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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

12 _____, Individually and On
Behalf of All Others Similarly Situated,

13 Plaintiff,

14 v.

15 ROCKET LAB USA, INC., PETER
16 BECK, and ADAM SPICE,

17 Defendants.

Case No.

**CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE
FEDERAL SECURITIES LAWS**

DEMAND FOR JURY TRIAL

1 Plaintiff _____ (“Plaintiff”), individually and on behalf of all
2 others similarly situated, by and through his attorneys, alleges the following upon
3 information and belief, except as to those allegations concerning Plaintiff, which are
4 alleged upon personal knowledge. Plaintiff’s information and belief is based upon,
5 among other things, his counsel’s investigation, which includes without limitation:
6 (a) review and analysis of regulatory filings made by Rocket Lab USA, Inc. (“Rocket
7 Lab” or the “Company”) with the United States (“U.S.”) Securities and Exchange
8 Commission (“SEC”); (b) review and analysis of press releases and media reports
9 issued by and disseminated by Rocket Lab ; and (c) review of other publicly available
10 information concerning Rocket Lab .

11 NATURE OF THE ACTION AND OVERVIEW

12 1. This is a class action on behalf of persons and entities that purchased or
13 otherwise acquired Rocket Lab securities or options between November 12, 2024, and
14 February 25, 2025, inclusive (the “Class Period”). Plaintiff pursues claims against the
15 Defendants under the Securities Exchange Act of 1934 (the “Exchange Act”).

16 2. Rocket Lab is a space company which provides launch services,
17 spacecraft design services, spacecraft components, spacecraft manufacturing and
18 other spacecraft and on-orbit management solutions. In March 2021, the Company
19 announced plans to develop a reusable-ready medium-capacity launch vehicle to
20 increase the payload capacity of its space launch vehicle. The Company refers to this
21 vehicle as the Neutron Launch Vehicle (“Neutron”). In early 2024, Rocket Lab
22 announced it would conduct a test launch of Neutron in mid-2025, with three
23 commercial launches in 2026 and five in 2027.

24 3. On February 25, 2025, at approximately 10 AM EST, Blecker Street
25 Research published a report alleging, among other things, that Rocket Lab “has
26 materially misled investors about the likelihood that its Neutron rocket will launch in
27 mid-2025.” The report revealed that the Company’s plans for three barge landing
28 tests, which were originally scheduled to occur in a window between September 2024

1 and March 2025, had been pushed back to a window beginning in September 2025,
2 and could occur as late as March 2026. The report further revealed significant delays
3 in preparing the Company's launch pad, including a potable water problem not
4 scheduled to be fixed until January 2026 which would delay launch further as potable
5 water is required for launch. The report also alleged that Company's only Neutron
6 contract so far is with an "unreliable startup" named E-Space which is described as
7 "risk item." The report further alleged this "contract is not a full-price deal, contrary
8 to what Rocket Lab has said."

9 4. On this news, Rocket Lab's stock price fell \$2.21, or 9.8%, to close at
10 \$20.28 per share on February 25, 2025, on unusually heavy trading volume.

11 5. Throughout the Class Period, Defendants made materially false and/or
12 misleading statements, as well as failed to disclose material adverse facts about the
13 Company's business, operations, and prospects. Specifically, Defendants failed to
14 disclose to investors: (1) the Company's plans for three barge landing tests, which
15 were originally scheduled to occur between September 2024 to March 2025, were
16 more likely to occur between September 2025, and March 2026; (2) a critical potable
17 water problem was not scheduled to be fixed until January 2026, delaying launch
18 further; (3) as a result of the foregoing, Rocket Lab materially misled investors about
19 the likelihood that its Neutron rocket would launch in mid-2025; (4) Neutron's only
20 contract was made at a discount, with an unreliable partner; and (5) that, as a result of
21 the foregoing, Defendants' positive statements about the Company's business,
22 operations, and prospects were materially misleading and/or lacked a reasonable
23 basis.

24 6. As a result of Defendants' wrongful acts and omissions, and the
25 precipitous decline in the market value of the Company's securities, Plaintiff and
26 other Class members have suffered significant losses and damages.

27
28

1 **JURISDICTION AND VENUE**

2 7. The claims asserted herein arise under Sections 10(b) and 20(a) of the
3 Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated
4 thereunder by the SEC (17 C.F.R. § 240.10b-5).

5 8. This Court has jurisdiction over the subject matter of this action pursuant
6 to 28 U.S.C. § 1331 and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

7 9. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b)
8 and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Substantial acts in
9 furtherance of the alleged fraud or the effects of the fraud have occurred in this
10 Judicial District. Many of the acts charged herein, including the dissemination of
11 materially false and/or misleading information, occurred in substantial part in this
12 Judicial District. In addition, the Company’s principal executive offices are in this
13 District.

14 10. In connection with the acts, transactions, and conduct alleged herein,
15 Defendants directly and indirectly used the means and instrumentalities of interstate
16 commerce, including the United States mail, interstate telephone communications,
17 and the facilities of a national securities exchange.

18 **PARTIES**

19 11. Plaintiff _____, as set forth in the accompanying certification,
20 incorporated by reference herein, purchased Rocket Lab securities during the Class
21 Period, and suffered damages as a result of the federal securities law violations and
22 false and/or misleading statements and/or material omissions alleged herein.

23 12. Defendant Rocket Lab is incorporated under the laws of Delaware with
24 its principal executive offices located in Long Beach, California. Rocket Lab’s
25 common stock trades on the NASDAQ exchange under the symbol “RKLB.”

