Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

(Court Seal)

ROBERT YOON and LIU YIZHENG

Plaintiffs

and

MDA SPACE LTD., MICHAEL GREENLEY, GUILLAUME LAVOIE, ALISON ALFERS, YAPRAK BALTACIOGLU, DARREN FARBER, BRENDAN PADDICK, JOHN RISLEY, JILL SMITH, KARL SMITH, and YUNG WU

Defendants

Proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6

NOTICE OF ACTION

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the Statement of Claim served with this Notice of Action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this Notice of Action is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date OCTOBER 16, 2025 Issued by Lisa McAllister-Lawson Digitally signed by Lisa McAllister-Lawson Date: 2025.10.16 11:33:34 -04'00'

Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue 8th floor
Toronto ON M5G 1R7

TO: MDA Space Ltd.,
7500 Financial Drive,
Brampton, ON, L6Y 6K7

AND TO: Michael Greenley

AND TO: Guillaume Lavoie

AND TO: Alison Alfers

AND TO: Yaprak Baltacioglu

AND TO: Darren Farber

AND TO: Brendan Paddick

AND TO: John Risley

AND TO: Jill Smith

AND TO: Karl Smith

AND TO: Yung Wu

CLAIM

RELIEF SOUGHT

1. The Plaintiffs' claim is for:

(a) an order granting leave to proceed with statutory misrepresentation claims under Part XXIII.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5 ("***Securities Act***") and, if necessary, the Equivalent Provincial and Territorial Legislation;[1]

(b) an order certifying this action as a class proceeding pursuant to the *Class Proceedings Act, 1992,* S.O. 1992, c. 6 ("***Class Proceedings Act***") and appointing the Plaintiffs as the representative plaintiffs of the Class, as defined below;

(c) damages in the amount of $225,000,000 pursuant to section 138.5 of the *Securities Act*[2] for the statutory misrepresentation claims and/or common law misrepresentation claims;

(d) damages against Michael Greenley ("**Greenley**"), John Risley ("**Risley**"), and Brendan Paddick ("**Paddick**"), specifically, in the amount of $90,000,000 pursuant to section 138 of the Ontario *Business Corporations Act* ("***OBCA***") and/or section 134 of the *Securities Act* and, if necessary, the Equivalent Provincial And Territorial Legislation, for insider trading;

(e) a declaration that the following core documents ("**Impugned Core Documents**") issued by MDA Space Ltd. ("**MDA**") contained misrepresentations under the *Securities Act*, as they contained untrue statements of material fact, and/or omitted to disclose one or more material facts required to be stated or that were necessary to make statements not misleading in the circumstances in which they were made:

(i) the August 7, 2025 Interim Management Discussion & Analysis; and

(ii) the August 7, 2025 Final Short Form Prospectus;

(f) a declaration that the following non-core documents ("**Impugned Non-Core Documents**," and, together with the Impugned Core Documents, the "**Impugned Documents**") contained misrepresentations under the *Securities Act* as they contained untrue statements of material fact, and/or omitted to disclose one or more

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[1] Collectively, the *Securities Act*, R.S.A. 2000, c. S-4, the *Securities Act*, R.S.B.C. 1996, c. 418, *The Securities Act*, C.C.S.M., c. S 50, the *Securities Act*, S.N.B. 2004, c. S-5.5, the *Securities Act*, R.S.N.L. 1990, c. S-13, the *Securities Act*, S.N.W.T. 2008, c. 10, the *Securities Act*, R.S.N.S. 1989, c. 418, the *Securities Act*, S. Nu 2008, c. 12, the *Securities Act*, R.S.P.E.I. 1988, c. S-3.1, the *Securities Act*, R.S.Q., c. V-1.1, *The Securities Act*, S.S. 1988-89, c. S-42.2, and the *Securities Act*, S.Y. 2007, c. 16, all as amended ("**Equivalent Provincial and Territorial Securities Legislation**").

[2] Unless stated otherwise, references to the *Securities Act* are inclusive of the Provincial and Territorial Securities Legislation.

material facts required to be stated or that were necessary to make statements not misleading in the circumstances in which they were made:

(i) the August 1, 2025 News Release;

(ii) the August 7, 2025 News Release;

(iii) the August 7, 2025 CEO Certification of Interim Filings; and

(iv) the August 7, 2025 CFO Certification of Interim Filings;

(g) a declaration that the oral statements made by Greenley and Guillaume Lavoie ("**Lavoie**") during MDA's earnings call on August 7, 2025 (the "**Impugned Oral Statements**") contained misrepresentations under the *Securities Act* as they contained untrue statements of material fact, and/or omitted to disclose one or more material facts required to be stated or that were necessary to make statements not misleading in the circumstances in which they were made;

(h) a declaration that the Impugned Documents and Impugned Oral Statements contain misrepresentations and omissions at common law;

(i) a declaration that the Defendants are liable in damages to the members of the Class who purchased MDA shares on the secondary market pursuant to section 138.3 of the *Securities Act* between August 1, 2025 and September 8, 2025 (the "**Class Period**") for the omissions and misrepresentations particularized below;

(j) a declaration that MDA is vicariously liable for the acts and omissions of the Individual Defendants,[3] alleged herein;

(k) a declaration that MDA and/or some or all of the Individual Defendants are liable for misrepresentations made in the Impugned Documents and/or the Impugned Oral Statements pursuant to section 138.3 of the *Securities Act*;

(l) a declaration that Individual Defendants knew at the time that the Impugned Non-Core Documents were released and the Impugned Oral Statements were made that they contained misrepresentations, or they deliberately avoided acquiring knowledge of the misrepresentations, or through an action or failure to act were guilty of gross misconduct in connection with the release of the Impugned Non-Core Documents or making of the Impugned Oral Statements such that:

(i) the Individual Defendants are liable for misrepresentations made in the Impugned Oral Statements and in the Impugned Non-Core Documents pursuant to section 138.4 of the *Securities Act*;

[3] The Individual Defendants are all defendants other than MDA.

