



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE GREENLIGHT BIO MERGER) Lead C.A. No. 2024-1020-KSJM
STOCKHOLDER LITIGATION)
_____) CLASS ACTION
)
This Document Relates To:) **PUBLIC VERSION**
) **Filed: May 12, 2025**
ALL ACTIONS.)
_____)

**VERIFIED CONSOLIDATED AMENDED
STOCKHOLDER CLASS ACTION COMPLAINT**

**YOU ARE IN POSSESSION OF A CONFIDENTIAL FILING FROM THE
COURT OF CHANCERY OF THE STATE OF DELAWARE.**

**IF YOU ARE NOT AUTHORIZED BY COURT ORDER TO VIEW OR
RETRIEVE THIS DOCUMENT, READ NO FURTHER THAN THIS PAGE.
YOU SHOULD CONTACT THE FOLLOWING PERSON(S):**

Of Counsel:

KAHN SWICK & FOTI, LLC
Michael J. Palestina
1100 Poydras Street, Suite 960
New Orleans, LA 70163
(504) 455-1400

KAHN SWICK & FOTI, LLC
Christopher P. Quinn (#5823)
112 French Street, Suite 201
Wilmington, DE 19801
(302) 336-7200

ASHBY & GEDDES, P.A.
Stephen E. Jenkins (#2152)
Tiffany Geyer Lydon (# 3950)
500 Delaware Avenue, 8th Floor
P.O. Box 1150
Wilmington, DE 19899
(302) 654-1888

Delaware Counsel for Plaintiffs

MONTEVERDE & ASSOCIATES PC

Juan E. Monteverde
The Empire State Building
350 Fifth Avenue, Suite 4740
New York, NY 10118
T: (212) 971-1341
F: (212) 202-7880

LEVI & KORSINSKY, LLP

Donald J. Enright
(pro hac vice motion forthcoming)
Noah R. Gemma
(pro hac vice motion forthcoming)
1101 Vermont Ave. N.W., Suite 800
Washington, DC 20005
(202) 524-4290

Co-Lead Counsel for Plaintiffs

A public version of this document will be filed on or before May 12, 2025.

1. Co-Lead Plaintiffs Oscar Pardo Planas, Keith W. Meyer, Susan Serven, and Lawrence Serven (“Plaintiffs”), former shareholders of GreenLight Biosciences Holdings, PBC (“GreenLight” or the “Company”) (f/k/a Environmental Impact Acquisition Corp.) common stock at all relevant times, on behalf of themselves and all similarly situated former stockholders of GreenLight, by and through the undersigned counsel, bring this Verified Stockholder Class Action Complaint against (1) the Company’s former control group for breaching their fiduciary duties as controllers to the Company’s non-insider minority shareholders, (2) the Company’s directors who extracted special benefits from the Company’s conflicted merger, and (3) the Company’s President and Chief Executive Officer (“CEO”), for breaching his fiduciary duties in his capacity as an officer of the Company, in each case in connection with the Company’s May 29, 2023 Agreement and Plan of Merger (the “Merger Agreement”) with, *inter alia*, entities affiliated with investment funds advised by Fall Line Capital, LLC (“Fall Line”).¹

2. Pursuant to the Merger Agreement, on or about June 21, 2023, affiliates of Fall Line LP commenced a tender offer (the “Offer”) to purchase all the outstanding shares of GreenLight for \$0.30 per share (the “Merger Consideration”). When the Offer expired on July 19, 2023, a total of 18,736,159 shares of Company

¹ Fall Line Endurance GP, LLC, a Delaware limited liability company (“Fall Line GP”), is the general partner of Fall Line Endurance Fund, LP (“Fall Line LP”).

Common Stock were validly tendered, representing approximately 60.2% of the outstanding shares other than certain Rollover Shares (defined below). On July 24, 2023, the transaction contemplated by the Merger Agreement closed and SW MergerCo, Inc., a wholly-owned subsidiary of SW ParentCo, Inc. (“Parent”) merged with and into the Company (the “Merger” or “Transaction”), with the Company surviving the Merger as a wholly-owned subsidiary of Parent (the “Surviving Corporation”).

3. The Merger was completed pursuant to Section 251(h) of the General Corporation Law of the State of Delaware with no vote of the Company’s shareholders. As a result of the Merger, non-insider minority GreenLight stockholders ceased to be stockholders of the Company, and GreenLight Common Stock was delisted from the NASDAQ and is no longer publicly traded.

4. As discussed below, with the Company on the brink of commercializing its first and long-awaited product, Fall Line, the Company’s management team, and other internally defined “Major Investors” conspired to, and did, form a controlling Buyer Consortium (defined below) comprised of the Company’s largest stockholders to spearhead the privatization of the Company. As negotiations ensued, the Buyer Consortium worked with the Company’s management to (i) secure unique financial benefits and governance rights in the post-

close company and (ii) recruit and strong-arm other rollover stockholders, ultimately amassing nearly 80% of the Company's ownership, before lowering the offer price and squeezing out the remaining minority stockholders. The Special Committee formed specifically to protect the Company's minority stockholders was ineffective and repeatedly failed to protect the minority's interests.