26 13. Defendant Peter Beck (“Beck”) was the Company’s Chief Executive
27 Officer (“CEO”) at all relevant times.

28

Materially False and Misleading
Statements Issued During the Class Period

17. The Class Period begins on November 12, 2024. On that day, the Company issued a press release announcing its financial results for the quarter ended September 30, 2024. The press release reported the Company’s “***Significant achievements for the quarter***”¹ including “***signing a launch service agreement for multiple launches on Neutron with a confidential commercial satellite constellation customer.***” The press release also stated there was “***continued progress across Neutron and space systems.***” The press release concluded with the Company’s financial results. Specifically, the press release stated, in relevant part:

Rocket Lab founder and CEO, Sir Peter Beck, said: “In the third quarter 2024 we once again executed against our end-to-end space strategy with successes and key achievements reached across small and medium launch, as well as space systems. Revenue grew 55% year-on-year to \$105 million and we continue to see strong demand growth with our backlog at \$1.05 billion. ***Significant achievements for the quarter included signing a launch service agreement for multiple launches on Neutron with a confidential commercial satellite constellation customer;*** successfully launching twelve Electron launches year-to-date, making 2024 a record year for launches with more still to come; signing \$55 million in new Electron launches, further cementing Electron’s position as a global launch leader; and being selected by NASA to complete a study contract for a proposal to retrieve samples from Mars and return them to Earth as part of a world-first mission. We expect to close out the year strongly with more Electron launches scheduled in November and December, alongside ***continued progress across Neutron and space systems***, that is behind our guidance for a record \$125-\$135 million revenue quarter in Q4.”

Business Highlights for the Third Quarter 2024, plus updates since September 30, 2024.

* * *

Neutron:

- ***Signed a launch service agreement for multiple launches on Neutron with a confidential commercial satellite constellation operator that signifies the beginning of a productive collaboration that could see Neutron deploy the entire constellation.***

¹ Unless otherwise stated, all emphasis in bold and italics hereinafter is added.

1 • Announced a federal defense contract that supports Neutron and the
2 development of its Archimedes engine with the U.S. Air Force’s
Research Laboratory.

3 • Doubled engine testing cadence for Archimedes over the quarter at
4 Rocket Lab’s engine test site in Mississippi, alongside strong production
5 execution at the Company’s Engine Development Complex in California
which included multiple engines manufactured, assembled, and shipped
for engine testing.

6 • *Significant progress made across Neutron’s structures and
7 infrastructure, including the completion of construction on the
rocket’s Assembly, Integration, and Test (A.I.T.) facility in Virginia.*

8 • Well-positioned to on-ramp to the U.S. Space Force’s National Security
9 Space Launch (NSSL) Lane 1 program, which began accepting
10 proposals in November 2024 to on-ramp new launch providers to an
indefinite delivery indefinite quantity (IDIQ) contract valued at \$5.6
billion over a five-year period.

11 * * *

12 **Three Months Ended September 30,**

	2024	2023
Revenues	\$ 104,808	\$ 67,661
Cost of revenues	76,812	52,694
Gross profit	27,996	14,967
Operating expenses:		
Research and development, net	47,723	26,626
Selling, general and administrative	32,172	27,200
Total operating expenses	79,895	53,826
Operating loss	(51,899)	(38,859)
Other income (expense):		
Interest expense, net	(454)	(1,413)
Loss on foreign exchange	(490)	(120)
Other income, net	1,848	1,176
Total other income (expense), net	904	(357)
Loss before income taxes	(50,995)	(39,216)
Provision for income taxes	(944)	(1,352)
Net loss	\$ (51,939)	\$ (40,568)
Net loss per share attributable to Rocket Lab USA, Inc.:		
Basic and diluted	\$ (0.10)	\$ (0.08)
Weighted-average common shares outstanding:		
Basic and diluted	497,701,715	484,034,071

22 18. On November 12, 2024, the Company submitted its quarterly report for
23 the period ended September 30, 2024 on a Form 10-Q filed with the SEC, affirming
24 the previously reported financial results. The quarterly report purported to discuss the
25 Company’s recent developments concerning the Neutron, as well as the Company’s
26 Launch Vehicle Build-Rate, Launch Cadence, and the effect of the foregoing on the
27 Company’s revenue. Specifically, the quarterly report stated, in relevant part:

28 **Recent Developments**

1 ***Neutron Update***

2 ***We have made significant progress*** across Neutron’s structures and
3 infrastructure, including the completion of construction on the rocket’s
4 Assembly, Integration, and Test (A.I.T.) facility in Virginia. ***We have***
5 ***doubled engine testing cadence for Archimedes over the quarter at***
6 ***Rocket Lab’s engine test site in Mississippi, alongside strong***
7 ***production execution*** at our Engine Development Complex in California
8 which included multiple engines manufactured, assembled, and shipped
9 for engine testing. ***We signed a launch service agreement for two***
10 ***dedicated Neutron launches with a confidential commercial satellite***
11 ***constellation customer.***

12 **Key Metrics and Select Financial Data**

13 We monitor the following key financial and operational metrics that
14 assist us in evaluating our business, measuring our performance,
15 identifying trends and making strategic decisions.