(ii) pursuant to section 138.6 of the *Securities Act*, the Individual Defendants are jointly and severally liable for the whole amount of damages assessed in this action; and

(iii) there is no liability limit pursuant to section 138.7 of the *Securities Act* with respect to the claims against the Individual Defendants;

(m) a declaration that the Impugned Documents and the Impugned Oral Statements contain misrepresentations and omissions at common law;

(n) a declaration that the Defendants are liable for negligent misrepresentation with respect to the common law misrepresentations and omissions;

(o) a declaration that Greenley, Risley, and Paddick engaged in insider trading contrary to section 138 of the *OBCA* and sections 76 and 134 of the *Securities Act*;

(p) aggregate damages in an amount to be determined by the Court pursuant to sections 134 and 138.5 of the *Securities Act*, section 138 of the *OBCA*, and section 24(1) of the *Class Proceedings Act*;

(q) punitive damages against MDA and the Individual Defendants, in an amount not exceeding $25,000,000;

(r) if necessary, following the determination of the common issues, a direction pursuant to section 25(2) of the *Class Proceedings Act* directing a reference or giving such other directions as may be necessary to determine issues not determined at the trial of the common issues;

(s) prejudgment interest and postjudgment interest pursuant to sections 128 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43; and

(t) costs of this action on a substantial indemnity basis plus, pursuant to section 26(9) of the *Class Proceedings Act*, the costs of notice and of administering the plan of distribution of the recovery in this action, and all applicable taxes; and

(u) such further and other relief as counsel may advise and this Court may permit.

OVERVIEW

2. On August 1, 2025, MDA announced a significant contract: it had agreed to design, manufacture, and test over 100 satellites for EchoStar Corporation ("**EchoStar**"), an American telecommunications behemoth, for $1.8 billion,[4] with the option to sell over 200 satellites for $3.5 billion (the "**Satellite Contract**"). Immediately, MDA's share price rose over 18%, from $38.80 to $45.93, and it continued to rise to $46.18 by August 6, 2025.

3. The satellites MDA agreed to design, manufacture, and test would run on certain spectrum frequencies, which EchoStar held exclusive rights to. Any threat to EchoStar's spectrum licenses was thus a threat to MDA's billion-dollar Satellite Contract.

4. When MDA announced the Satellite Contract, it knew that EchoStar was engaged in a bitter regulatory battle with Federal Communications Committee ("**FCC**"), which directly threatened EchoStar's spectrum licenses. EchoStar itself described the FCC's actions as having created a "dark cloud of uncertainty" over its spectrum rights, and the company was under immense regulatory and political pressure to sell these rights to a competitor. Without its spectrum rights, EchoStar would have no need for MDA's satellites.

5. Despite this, MDA's disclosures about the Satellite Contract made no reference to the material risk that, as a result of the FCC's actions, EchoStar would lose its spectrum licenses and terminate the Satellite Contract for convenience.

6. The only mention of this risk was by the CEO of MDA, Michael Greenley ("**Greenley**"), who, in response to an analyst's question about the FCC proceedings on an August 7, 2025

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[4] Unless stated otherwise, all monetary amounts are in Canadian dollars.

earnings call, downplayed it as "very, very small." Further emphasizing the finality of the Satellite Contract, in the same call, Guillaume Lavoie ("**Lavoie**"), the CFO of MDA, confirmed that MDA "[would] be receiving and are receiving advances related to the initial award" and provided a timeline for contract execution commencing in 2026 with anticipated completion by 2029.

7. MDA's, Greenley's, and Lavoie's statements about the Satellite Contract are irreconcilable with the reality that, by August 2025, EchoStar was in regulatory jeopardy and there was a strong possibility that the FCC's actions would lead to the loss of EchoStar's spectrum rights and the termination of the Satellite Contract.

8. Meanwhile, throughout August 2025, Greenley and MDA directors John Risley ("**Risley**") and Brendan Paddick ("**Paddick**") sold over $85 million worth of MDA shares, while the share price was at record highs following the announcement of the Satellite Contract.

9. On September 8, 2025, in order to resolve the FCC's inquiries, EchoStar agreed to sell its spectrum licenses to a competitor, and it subsequently terminated the Satellite Contract for convenience. MDA's share price immediately declined 25%, from $44.01 to $32.99, and it would continue to decline over the following days to $30.80, resulting in millions of dollars in damages to investors pursuant to the *Securities Act*.

