

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 96981 / February 24, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-20393

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In the Matter of	:	
	:	
Momentum, Inc., Stable Road	:	ORDER APPOINTING
Acquisition Corp., SRC-NI	:	FUND ADMINISTRATOR AND
Holdings, LLC, and Brian Kabot,	:	SETTING ADMINISTRATOR'S
	:	BOND AMOUNT
	:	
Respondents.	:	
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On July 13, 2021, the Commission issued an Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”)¹ against Momentum, Inc. (“Momentum”), Stable Road Acquisition Corp. (“SRAC”), SRC-NI Holdings, LLC (“SRC-NI”), and Brian Kabot (“Kabot”) (collectively, the “Respondents”). In the Order, the Commission found that Momentum, a privately held space company that aspires to provide space infrastructure services, and its former Chief Executive Officer Mikhail Kokorich (“Kokorich”), made materially false statements, omitted to state material facts, and engaged in other deceptive conduct as Momentum sought to go public through a business combination with SRAC, a publicly traded special-purpose acquisition company (“SPAC”). Specifically, the Commission found that Momentum’s business plans and multi-billion dollar revenue projections, as provided to investors and described in SRAC’s Form

¹ Securities Act Rel. No. 10955 (July 13, 2021).

S-4 registration statement/proxy statement filed in connection with the anticipated merger, were materially false and misleading. According to the Order, SRAC also engaged in negligent misconduct by repeating and disseminating Momentus' misrepresentations in Commission filings without a reasonable basis in fact and its due diligence failures compounded Momentus' and Kokorich's misrepresentations and omissions, resulting in the dissemination of materially false and misleading information to investors. Additionally, the Commission found that Kabot, SRAC's CEO, who signed Commission filings that included misrepresentations about Momentus' technology and national security risks, caused SRAC's disclosure violations. According to the Order, SRAC's public filings, including registration statements signed by Kabot that incorporated Momentus' and Kokorich's false and misleading claims, caused investors to be misled about material aspects of Momentus' business. The Commission further found that Kabot was a managing member of SRAC's sponsor, SRC-NI, and his conduct as described in the Order, was also attributable to SRC-NI.

In total, the Commission ordered the Respondents to pay \$8,040,000.00 in civil money penalties to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties paid can be distributed to harmed investors (the "Fair Fund").

The Fair Fund consists of the \$8,040,000.00 paid by the Respondents. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any accrued interest will be added to the Fair Fund.

The Division of Enforcement now seeks the appointment of Epiq Class Action & Claims Solutions, Inc. ("Epiq") as the fund administrator and requests that the administrator's bond be set at \$8,040,000.00. Epiq is included in the Commission's approved pool of administrators.

Accordingly, IT IS HEREBY ORDERED that Epiq is appointed as the fund administrator, pursuant to Rule 1105(a) of the Commission's Rules on Fair Fund and Disgorgement Plans ("Commission's Rules"),² and shall obtain a bond in accordance with Rule 1105(c) of the Commission's Rules,³ in the amount of \$8,040,000.00.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁴

Vanessa A. Countryman
Secretary

² 17 C.F.R. § 201.1105(a).

³ 17 C.F.R. § 201.1105(c).

⁴ 17 C.F.R. § 200.30-4(a)(17).