16 ***Launch Vehicle Build-Rate and Launch Cadence***

17 We built approximately eight launch vehicles in 2021, approximately 12
18 launch vehicles in 2022 and approximately 11 launch vehicles in 2023.
19 We built approximately 10 launch vehicles through the nine months
20 ended September 30, 2024. We launched six vehicles in 2021, nine
21 vehicles in 2022 and ten vehicles in 2023. We have launched 11 vehicles
22 through the nine months ended September 30, 2024 and launched 12
23 vehicles through November 12, 2024. Growth rates between launches
24 and total launch service revenue are not perfectly correlated because our
25 total revenue is affected by other variables, such as the revenue per
26 launch, which can vary considerably based on factors such as unique
27 orbit and insertion requirements, payload handling needs, launch
28 location, time sensitivity of mission completion and other factors. ***We***
believe that the growth in our build rate and launch rate is a positive
indicator of our ability to scale our launch operations.

Revenue Growth

Three Months Ended September 30, 2024 and 2023

 We generated \$104.8 million and \$67.7 million in revenue for the three
 months ended September 30, 2024 and 2023, respectively, representing
 a year-on-year increase in revenue of approximately 55%. This year-on-
 year increase primarily resulted from space systems revenue growth of
 \$37.5 million, offset by a decrease in launch revenue of \$0.4 million due
 to a lower revenue per launch.

19. On the same date, the Company hosted an earnings call in connection
with the Company’s third quarter 2024 financial results. During the earnings call,
Defendant Spice reiterated the expectation of a mid-2025 launch date, stating in
relevant part:

1 [W]e do expect to pick up in cash consumption in the next few quarters,
2 owing to an increased *expected increase in Neutron spending ahead of*
3 *our mid-2025 launch* and lumpiness in large space systems milestone
4 payment collections.

5 20. The above statements identified in ¶¶ 17-19 were materially false and/or
6 misleading, and failed to disclose material adverse facts about the Company’s
7 business, operations, and prospects. Specifically, Defendants failed to disclose to
8 investors: (1) the Company’s plans for three barge landing tests, which were originally
9 scheduled to occur between September 2024 to March 2025, were more likely to
10 occur between September 2025, and March 2026; (2) a critical potable water problem
11 was not scheduled to be fixed until January 2026, delaying launch further; (3) as a
12 result of the foregoing, Rocket Lab materially misled investors about the likelihood
13 that its Neutron rocket would launch in mid-2025; (4) Neutron’s only contract was
14 made at a discount, with an unreliable partner; and (5) that, as a result of the foregoing,
15 Defendants’ positive statements about the Company’s business, operations, and
16 prospects were materially misleading and/or lacked a reasonable basis.

17 **Disclosures at the End of the Class Period**

18 21. On February 25, 2025, at approximately 10 AM EST, Bleecker Street
19 Research published a report entitled “Rocket Lab (RKL B): We Think It’s Gonna Be
20 a Long, Long Time” (the “Report”). The Report alleged, among other things, that
21 Rocket Lab “has materially misled investors about the likelihood that its Neutron
22 rocket will launch in mid-2025.” The Report revealed that the Company’s plans for
23 three barge landing tests, which were originally scheduled to occur in a window
24 between September 2024 and March 2025, had been pushed back to a window
25 beginning in September 2025, and could occur as late as March 2026. The Report
26 further revealed significant delays in preparing the Company’s launch pad, including
27 a potable water problem not scheduled to be fixed until January 2026 which would
28 delay launch further as potable water is required for launch. The Report also alleged
that Company’s only Neutron contract so far is with an “unreliable startup” named E-

1 Space which is described as “risk item.” The Report further alleged this “contract is
2 not a full-price deal, contrary to what Rocket Lab has said.” Specifically, the Report
3 stated the following, in relevant part:

4 **Rocket Lab (RKL B): We Think It’s Gonna Be a Long, Long Time**

5 * * *

6 **Key Points:**

7 Rocket Lab (RKL B) is a rocket development and space systems
8 company that has seen shares rise 485% over the last year to a \$11.2
9 billion valuation, propelled by investor and analyst excitement over the
upcoming launch of Neutron, a medium-lift rocket that RKL B hopes will
compete with SpaceX’s Falcon 9.

10 We believe that RKL B has materially misled investors about the
11 likelihood that its Neutron rocket will launch in mid-2025, a timeline the
12 company has repeatedly claimed in media interviews and on earnings
calls. In fact, rocket experts we spoke to put the timeline of a rocket
launch from mid-2026 to mid-2027, a one to two year delay.

13 Many aspects of RKL B’s Neutron program remain far behind where they
14 need to be: from engine development, to engine and structure production,
15 to launch pad construction, to rocket transport to the launch site, per
documents we reviewed and 23 interviews with industry experts,
including former Rocket Lab engineers and executives.

16 * * *

17 **Rocket Transportation Delays Put a Launch in 2026 at Best**

18 * * *

19 Initially, Rocket Lab and NASA staff had settled on a direct beach
20 landing of a barge from Baltimore. The sand dunes on the barrier would
21 have to be flattened with earth movers, and a temporary platform erected
22 to carry the massive rocket stages from the barge into the facility by
mobile cranes. This plan had been formalized as a temporary solution in
late 2023, and NASA applied for a permit from the Virginia Marine
Resource Commission (VMRC) in July 2024. The permit application

23 **Part 1 - General Information: Question 4. Detailed Description of**
24 **the Project:**

25 This project is on the Wallops Island Flight Facility (Appendix B - Graphic 1-1 and 1-2). This
26 JPA is requesting authorization for three (3) barge landing test events onto Wallops Island beach
27 within an area NASA has proposed for these tests south of the Launch Pad O-B at the southern
28 breakwater within the potential barge landing location (Appendix B - Graphic 1-6). The project
would temporarily impact the beach area. The barge landing would occur within this location
area which allows for minor adjustments in the actual landing location if in-water obstructions
are identified. **These three test events would occur between September 1, 2024, and March 14,
2025.**

1 indicated that the three landings needed for an initial launch would occur
2 between 1 September 2024 and 14 March 2025:

3 * * *

4 NASA and Rocket Lab initially viewed a beach landing as the sole path
5 for rocket delivery, since other infrastructure like a new bridge would
6 require 1-2 years of additional analysis under the National
7 Environmental Policy construction could even begin.