10. MDA insiders like Greenley, Risley, and Paddick, however, made tens of millions.

THE PARTIES

The Plaintiffs

11. Robert Yoon is a retail investor in Maple Ridge, British Columbia. On August 5, 2025, Mr. Yoon purchased four shares of MDA common stock on the TSX at an average price of $47.21 per

share, for a total of $188.84. On September 12, 2025, Mr. Yoon sold his MDA shares at a price of $30.92 per share, for a total of $123.68, incurring a loss of $65.16.

12. Liu Yizheng is a retail investor in Hampstead, Quebec. On August 5, 2025, Mr. Yizheng purchased one share of MDA common stock at a price of $46.19, and on August 8, 2025, he purchased one share of MDA common stock at a price of $42.44, for a total of $88.63. On September 12, 2025, Mr. Yizheng sold his MDA shares at a price of $31.21 per share, for a total of $62.42, incurring a loss of $26.21.

13. When they purchased their MDA shares, neither Mr. Yoon nor Mr. Yizheng were aware of the strong possibility that the Satellite Contract would be terminated for convenience.

14. Mr. Yoon and Mr. Yizheng seek the certification of this action as a class proceeding on behalf of the following Class:

> All persons, other than Excluded Persons,[5] who acquired MDA securities during the Class Period and continued to hold some or all of those securities until the publication of the public correction on September 8, 2025 (the "**Class**").

The Defendants

15. MDA is a Canadian space technology company incorporated under the *OBCA*, with its head office at 7500 Financial Drive, Brampton, Ontario. It is a reporting issuer whose shares are listed on the Toronto Stock Exchange ("**TSX**") trading under the ticker symbol MDA.

[5] Collectively, the Defendants, their past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns, and any individual who is a member of the immediate family of an Individual Defendant ("**Excluded Persons**").

16. MDA has three business areas: Satellite Systems, Robotics & Space Operations, and Geointelligence. The MDA Satellite Systems business is focused on supplying satellite systems and sub-systems for communication networks in Low Earth Orbit ("**LEO**"), Medium Earth Orbit, and Geosynchronous Equatorial Orbit. These satellites support a variety of end uses including space-based broadband internet, Direct-to-Device ("**D2D**") satellite communication, and internet of things connectivity across a range of frequency spectrum.

17. Greenley is a director and the CEO of MDA. He held this position throughout the Class Period.

18. Lavoie (collectively with Greenley, the "**Defendant Officers**") is the CFO of MDA. He held this position throughout the Class Period.

19. Alison Alfers, Yaprak Baltacioglu, Darren Farber, Paddick, Risley, Jill Smith, Karl Smith, and Yung Wu are directors of MDA and were so throughout the Class Period (collectively, the "**Defendant Directors**"). Paddick was the chair of the board throughout the Class Period.

20. Throughout the Class Period, each of the Individual Defendants knew, or ought to have known, that there was a material and significant risk that EchoStar would terminate the Satellite Contract as a result of the FCC's inquiries. Despite this, each of these individuals approved of the disclosure of misrepresentations and omissions in each of the Impugned Documents, and Greenley and Lavoie made misrepresentations and omissions in the Impugned Oral Statements.

MDA's DISCLOSURE OBLIGATIONS

21. Throughout the Class Period, MDA was a reporting issuer in all Canadian provinces and territories. As a reporting issuer, MDA was subject to continuous disclosure obligations prescribed by the *Securities Act*, and regulations promulgated thereunder.

22. To maintain its status as a reporting issuer and listing on the TSX, MDA was required to comply with its continuous disclosure obligations under the *Securities Act*. Included among those obligations are the requirements set out in NI 51-102 – *Continuous Disclosure Obligations*, as adopted by regulation under the *Securities Act* pursuant to OSC Rule 51-801. NI 51-102 is the primary source of a Reporting Issuer's continuous disclosure obligations. As a Reporting Issuer listed on the TSX, MDA was also required to comply with the obligations contained in the TSX Company Manual.

23. MDA is required to file annual and interim comparative financial statements, including accurate statements of financial position, comprehensive income, changes in equity, and cash flows. Alongside these financial statements, MDA is also required to file annual and interim Management's Discussion & Analysis ("**MD&A**"). The MD&A and financial statements must be approved by the board of directors.

24. As part of the MD&A, MDA is required by NI 51-102 to discuss (as much as possible in plain language) material information that is not fully reflected in financial statements. This discussion must also include important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in the future. These include industry and economic factors affecting the performance of MDA, and known trends, demands, commitments, events or uncertainties reasonably likely to effect MDA's business. MDA is

required to provide disclosure of the operations of its business including commitments, events, risks or uncertainties that may reasonably be believed to affect its future performance including total revenue and profit or loss from continuing operations.

25. As a result, MDA was required to provide truthful and accurate disclosure related to its business, operations, and financial condition. This included discussion in its interim MD&As related to its commitments, events, risks or uncertainties that MDA reasonably believed would materially affect its future performance, including total revenue and profit or loss from continuing operations.

26. Throughout the Class Period, MDA and its officers and directors were also prohibited from making misrepresentations as set out in section 126.2 of the *Securities Act*.

27. In maintaining its status as a reporting issuer with shares trading on the TSX, MDA undertook to release documents that contain all material information and were free of misrepresentations pursuant to its various reporting obligations.

