brown Law Firm, P.C., 767 Third Ave., Suite 2501, New York, NY 10017, Tel: (516)
15 922-5427, email: tbrown@thebrownlawfirm.net; or (iii) Thomas J. McKenna, Gainey McKenna &
16 Egleston, 260 Madison Ave., 22nd Fl., New York, NY 10016, Tel: (212) 983-1300, email:
17 tjmckenna@gme-law.com.

18 If you are a current Momentus shareholder, you will be bound by the Order and Final
19 Judgment of the Court granting final approval of the Settlement and shall be deemed to have waived
20 the right to object (including the right to appeal) and forever shall be barred, in this proceeding or
21 in any other proceeding, from raising such objection. ***Any objections to the Settlement must be***
22 ***filed on or before October 24, 2024***, in accordance with the procedures set forth in the Notice.

24 DATED: September 16, 2024

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE NORTHERN
DISTRICT OF CALIFORNIA