8 However, timelines only deteriorated from there. Whereas in July, a
9 September 2024 - March 2025 window was proposed, by October 2024,
10 these plans had changed. An October 15 document submission to NOAA
11 for compliance with Essential Fish Habitat (EFH) assessments showed
12 that Rocket Lab and NASA had opened a new window for landings, now
13 moved back an entire year and starting in September 2025:



14 UNITED STATES DEPARTMENT OF COMMERCE
15 National Oceanic and Atmospheric Administration
16 NATIONAL MARINE FISHERIES SERVICE
17 GREATER ATLANTIC REGIONAL FISHERIES OFFICE
18 55 Great Republic Drive
19 Gloucester, MA 01930

20 October 17, 2024

21 Lori Levine
22 WFF Natural Resources Manager
23 U.S. National Aeronautics and Space Administration
24 Wallops Flight Facility
25 Wallops Island, VA 23337

26 RE: Essential Fish Habitat Consultation, Wallops Flight Facility Barge Beach Test Landing

27 Dear Ms. Levine:

28 We have reviewed the October 15, 2024, essential fish habitat assessment (EFH) worksheet
submitted for National Aeronautics and Space Administration's (NASA) proposal to conduct
three barge landing test events on the Wallops Island beach within NASA's Wallops Flight
Facility (WFF) south of the Launch Pad 0-B at the southern breakwater. The purpose of the
project is to perform test events to assess the Neutron rocket parts delivery, rocket construction,
and to prepare for the rocket launches from the Mid-Atlantic Regional Spaceport (MARS) on the
eastern coast of Virginia from the WFF. The three test events would occur between fall of 2024
and March 14, 2025 or **September 1, 2025, and March 14, 2026.**

29 * * *

30 **Wallops Launch Pad Is Behind Schedule, Alternate Transportation 31 Options Won't Help Delay**

32 While Rocket Lab shows pictures of development on the Wallops launch
33 pad, experts told us the pad looked many months away from being
34 complete. We found local filings corroborate this, and also imply
35 Neutron can't launch before 2026.

36 *"The last picture [of Wallops] I saw, I'd be surprised if they were going
37 to be done by the end of year and have everything good to go from a
38 regulatory perspective... there was a lot more dirt to be dug and
39 structures to be installed."*

40 –Former Rocket Lab Executive,

1 January 2025 The space and rocket infrastructure at Wallops, officially
2 named the Mid Atlantic Regional Spaceport (MARS), is supported by
3 NASA, but the funding and contract management runs through the State
4 of Virginia-managed Virginia Spaceport Authority. This unique
5 arrangement forces all work at the facility to be managed in compliance
6 with Virginia State appropriation and funding law.

7 In particular, construction at the launch pad can be tracked via Virginia's
8 Procurement system (<https://eva.virginia.gov/>). We have been following
9 progress at MARS for hints about where Rocket Lab stands on this front,
10 and our research shows that numerous projects required for Rocket Lab
11 to begin Neutron operations are well behind schedule. In fact, the entire
12 island has a potable water problem that won't get fixed until early 2026.
13 Potable water is a requirement for launch.

14 Recent inspections of the Wallops utility water system in connection
15 with a bridge widening project show a "catastrophic deterioration" of the
16 water supply. This problem will not be fixed until January 2, 2026:

17 The specific purpose of the project is to allow NASA, its tenants, and customers to continue
18 transporting personnel, mission hardware, and equipment via roadway and bridge to
19 Wallops Island once the existing Causeway Bridge is decommissioned at the end of its
20 service life, as well as to replace several utility lines providing electric, water, and sewer
21 services to Wallops Island that are currently attached to the existing Causeway Bridge. The
22 utilities need to be replaced and relocated to continue uninterrupted service to Wallops
23 Island. Additionally, recent inspections of the water utility infrastructure showed
24 catastrophic deterioration of the potable water supply to Wallops Island, which require
25 imminent attention. If the existing utilities are not replaced, Wallops Island would not receive
26 potable water due to the deterioration of the utility lines. This would pose a major safety
27 concern as potable water is used not only for drinking but also for building fire suppression
28 systems and heat and acoustic vibration deluge during rocket launches.

19.0 BRIDGE CONSTRUCTION AND UTILITY RELOCATION SCHEDULE

Bridge construction will take place from February 12th, 2025, to August 11th, 2027.

Roadway construction will take place from January 25th, 2025, to December 7th, 2027.

Utility relocations will take place from September 3rd, 2025, to January 2nd, 2026.

Fender/dolphin systems will be installed from July 1st, 2027, to August 13th, 2027.

Oyster relocation will take place in March 2024.

Existing bridge demolition will take place from December 29th, 2027, to August 30th, 2028.

21 One NASA range engineer currently stationed at Kennedy Space Center
22 told us that the availability of water was mission critical for deluge
23 suppression systems and that its availability would dictate not only
24 launches, but forms a prerequisite for construction of the final portion of
25 the Neutron pad itself.