INDIVIDUAL DEFENDANTS' DISCLOSURE OBLIGATIONS

28. The Individual Defendants were subject to a number of disclosure obligations throughout the Class Period. First, by operation of section 126.2(1) of the *Securities Act*, they were prohibited from making statements that they knew, or reasonably ought to have known:

(a) were, in a material respect and at the time and in light of the circumstances under which they were made, misleading or untrue or which did not state a fact that is required to be stated or that is necessary to make the statement not misleading; and

(b) would reasonably be expected to have a significant effect on the market price or value of a security.

29. The Defendant Officers were responsible for ensuring the accuracy and completeness of MDA's continuous disclosure documents. They failed to do so and instead authorized, permitted, or acquiesced in the disclosure of the Impugned Documents containing misrepresentations.

30. The Defendant Directors were required to ensure that MDA made complete and accurate disclosure in its annual and quarterly filings. They failed to do so and instead authorized, permitted, or acquiesced in the disclosure of the Impugned Documents containing misrepresentations.

31. The Individual Defendants as insiders of MDA are in a special relationship with MDA. Because of this, they are also obligated under section 76 of the *Securities Act* not to trade MDA securities with "knowledge of a material fact or material change with respect to the issuer that has not been generally disclosed."

BACKGROUND

The FCC Proceedings

32. EchoStar is an American telecommunications company, which, among other things, held exclusive spectrum licenses in the AWS-4 / 2GHz band.

33. In early 2025, EchoStar was under fire from competitors, like Space Exploration Technologies Corp. ("**SpaceX**"), and the FCC, who alleged that the company was woefully underutilizing its spectrum licenses. By May 2025, EchoStar was subject to multiple ongoing proceedings before the FCC, which directly threatened EchoStar's spectrum licenses.

34. The FCC proceedings were an existential threat to EchoStar. In response to these proceedings, EchoStar announced on May 30, 2025, that it elected not to make an approximately $326 million cash interest payment with respect to its 10.75% senior spectrum secured notes,

which was due on May 30, 2025. EchoStar elected to default on its interest payment "to allow time for the FCC to provide the relief requested in [EchoStar's] Response" to the FCC proceedings, which it had submitted to the FCC on May 27, 2025. This relief included, among other things, that the FCC "reaffirm EchoStar's exclusive rights as the incumbent AWS-4 and MSS licensee in the 2000-2020 MHz and 2180-2200 MHZ [spectrum] bands."

35. On June 6, 2025, *The Wall Street Journal* reported that EchoStar was "considering chapter 11 bankruptcy filings [...] to shield its cache of wireless spectrum licenses from the threat of revocation by federal regulators."

36. A week later, EchoStar itself stated in a public filing on June 13, 2025, that the FCC's actions had created a "dark cloud of uncertainty over EchoStar's spectrum rights."

37. By July 2025, market and industry insiders understood that the FCC was attempting to force EchoStar to sell its spectrum rights and back out of the wireless network market. On July 30, 2025, *Bloomberg* reported that the FCC was pressuring EchoStar to sell its spectrum licenses in the AWS-4 spectrum band, and that the FCC had provided EchoStar its "best and final" offer.

38. EchoStar's quarterly report dated August 1, 2025, addressed the FCC's actions and the uncertainty around the company's spectrum licenses:

> ***In response to the uncertainty created by the FCC inquiries, we may take one or more significant actions in order to protect our interests in our Wireless Licenses and other assets, which actions could negatively impact your investment.***
>
> **In order to protect our interest in our Wireless Licenses and other assets we may take one or more actions that may negatively impact the value of your investment in our securities, including, under certain circumstances, filing for relief under Chapter 11 of the United States Bankruptcy Code**, if we determine that such an action is in the best interests of the Company and our stakeholders.

Such a decision could be driven by a range of strategic considerations, including, but not limited to, the uncertainty created by the FCC inquiries and effective deployment of capital.

[...]

The FCC's review of our compliance with network build-out requirements could lead to the loss or impairment of certain of our existing spectrum licenses.

As previously disclosed, on May 9, 2025, the FCC informed us that it had begun a review of our compliance with certain of our federal obligations to provide 5G service in the United States and raising certain questions regarding our September 2024 build-out extension and mobile-satellite service utilization in the 2 GHz band. **While we are currently working to address the concerns raised by the FCC in a way that is acceptable to us, there can be no assurance that such a resolution will be reached.**

The FCC review has introduced the possibility of reversing prior FCC grants of authority to us. This uncertainty over our spectrum rights has effectively frozen our ability to make decisions regarding our 5G network build-out, has materially adversely impacted our ability to implement and adjust our overall business plan and has required us to re-evaluate the deployment of our resources. In light of the continued uncertainty related to the FCC inquiries, **we elected not to make interest payments on a certain portion of our long-term senior notes on their respective scheduled due dates.** We subsequently made such payments, including interest on the defaulted interest, within the applicable 30-day grace periods to make such interest payments.

If we fail to reach an acceptable resolution with the FCC, one or more of our wireless spectrum licenses could be cancelled or modified and/or our build-out requirements could be accelerated, any of which would have a material adverse effect on our business, results of operations and financial condition. During the pendency of the FCC review, our ability to make decisions with respect to our 5G network build-out and implement our business plans will continue to be materially adversely impacted, the attention of our management will continue to be diverted to this matter, and we will continue to evaluate the deployment of our resources and consider all strategic options.