26 *"Having all of the piping, emergency infrastructure to support some
27 catastrophic event, all of the software demonstrated and proven, is all
28 another piece. Getting a picture of a pad and a stand? Great. But there
is a lot behind that that is less interesting from a picture perspective, but
is very important, and that all takes time... And if one thing is off, you
have to take multiple steps backward and prove that everything you just
changed still works the way that you did when you tested and qualified
it weeks or months prior."*

–Aerospace Executive

1 We confirmed that the critical issues in the potable water system were
2 well known prior to Rocket Lab’s November earnings call. Certified
3 plans for the reconstruction of potable water lines were dated the first
4 week of November 2024. As with the rocket transportation setbacks,
5 Rocket Lab did not address any of these issues to investors, instead
6 remarking airily that on the regulatory front, “there’s nothing that’s kind
7 of out of bed at the moment.”

8 * * *

9 **Rocket Lab Appears to Have Misled About Neutron Launch
10 Contract Pricing; We Believe its Unnamed Customer is E-Space, A
11 Startup with Questionable Ability to Pay For and Deliver a
12 Constellation to the Pad**

13 * * *

14 We believe that Rocket Lab’s first and so far only Neutron contract is
15 not a full-price deal, contrary to what Rocket Lab’s has said, and the
16 unnamed customer is an unreliable startup named E-Space. In November
17 2024, Rocket Lab announced it had signed a two-launch contract with a
18 “confidential commercial satellite constellation operator” slated for mid-
19 2026. On the Q3 2024 earnings call that month, Peter Beck insisted that
20 the contract was “in line” with standard Neutron pricing of \$50-\$55
21 million:

22 **Analyst:** *“And then you stated that the ASPs, you’re going to be pretty
23 firm on pricing. Is that the \$50 million to \$55 million that you initially
24 talked about, and that’s sort of where things have settled maybe for these
25 2 dedicated missions?”*

26 **Peter Beck:** *“Yes. I mean the launch pricing, as we pointed out, is -- that
27 was a really important thing for us. And I think as I’ve said, I made --
28 well, I kind of had to, but with Electron, it took us years to flush out bad
contracts with respect to ASP. So no, **this contract is in line with our
previously discussed ASP for Neutron.**”*

However, it is unheard of for a launch vehicle with no reliability track
record to charge full-freight pricing, so this statement appears to be a lie
or at best, a misdirection. Industry experts, including former Rocket Lab
employees, were skeptical of the value of the contract and the wording
used to describe it, and they suspected that Rocket Lab was discounting
the contract significantly:

*“It would be pretty typical to be flying the first few flights at a discount,
because as a customer you’re taking so much risk on something that
hasn’t been proven yet... If you’re a commercial customer and you’re
spending \$40 or \$50 million, you’re going to go with the most reliable
vehicle unless you were offered a significant discount.”*

–Former Senior RKL B Engineer

In fact, significantly discounted contract pricing may reflect Rocket
Lab’s acknowledgement that Neutron performance will fall short of its
advertised 13,000 kg payload capacity:

1 in the world. Several senior executives and a board member have all
2 churned out of the young company, for Wyler:

3 *“The other angle [to view E-Space from] is that Greg has gone from ship
4 to ship basically trying to extract as much personal value as he can, and
5 as soon as he does that he’s on to his next venture. This is kind of just
6 the next one, where he’s very secretive, so he has people guessing, he’s
7 trying to raise money, he’s trying to be in more unique places where
8 investments in space aren’t as fruitful, like Africa, and trying to extract
9 as much value [as he can]. And meanwhile he’ll just do the same thing
10 and move on again. On a personal level, I wish him success, but I can
11 also understand the school of thought of him just coming in, burning the
12 ships, taking as much loot as he can, and moving on to the next venture
13 before people realize what happened.”*

14 –Person with knowledge of the industry

15 We asked the same person, “Is Greg Wyler money-good for the Neutron
16 launches?”

17 Person with knowledge of the industry: *“I consider that a risk item, quite
18 frankly, because I don’t know who’s backing him, I don’t know how
19 much they’re backing him for... he’s going to need hundreds of millions
20 of dollars to get things even initially off the ground. The other risk item
21 is schedule... like, who’s building these satellites? He’s got this one
22 pathfinder [satellite] up there... I don’t think he has the operational size
23 to do a number of these. How is this all going to work out? From the
24 perspective of him getting close to that [Rocket Lab] launch date and
25 going ‘Well, we’re quite frankly just not ready’ and having that [first
26 commercial launch of Neutron] push out, I think that is also a factor
27 there... I’ve got to wonder where Greg is going to get all his funds from...
28 It’s not a great first [Neutron][customer, and that’s because Pete
[Beck]... thinks he can hold on price, and people are kind of sitting there
and going, ‘This is a new launch vehicle, it’s fraught with risk. I’m not
paying standard price.’”*

19 A senior aerospace executive agreed that the company is a poor get for
20 Rocket Lab:

21 *“They [E-Space] haven’t even made it past [Series A] and it’s been four
22 years... They’re probably not going to build a multi-100 satellite
23 constellation with that size and that funding raised. I don’t see much
24 progress to say that’s a real customer today. Rocket Lab need to show a
25 more real customer than that.”*

26 To the extent Neutron’s sole existing launch customer can’t pay or walks
27 away from the launch, that will further hurt cash flow in an already cash-
28 constrained business. For all the foregoing reasons, It appears that
Rocket Lab’s cash flow needs are going to be extreme as a result of
delays and profitability challenges with Neutron.

22. On this news, Rocket Lab’s stock price fell \$2.21, or 9.8%, to close at
\$20.28 per share on February 25, 2025, on unusually heavy trading volume.

1 **CLASS ACTION ALLEGATIONS**

2 23. Plaintiff brings this action as a class action pursuant to Federal Rule of
3 Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and
4 entities that purchased or otherwise acquired Rocket Lab securities between
5 November 12, 2024, and February 25, 2025, inclusive, and who were damaged
6 thereby (the “Class”). Excluded from the Class are Defendants, the officers and
7 directors of the Company, at all relevant times, members of their immediate families
8 and their legal representatives, heirs, successors, or assigns, and any entity in which
9 Defendants have or had a controlling interest.

10 24. The members of the Class are so numerous that joinder of all members
11 is impracticable. Throughout the Class Period, Rocket Lab’s shares actively traded
12 on the NASDAQ. While the exact number of Class members is unknown to Plaintiff
13 at this time and can only be ascertained through appropriate discovery, Plaintiff
14 believes that there are at least hundreds or thousands of members in the proposed
15 Class. Millions of Rocket Lab shares were traded publicly during the Class Period
16 on the NASDAQ. Record owners and other members of the Class may be identified
17 from records maintained by Rocket Lab or its transfer agent and may be notified of
18 the pendency of this action by mail, using the form of notice similar to that
19 customarily used in securities class actions.

20 25. Plaintiff’s claims are typical of the claims of the members of the Class
21 as all members of the Class are similarly affected by Defendants’ wrongful conduct
22 in violation of federal law that is complained of herein.

23 26. Plaintiff will fairly and adequately protect the interests of the members
24 of the Class and has retained counsel competent and experienced in class and
25 securities litigation.

26 27. Common questions of law and fact exist as to all members of the Class
27 and predominate over any questions solely affecting individual members of the Class.
28 Among the questions of law and fact common to the Class are:

1 (a) whether the federal securities laws were violated by Defendants'
2 acts as alleged herein;

3 (b) whether statements made by Defendants to the investing public
4 during the Class Period omitted and/or misrepresented material facts about the
5 business, operations, and prospects of Rocket Lab ; and

6 (c) to what extent the members of the Class have sustained damages
7 and the proper measure of damages.

8 28. A class action is superior to all other available methods for the fair and
9 efficient adjudication of this controversy since joinder of all members is
10 impracticable. Furthermore, as the damages suffered by individual Class members
11 may be relatively small, the expense and burden of individual litigation makes it
12 impossible for members of the Class to individually redress the wrongs done to them.
13 There will be no difficulty in the management of this action as a class action.

14 **UNDISCLOSED ADVERSE FACTS**

15 29. The market for Rocket Lab's securities was open, well-developed and
16 efficient at all relevant times. As a result of these materially false and/or misleading
17 statements, and/or failures to disclose, Rocket Lab's securities traded at artificially
18 inflated prices during the Class Period. Plaintiff and other members of the Class
19 purchased or otherwise acquired Rocket Lab's securities relying upon the integrity of
20 the market price of the Company's securities and market information relating to
21 Rocket Lab, and have been damaged thereby.

22 30. During the Class Period, Defendants materially misled the investing
23 public, thereby inflating the price of Rocket Lab's securities, by publicly issuing false
24 and/or misleading statements and/or omitting to disclose material facts necessary to
25 make Defendants' statements, as set forth herein, not false and/or misleading. The
26 statements and omissions were materially false and/or misleading because they failed
27 to disclose material adverse information and/or misrepresented the truth about Rocket
28 Lab's business, operations, and prospects as alleged herein.

1 forth elsewhere herein in detail, the Individual Defendants, by virtue of their receipt
2 of information reflecting the true facts regarding Rocket Lab, their control over,
3 and/or receipt and/or modification of Rocket Lab's allegedly materially misleading
4 misstatements and/or their associations with the Company which made them privy to
5 confidential proprietary information concerning Rocket Lab, participated in the
6 fraudulent scheme alleged herein.

7 **APPLICABILITY OF PRESUMPTION OF RELIANCE**
8 **(FRAUD-ON-THE-MARKET DOCTRINE)**

9 35. The market for Rocket Lab's securities was open, well-developed and
10 efficient at all relevant times. As a result of the materially false and/or misleading
11 statements and/or failures to disclose, Rocket Lab's securities traded at artificially
12 inflated prices during the Class Period. On January 23, 2025, the Company's share
13 price closed at a Class Period high of \$31.57 per share. Plaintiff and other members
14 of the Class purchased or otherwise acquired the Company's securities relying upon
15 the integrity of the market price of Rocket Lab's securities and market information
16 relating to Rocket Lab, and have been damaged thereby.