(pp. 107-108; bolded emphasis added, but bold with italics is original)

The Satellite Contract

39. On August 1, 2025, MDA announced its Satellite Contract with EchoStar:

> The initial contract, valued at approximately US$1.3 billion (approx. C$1.8 billion), includes the design, manufacturing and testing of over 100 software-defined MDA AURORA™ D2D satellites. With contract options, enabling a full initial configuration of a network of over 200 satellites, the value of the contract would increase to an approximate total value of US$2.5 billion (approx. C$3.5 billion). EchoStar envisions future growth to thousands of satellites, as demand requires, to provide global talk, text and broadband services directly to standard 5G handheld devices.
>
> [...]
>
> "Our satellite expertise combined with our U.S.-based terrestrial 5G Open RAN network uniquely positions EchoStar to execute on this new large-scale wide-band LEO constellation," said Hamid Akhavan, president & CEO of EchoStar. "The market-leading technical innovation provided by MDA Space along with our global S-band/2GHz spectrum rights with the highest ITU priority, and our strong services delivery capabilities will enable us to serve the consumer, enterprise, public safety and government sectors in the U.S., Europe and beyond."

40. The satellites MDA agreed to design, manufacture, and test pursuant to the Satellite Contract would, among other things, run on EchoStar's 2GHz spectrum frequencies, which EchoStar held exclusive spectrum rights to.

41. Any threat to EchoStar's spectrum licenses was thus a threat to MDA's billion-dollar Satellite Contract.

42. EchoStar's spectrum rights underpinning the Satellite Contract were the same spectrum rights that were the subject of the FCC's inquiries.

43. Immediately following MDA's announcement of the Satellite Contract, MDA's share price increased 18%, from $38.80 to $45.93, and continued to rise to $46.18 by August 6, 2025.

44. This announcement received widespread attention from analysts and media outlets, including through a *Globe and Mail* article on August 1, 2025.

MISREPRESENTATIONS

The Impugned Documents

45. By no later than August 1, 2025, the Defendants were aware, or ought to have been aware, of the significant risk that, as a result of the FCC proceedings, EchoStar would lose its spectrum licenses and then terminate the Satellite Contract for convenience. This was a material fact that a reasonable investor would consider important in making an investment decision. This material fact would be reasonably expected to have a significant effect on the market price of MDA securities.

46. Despite this, MDA's public disclosures throughout the Class Period boasted about the billion-dollar Satellite Contract without disclosing the significant risk that EchoStar would lose its spectrum rights and cancel the deal long before MDA could realize any revenues.

47. The Impugned Documents make untrue statements of material fact and/or omit material facts necessary to make certain statements not misleading in the circumstances in which they were made.

48. The MDA press release dated August 1, 2025 contains the following statements:

> **MDA SPACE SELECTED BY ECHOSTAR FOR WORLD'S FIRST OPEN RAN D2D LEO CONSTELLATION**
>
> **August 1, 2025 (BRAMPTON, ON)**—EchoStar Corporation (NASDAQ: SATS), a global communications and connectivity provider, has selected MDA Space Ltd. (TSX: MDA), a trusted mission partner to the rapidly expanding global space industry, as the prime contractor for EchoStar's new non-terrestrial network (NTN) low Earth orbit (LEO) direct-to-device (D2D) satellite constellation. With this contract, MDA Space is on track to begin volume manufacturing of the world's first 3GPP 5G compliant non-terrestrial network using LEO satellites.
>
> The initial contract, valued at approximately US$1.3 billion (approx. C$1.8 billion), includes the design, manufacturing and testing of over 100 software-defined MDA AURORA$_{TM}$ D2D satellites. With contract options, enabling a full initial configuration of a network of over 200 satellites, the value of the contract

would increase to an approximate total value of US$2.5 billion (approx. C$3.5 billion). EchoStar envisions future growth to thousands of satellites, as demand requires, to provide global talk, text and broadband services directly to standard 5G handheld devices.

The constellation will be fully compliant with the newly created NTN and 3GPP standards, allowing EchoStar to provide messaging, voice, broadband data, and video services upon launch to all phones configured to this standard, without modifications. Additionally, the constellation will connect to an array of sensor and mobile vehicles.

"Our satellite expertise combined with our U.S.-based terrestrial 5G Open RAN network uniquely positions EchoStar to execute on this new large-scale wide-band LEO constellation," said Hamid Akhavan, president & CEO of EchoStar. "The market-leading technical innovation provided by MDA Space along with our global S-band/2GHz spectrum rights with the highest ITU priority, and our strong services delivery capabilities will enable us to serve the consumer, enterprise, public safety and government sectors in the U.S., Europe and beyond."

With this contract, EchoStar becomes the anchor customer for the 3GPP 5G NTN compliant MDA AURORA$_{TM}$ direct-to-device satellite product, further solidifying MDA Space's leadership in the non-terrestrial network (NTN) market. Standards-based compliance ensures interoperability between the satellite network and existing terrestrial cellular network, enabling seamless handover and data routing between the two. These standards allow all mobile cellular devices and IoT devices to connect directly to satellites operating in LEO, extending connectivity to remote or underserved areas.

"EchoStar's selection of our new MDA AURORA$_{TM}$ D2D software-defined satellite to meet its demanding technical and business requirements is a testament to the confidence satellite operators have in our deep expertise, our differentiated MDA AURORA$_{TM}$ product line, and our expanding production capacity," said Mike Greenley, CEO of MDA Space. "This contract also demonstrates our continued market momentum as we strategically position MDA Space to be the prime contractor of choice for satellite operators offering direct-to-device and broadband connectivity."

A standard D2D product available to global NTN operators worldwide, MDA AURORATM D2D is ideally suited to meet the needs of customers like EchoStar, who require innovative and high-performance solutions to stay ahead in the market. Our solution provides better connectivity and a higher quality of service for users, enabling them to stay connected anywhere, anytime.

[...]

The EchoStar LEO constellation satellites will be designed, assembled, integrated and tested at the state-of-the-art MDA Space high-volume satellite manufacturing facility in Montreal, which is currently undergoing a 185,000-square-foot expansion.

Delivery of satellites is planned for 2028 with commercial service starting in 2029. The initial EchoStar contract of approximately US$1.3 billion (approximately C$1.8 billion) for the first tranche of satellites will be added to MDA's backlog in the third quarter of fiscal 2025 and represents the fourth LEO constellation contract awarded to MDA Space in just over three years.

[...]

FORWARD-LOOKING STATEMENTS This press release contains forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events, including EchoStar's option to purchase additional satellites. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the factors discussed under "Risk Factors" in the Company's Annual Information Form available on SEDAR+ at www.sedarplus.com. MDA Space does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

49. MDA's August 7, 2025 MD&A, contains the following statements:

Through our participation in multiple major satellite constellations to date [...] we have solidified our position as a trusted mission partner for space communications. Notable constellation awards include our selection as the prime contractor for [...] EchoStar Corporation's (EchoStar) direct-to-device (D2D) LEO constellation (more than 100 satellites).

[...]

Key Program – EchoStar Direct-to-Device LEO Constellation: In 2025, MDA Space announced that it had been selected by EchoStar to be the prime contractor for EchoStar's new non-terrestrial network (NTN) LEO direct-to-device satellite constellation. The initial contract, valued at approximately US$1.3 billion (approximately $1.8 billion), includes the design, manufacturing and testing of over 100 software-defined MDA AURORA D2D satellites. With contract options, enabling a full final configuration of a network of over 200 satellites, the value of the contract would increase to an approximate total value of US$2.5 billion (approximately $3.5 billion). The constellation will be fully compliant with the newly created NTD and 3GPP standards, allowing EchoStar to provide messaging, voice, broadband data, and video services upon launch to all phones configured to this standard, without modifications. With this contract, MDA Space is on track to begin volume manufacturing of the world's first 3GPP 5G compliant non-terrestrial network using LEO satellites at its state-of-the-art MDA Space high-volume manufacturing facility in Montreal.

[...]

QUARTERLY HIGHLIGHTS

[...]

- Subsequent to quarter-end, notable activities include the following:
  - MDA Space announced in August that is have [sic] been selected by EchoStar as the prime contractor for EchoStar's new non-terrestrial network (NTN) LEO direct-to-device satellite constellation. The initial contract, valued at approximately $US1.3 billion (approximately $1.8 billion), includes the design, manufacturing and testing of over 100 software-defined MDA AURORA D2D satellites. With contract options enabling a full initial configuration of a network of over 200 satellites, the value of the contract would increase to an approximate total value of US$2.5 billion (approximately $3.5 billion). The constellation will be fully complaint with the newly created NTN and 3GPP standards, allowing EchoStar to provide messaging, voice, broadband data, and video services upon launch to all phones configured to this standard, without modifications. With this contract, MDA Space is on track to begin volume manufacturing of the world's first 3GPP 5G complaint non-terrestrial network using LEO satellites at its state-of-the-art MDA Space high-volume satellite manufacturing facility in Montreal. Delivery of satellites is planned for 2028 with commercial service starting in 2029.

(August 7, 2025 MD&A at pp. 8-9, 12-13; emphasis original)

50. MDA's August 7, 2025 Final Short Form Prospectus stated:

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

[...]

> Statements containing forward-looking information are based on certain assumptions and analyses made by the Company in light of management's experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties.
>
> [...]
>
> Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect and there can be no assurance that actual results will be consistent with the forward-looking information.
>
> [...]
>
> **RECENT DEVELOPMENTS**
>
> [...]
>
> On August 1, 2025, we announced that EchoStar, a global communications and connectivity provider, has selected MDA Space as the prime contractor for EchoStar's new non-terrestrial network (NRN) low Earth orbit (LEO) direct-to-device ("**D2D**") satellite constellation. The initial contract, valued at approximately US$1.3 billion (approx. C$1.8 billion), includes the design, manufacturing and testing of over 100 software-defined MDA AURORA™ D2D satellites.
>
> (August 7, 2025 Final Short Form Prospectus at pp. 1-2, 5-6)

51. These statements, and equivalent statements in other Impugned Documents,[6] omit material facts necessary to make the statements not misleading in light of the circumstances in which they were made. Specifically, they omit the following material facts, which MDA knew:

(a) EchoStar was the subject of multiple ongoing proceedings before the FCC, which directly threatened EchoStar's spectrum licenses and need for the Satellites MDA was contracted to sell to EchoStar;

(b) EchoStar could terminate the Satellite Contract for convenience;

(c) As a result of the above, there was a significant risk that EchoStar would lose its spectrum licenses and terminate the Satellite Contract for convenience, erasing potentially billions of dollars of MDA's back log and future revenue; and

[6] The August 1, 2025 News Release at pp. 1-2; and the August 7, 2025 News Release at p. 1.