17 36. During the Class Period, the artificial inflation of Rocket Lab's shares
18 was caused by the material misrepresentations and/or omissions particularized in this
19 Complaint causing the damages sustained by Plaintiff and other members of the Class.
20 As described herein, during the Class Period, Defendants made or caused to be made
21 a series of materially false and/or misleading statements about Rocket Lab's business,
22 prospects, and operations. These material misstatements and/or omissions created an
23 unrealistically positive assessment of Rocket Lab and its business, operations, and
24 prospects, thus causing the price of the Company's securities to be artificially inflated
25 at all relevant times, and when disclosed, negatively affected the value of the
26 Company shares. Defendants' materially false and/or misleading statements during
27 the Class Period resulted in Plaintiff and other members of the Class purchasing the
28

1 Company's securities at such artificially inflated prices, and each of them has been
2 damaged as a result.

3 37. At all relevant times, the market for Rocket Lab's securities was an
4 efficient market for the following reasons, among others:

5 (a) Rocket Lab shares met the requirements for listing, and was listed
6 and actively traded on the NASDAQ, a highly efficient and automated market;

7 (b) As a regulated issuer, Rocket Lab filed periodic public reports
8 with the SEC and/or the NASDAQ;

9 (c) Rocket Lab regularly communicated with public investors via
10 established market communication mechanisms, including through regular
11 dissemination of press releases on the national circuits of major newswire services
12 and through other wide-ranging public disclosures, such as communications with the
13 financial press and other similar reporting services; and/or

14 (d) Rocket Lab was followed by securities analysts employed by
15 brokerage firms who wrote reports about the Company, and these reports were
16 distributed to the sales force and certain customers of their respective brokerage firms.
17 Each of these reports was publicly available and entered the public marketplace.

18 38. As a result of the foregoing, the market for Rocket Lab's securities
19 promptly digested current information regarding Rocket Lab from all publicly
20 available sources and reflected such information in Rocket Lab's share price. Under
21 these circumstances, all purchasers of Rocket Lab's securities during the Class Period
22 suffered similar injury through their purchase of Rocket Lab's securities at artificially
23 inflated prices and a presumption of reliance applies.

24 39. A Class-wide presumption of reliance is also appropriate in this action
25 under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*,
26 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded on
27 Defendants' material misstatements and/or omissions. Because this action involves
28 Defendants' failure to disclose material adverse information regarding the Company's

1 business operations and financial prospects—information that Defendants were
2 obligated to disclose—positive proof of reliance is not a prerequisite to recovery. All
3 that is necessary is that the facts withheld be material in the sense that a reasonable
4 investor might have considered them important in making investment decisions.
5 Given the importance of the Class Period material misstatements and omissions set
6 forth above, that requirement is satisfied here.

7
8 **NO SAFE HARBOR**

9 40. The statutory safe harbor provided for forward-looking statements under
10 certain circumstances does not apply to any of the allegedly false statements pleaded
11 in this Complaint. The statements alleged to be false and misleading herein all relate
12 to then-existing facts and conditions. In addition, to the extent certain of the
13 statements alleged to be false may be characterized as forward looking, they were not
14 identified as “forward-looking statements” when made and there were no meaningful
15 cautionary statements identifying important factors that could cause actual results to
16 differ materially from those in the purportedly forward-looking statements. In the
17 alternative, to the extent that the statutory safe harbor is determined to apply to any
18 forward-looking statements pleaded herein, Defendants are liable for those false
19 forward-looking statements because at the time each of those forward-looking
20 statements was made, the speaker had actual knowledge that the forward-looking
21 statement was materially false or misleading, and/or the forward-looking statement
22 was authorized or approved by an executive officer of Rocket Lab who knew that the
23 statement was false when made.

24 **FIRST CLAIM**

25 **Violation of Section 10(b) of The Exchange Act and**

26 **Rule 10b-5 Promulgated Thereunder**

27 **Against All Defendants**

28 41. Plaintiff repeats and re-alleges each and every allegation contained
above as if fully set forth herein.

1 42. During the Class Period, Defendants carried out a plan, scheme and
2 course of conduct which was intended to and, throughout the Class Period, did: (i)
3 deceive the investing public, including Plaintiff and other Class members, as alleged
4 herein; and (ii) cause Plaintiff and other members of the Class to purchase Rocket
5 Lab's securities at artificially inflated prices. In furtherance of this unlawful scheme,
6 plan and course of conduct, Defendants, and each defendant, took the actions set forth
7 herein.

8 43. Defendants (i) employed devices, schemes, and artifices to defraud; (ii)
9 made untrue statements of material fact and/or omitted to state material facts
10 necessary to make the statements not misleading; and (iii) engaged in acts, practices,
11 and a course of business which operated as a fraud and deceit upon the purchasers of
12 the Company's securities in an effort to maintain artificially high market prices for
13 Rocket Lab's securities in violation of Section 10(b) of the Exchange Act and Rule
14 10b-5. All Defendants are sued either as primary participants in the wrongful and
15 illegal conduct charged herein or as controlling persons as alleged below.

16 44. Defendants, individually and in concert, directly and indirectly, by the
17 use, means or instrumentalities of interstate commerce and/or of the mails, engaged
18 and participated in a continuous course of conduct to conceal adverse material
19 information about Rocket Lab's financial well-being and prospects, as specified
20 herein.

21 45. Defendants employed devices, schemes and artifices to defraud, while in
22 possession of material adverse non-public information and engaged in acts, practices,
23 and a course of conduct as alleged herein in an effort to assure investors of Rocket
24 Lab's value and performance and continued substantial growth, which included the
25 making of, or the participation in the making of, untrue statements of material facts
26 and/or omitting to state material facts necessary in order to make the statements made
27 about Rocket Lab and its business operations and future prospects in light of the
28 circumstances under which they were made, not misleading, as set forth more

1 particularly herein, and engaged in transactions, practices and a course of business
2 which operated as a fraud and deceit upon the purchasers of the Company's securities
3 during the Class Period.

4 46. Each of the Individual Defendants' primary liability and controlling
5 person liability arises from the following facts: (i) the Individual Defendants were
6 high-level executives and/or directors at the Company during the Class Period and
7 members of the Company's management team or had control thereof; (ii) each of
8 these defendants, by virtue of their responsibilities and activities as a senior officer
9 and/or director of the Company, was privy to and participated in the creation,
10 development and reporting of the Company's internal budgets, plans, projections
11 and/or reports; (iii) each of these defendants enjoyed significant personal contact and
12 familiarity with the other defendants and was advised of, and had access to, other
13 members of the Company's management team, internal reports and other data and
14 information about the Company's finances, operations, and sales at all relevant times;
15 and (iv) each of these defendants was aware of the Company's dissemination of
16 information to the investing public which they knew and/or recklessly disregarded
17 was materially false and misleading.

18 47. Defendants had actual knowledge of the misrepresentations and/or
19 omissions of material facts set forth herein, or acted with reckless disregard for the
20 truth in that they failed to ascertain and to disclose such facts, even though such facts
21 were available to them. Such defendants' material misrepresentations and/or
22 omissions were done knowingly or recklessly and for the purpose and effect of
23 concealing Rocket Lab's financial well-being and prospects from the investing public
24 and supporting the artificially inflated price of its securities. As demonstrated by
25 Defendants' overstatements and/or misstatements of the Company's business,
26 operations, financial well-being, and prospects throughout the Class Period,
27 Defendants, if they did not have actual knowledge of the misrepresentations and/or
28 omissions alleged, were reckless in failing to obtain such knowledge by deliberately

1 refraining from taking those steps necessary to discover whether those statements
2 were false or misleading.

3 48. As a result of the dissemination of the materially false and/or misleading
4 information and/or failure to disclose material facts, as set forth above, the market
5 price of Rocket Lab's securities was artificially inflated during the Class Period. In
6 ignorance of the fact that market prices of the Company's securities were artificially
7 inflated, and relying directly or indirectly on the false and misleading statements made
8 by Defendants, or upon the integrity of the market in which the securities trades,
9 and/or in the absence of material adverse information that was known to or recklessly
10 disregarded by Defendants, but not disclosed in public statements by Defendants
11 during the Class Period, Plaintiff and the other members of the Class acquired Rocket
12 Lab's securities during the Class Period at artificially high prices and were damaged
13 thereby.

14 49. At the time of said misrepresentations and/or omissions, Plaintiff and
15 other members of the Class were ignorant of their falsity, and believed them to be
16 true. Had Plaintiff and the other members of the Class and the marketplace known
17 the truth regarding the problems that Rocket Lab was experiencing, which were not
18 disclosed by Defendants, Plaintiff and other members of the Class would not have
19 purchased or otherwise acquired their Rocket Lab securities, or, if they had acquired
20 such securities during the Class Period, they would not have done so at the artificially
21 inflated prices which they paid.

22 50. By virtue of the foregoing, Defendants violated Section 10(b) of the
23 Exchange Act and Rule 10b-5 promulgated thereunder.

24 51. As a direct and proximate result of Defendants' wrongful conduct,
25 Plaintiff and the other members of the Class suffered damages in connection with
26 their respective purchases and sales of the Company's securities during the Class
27 Period.

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1 **SECOND CLAIM**

2 **Violation of Section 20(a) of The Exchange Act**

3 **Against the Individual Defendants**

4 52. Plaintiff repeats and re-alleges each and every allegation contained
5 above as if fully set forth herein.

6 53. Individual Defendants acted as controlling persons of Rocket Lab within
7 the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their
8 high-level positions and their ownership and contractual rights, participation in,
9 and/or awareness of the Company's operations and intimate knowledge of the false
10 financial statements filed by the Company with the SEC and disseminated to the
11 investing public, Individual Defendants had the power to influence and control and
12 did influence and control, directly or indirectly, the decision-making of the Company,
13 including the content and dissemination of the various statements which Plaintiff
14 contends are false and misleading. Individual Defendants were provided with or had
15 unlimited access to copies of the Company's reports, press releases, public filings,
16 and other statements alleged by Plaintiff to be misleading prior to and/or shortly after
17 these statements were issued and had the ability to prevent the issuance of the
18 statements or cause the statements to be corrected.

19 54. In particular, Individual Defendants had direct and supervisory
20 involvement in the day-to-day operations of the Company and, therefore, had the
21 power to control or influence the particular transactions giving rise to the securities
22 violations as alleged herein, and exercised the same.

23 55. As set forth above, Rocket Lab and Individual Defendants each violated
24 Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint.
25 By virtue of their position as controlling persons, Individual Defendants are liable
26 pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of
27 Defendants' wrongful conduct, Plaintiff and other members of the Class suffered
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1 damages in connection with their purchases of the Company's securities during the
2 Class Period.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

5 (a) Determining that this action is a proper class action under Rule 23 of the
6 Federal Rules of Civil Procedure;

7 (b) Awarding compensatory damages in favor of Plaintiff and the other
8 Class members against all defendants, jointly and severally, for all damages sustained
9 as a result of Defendants' wrongdoing, in an amount to be proven at trial, including
10 interest thereon;

11 (c) Awarding Plaintiff and the Class their reasonable costs and expenses
12 incurred in this action, including counsel fees and expert fees; and

13 (d) Such other and further relief as the Court may deem just and proper.

14 **JURY TRIAL DEMANDED**

15 Plaintiff hereby demands a trial by jury.
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1 DATED: _____, 2025

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