(d) The Defendants did not believe that "the assumptions underlying [the] statements [were] reasonable" with respect to the Satellite Contract, contrary to the cautionary language relating to forward-looking statements.

52. As certifying officers of MDA, pursuant to NI 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, Greenley and Lavoie also executed interim certifications certifying that MDA's disclosures "did not contain any untrue statement of fact or omit to state any material fact required to be stated or that is not necessary to make a statement not misleading in light of the circumstances under which it was made."[7]

53. The Defendant Officers authorized, permitted, and/or acquiesced in the disclosure of each of the Impugned Documents.

The Impugned Oral Statements

54. Not only did MDA not disclose the looming regulatory risk to the Satellite Contract in its public filings, but the CEO of MDA, Greenley, made oral misrepresentations downplaying that risk. Specifically, in response to an analyst's question about the FCC's inquiries during an August 7, 2025 earnings call, Greenley stated:

> Certainly, EchoStar is working through issues with the FCC, and they've been doing that for a while and continue to do so. We get somewhat regular updates on that activity. […] We're comfortable that **[the FCC's inquiries] are not going to get in the way of contract execution** since we're all now moving out in the contract. There's always some ***very, very small*** **chance that something could go wrong**. That can always happen in any of the areas of our business. **But right now, it's feeling comfortable that they'll get that solved and worked through.** [emphasis added]

[7] The August 7, 2025 CEO Certification of Interim Filings at p. 1; the August 7, 2025 CFO Certification of Interim Filings at p. 1.

55. This statement is a misrepresentation because, at the time, there was a strong possibility that the FCC proceedings would lead to the loss of EchoStar's spectrum licenses and, as a result, the termination of the Satellite Contract.

56. Throughout the August 7, 2025 earnings call, Greenley and Lavoie made a number of untrue statements of material fact or omitted facts necessary to make certain statements not misleading in the circumstances in which they were made.

57. Specifically, Greenley stated:

(a) "With the addition of the recently announced EchoStar contract award, our backlog rose to over $6 billion";

(b) "The initial $1.8 billion [of the Satellite Contract] will see us design, manufacture and test over 100 MDA AURORA direct-to-device satellites with contract options that, if exercised, will increase the network size to over 200 satellites and approximately $3.5 billion in contract value";

(c) "With [the Satellite Contract], EchoStar becomes the anchor customer for the 3GPP standards, 5Gs standards-based compliant, MDA AURORA direct-to-device satellite product, further solidifying MDA Space's leadership in the nonterrestrial network market";

(d) "[The Satellite Contract] is [MDA's] fourth LEO constellation contract award in just over 3 years, cementing our market leadership position and accelerating our strategy as we shift to high-volume standards-based satellite product manufacturing";

(e) "In this EchoStar announcement, we talked about that we've got this first $1.8 billion to get going with these first 100-plus MDA AURORA satellites and then with options to add more than 100 more to bring the full order up to $3.6 billion and to deliver over 200 satellites to them. So as these optional pieces and expansion orders come in, there'll be all kinds of activities that happen as we go through the next 2 or 3 years. [...] I think we'll build up to solid production rates for sure in 2027 and 2028";

(f) "it's feeling comfortable" that the FCC's inquiries would not "get in the way" of the Satellite Contract, and there was only a "very, very small chance" that they would.

58. Similarly, Lavoie stated:

(a) "Note that the Q2 backlog does not include the recently award $1.8 billion EchoStar contract. This contract will be added to our backlog[8] in Q3 of 2025. On a pro forma basis, including the EchoStar award, this expands our backlog to over $6 billion, representing a very robust level of backlog"; and

(b) "And then we expect the [Satellite Contract] to ramp, obviously, in 2026, and with the bulk of execution being done [...] in 2027 and 2028, and we expect to complete the contract in 2029. In terms of cash, yes, we will be receiving and are receiving advances related to the initial award. So that's obviously helping us to obviously deliver our free cash flow guidance. [...] the ramp up will really start in 2026."

59. The Impugned Oral Statements contain misrepresentations for the same reasons described in paragraphs 51 and 55.

PUBLIC CORRECTION

60. The Defendants' misrepresentations were corrected by MDA's announcement of the termination of the Satellite Contract (and the subsequent media coverage) on September 8, 2025:

> **September 8, 2025 (BRAMPTON, ON)** – MDA Space Ltd. (TSX:MDA), a trusted mission partner to the rapidly expanding global space industry, has received a termination for convenience notification from EchoStar Corporation (NASDAQ: SATS) related to the constellation contract announced on August 1, 2025.
>
> The contract termination is the result of a sudden change to EchoStar's business strategy and plan in the wake of spectrum allocation discussions with the Federal Communications Commission (FCC) in the United States. EchoStar has agreed to sell its AWS-4 and H-block spectrum licenses to SpaceX.

[8] Notably, the August 7, 2025 MD&A defines backlog "our remaining performance obligations which represents thee transaction price of firm orders less inception to date revenue recognized and excludes unexercised contract options and indefinite delivery or indefinite quantity contracts" (p. 15).

61. This disclosure was followed by news coverage in various publications, including the *Globe and Mail,* on September 8, 2025, and received significant attention from analysts.

62. Following this public correction, MDA's share price dropped by over 25%, from $44.01 to $32.99, causing significant losses to investors. In the days that followed, MDA's share price continued to decline to $30.80.

MATERIALITY

63. The Defendants' misrepresentations related to material information. A reasonable investor would consider a significant regulatory risk to the Satellite Contract, and thus a significant risk to potentially billions of dollars of MDA's future revenue, when making investment decisions. This is also confirmed by the fact that:

(a) the announcement of the Satellite Contract, and the announcement of its eventual termination by EchoStar, received significant attention from analysts and media outlets like the *Globe and Mail*;

(b) MDA's share price rose over 18% upon the announcement of the Satellite Contract, from $38.80 to $45.93; and

(c) MDA's share price declined over 25% upon the public correction of the misrepresentations through the announcement of the termination of the Satellite Contract, from $44.01 to as low as $30.89.

INSIDER TRADING

64. While investors lost millions after the termination of the Satellite Contract, certain Individual Defendants – Greenley, Risley, and Paddick – collectively made nearly $90 million by selling a large volume of MDA shares before the share price cratered:

(a) On August 18, 2025, Greenley exercised 1,009,300 MDA stock options at a unit price of $9.60 and sold them on the public market for $45 per share, making roughly **$35.7 million**;

(b) Between August 7 and August 26, 2025, Risley, through a holding company CFI Ventures Inc., sold 1,084,230 MDA shares on the public market at an average price of $44.44 per share, making roughly **$47.5 million**; and

(c) Between August 25 and August 26, 2025, Brendan Paddick sold 100,000 MDA shares on the public market at an average price of $46 per share, making roughly **$4.6 million.**

65. Greenley, Risley, and Paddick made the above transactions with the benefit of specific material non-public information that the FCC proceedings were likely to lead to the loss of EchoStar's spectrum licenses and, thus, the termination of the Satellite Contract, which information, if generally known, would be reasonably expected to affect materially the value of MDA's shares. As such, they are liable pursuant to section 138 of the *OBCA*.

66. As directors and/or officers, Greenley, Risley, and Paddick are in a special relationship with MDA. They made the above transactions with the knowledge of a material fact with respect to MDA – the significant risk that the Satellite Contract would be terminated – before that fact had been generally disclosed. As such, they are liable pursuant to section 134 of the *Securities Act*.

LEGISLATION RELIED UPON

67. The Plaintiffs plead and rely upon the following statutes, and the regulations promulgated thereunder:

(a) *Class Proceedings Act*, 1992, S.O. 1992, c. 6;

(b) *Courts of Justice Act*, R.S.O. 1990, c. C.43;

(c) *Securities Act*, R.S.O. 1990, c. S 5; and

(d) *Business Corporations Act*, R.S.O. 1990, c. B.16.

68. The Plaintiffs plead and rely upon the following regulations:

(a) General Regulation, R.R.O. 1990, Reg 1015 under the *Securities Act*; and

(b) National Instrument 51-102 – *Continuous Disclosure*, O.S.C. NI 51-102 (2004) 27 OSCB 3441 implemented through OSC Rule 51-801 and approved pursuant to s. 143.3 of the *Securities Act*; and

(c) *Ontario Securities Commission Rule 52-801 Implementing National Instrument 51-102*, OSC Rule 51-801.

SERVICE EX JURIS

69. This original process may be served without court order outside Ontario because the claim is:

(a) In respect of a tort committed in Ontario (Rule 17.2(g) of the *Rules of Civil Procedure*); and

(b) Brought against a person ordinarily resident or carrying on business in Ontario (Rule 17.02 (p) of the *Rules of Civil Procedure*).

16 L.M.
October ~~15,~~ 2025

SOTOS LLP
55 University Avenue, #600
Toronto, ON M5J 2H7

David Sterns (LSO # 36274J)
dsterns@sotos.ca

Matthew W. Taylor (LSO # 79186U)
mtaylor@sotos.ca

Luca Bellisario (LSO # 92747J)
lbellisario@sotos.ca

Tel: 416-977-0007
Fax: 416-977-0717

Lawyers for the Plaintiffs

YOON et al.
Plaintiffs

-and-

MDA SPACE LTD et al.
Defendants

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO
Proceeding under the *Class Proceedings Act, 1992*

NOTICE OF ACTION

SOTOS LLP
55 University Avenue, #600
Toronto, ON M5J 2H7

David Sterns (LSO # 36274J)
dsterns@sotos.ca
Matthew W. Taylor (LSO # 79186U)
mtaylor@sotos.ca
Luca Bellisario (LSO # 92747J)
lbellisario@sotos.ca

Tel: 416-977-0007

Lawyers for the Plaintiffs