5. In achieving the privatization, the Buyer Consortium and management controlled all aspects of the process, but never even attempted to satisfy the procedural protections mandated for controller transactions under *Kahn v. M&F Worldwide Corp.* (“MFW”). Specifically, the Merger should have been, but was not, conditioned on majority-of-the-minority approval.

6. Plaintiffs' allegations are based upon personal knowledge as to themselves and their own actions, and otherwise upon information and belief developed through the investigation conducted by their attorneys, including without limitation: (i) review and analysis of GreenLight's internal books and records produced in response to Plaintiffs' demands and complaints pursuant to Section 220 of the Delaware General Corporation Law (the “220 Production”);² (ii) review and analysis of information filed with the Securities and Exchange Commission (the

² The Section 220 action was captioned *Susan Serven, et al. v. GreenLight BioSciences Holdings, PBC*, No. 2023-0728.

“SEC”), including the June 21, 2023 Schedule 14D-9 Solicitation / Recommendation Statement (as amended and supplemented, the “Recommendation Statement”); and (iii) review and analysis of publicly available press releases, news articles, reports and other information.

SUMMARY OF THE ACTION

7. This action concerns a heavily conflicted and unfair transaction that squeezed out minority shareholders at a time when GreenLight was on the precipice of commercializing its highly anticipated lead product, Calantha™. Through the Transaction, GreenLight’s control group acquired 100% ownership of the Company at a steep discount to its actual value while contemporaneously concealing groundbreaking developments and without majority-of-the-minority approval.

8. GreenLight entered the public market in February 2022, via a De-SPAC (defined below) with a special purpose acquisition company (“SPAC”). **At the time it went public, GreenLight was valued at \$1.2 billion.** In the Merger, Fall Line and the rest of the **control group privatized GreenLight for approximately \$45.5 million.**

9. At all relevant times, GreenLight was a pre-revenue synthetic biology company with a proprietary cell-free biomanufacturing platform to make complex biological molecules—nucleic acids, peptides, carbohydrates, and many others—at

a lower cost than traditional methods using fermentation. The Company utilized its platform to develop and commercialize products addressing agricultural, human health, and animal health issues. The Company's focus was on the usage and development of ribonucleic acid ("RNA") based products.

10. The Company had an agricultural program and human health program with multiple product candidates in its pipeline. The most advanced product candidate was its plant health product, Calantha™ (with the active ingredient Ledprona), to suppress agricultural damage caused by the Colorado potato beetle. The Colorado potato beetle is ubiquitous across the country, invasive, quickly develops resistance to chemical insecticides, decimates potato crops, and accounts for more than \$500 million in crop loss annually. GreenLight had requested a tolerance exemption from the Environmental Protection Agency ("EPA") for Ledprona, and, if granted, expected to commercially launch Calantha™ by the end of 2023.

11. In early 2023, Fall Line, one of the Company's earliest and largest stockholders with approximately 7.6% of the Company's outstanding shares, approached the Company's co-founder and CEO, Defendant Dr. Andrey Zarur, to communicate Fall Line's interest in exploring a privatization of the Company. Over the next three months, Fall Line and the Company's management formed a

controlling Buyer Consortium of the Company’s largest stockholders and “Major Investors” (defined and discussed below), then continued to recruit additional rollover stockholders, all while simultaneously negotiating for certain unique benefits for themselves and the terms of the Merger and Merger Consideration.

12. Meanwhile, the Special Committee formed for the purposes of overseeing the negotiations and Company’s sales process, repeatedly recognized – but ignored – various conflicts of interest and allowed conflicted members of management to spearhead these negotiations with Fall Line and the outreach to other potential counterparties. Indeed, **the Special Committee** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

13. Moreover, and relatedly, despite its awareness that management and Fall Line had formed the controlling Buyer Consortium, the Special Committee failed to appropriately supervise and direct the negotiations of the Merger Agreement and establish the appropriate procedural mechanisms necessary to protect the Company’s minority stockholders. While the Buyer Consortium

controlled 42.9% of the Company and recruited additional rollover stockholders – ultimately securing nearly 80% of outstanding Company shares³ – the Transaction was never conditioned on majority-of-the-minority approval, thereby precluding any shift of the standard of review from entire fairness to business judgment.

14. Defendants also knowingly misled stockholders. In the midst of the process, on May 4, 2023, the EPA made a significant ruling in favor of the Company’s Ledprona application that would ultimately result in Ledprona being approved and registered by the EPA. Specifically, and as discussed at length *infra*, this May 4 ruling provided Ledprona with an experimental use permit and made a series of positive findings concerning the product, including that “with regard to humans, Ledprona presents no adverse effects of concern” and that Ledprona “causes mortality” in Colorado potato beetles. Ultimately, Ledprona was approved shortly after the Merger on December 21, 2023, and the Company commenced

3

commercial sales of Calantha™. Defendants knowingly concealed the May 2023 EPA Ruling from the Company's minority stockholders during the time leading up to the Merger, in order to depress the price of the Company's stock.

15. As a result of this wrongdoing, Fall Line, the Buyer Consortium, and the Rollover Stockholders privatized the Company at a \$45.5 million valuation just two years after going public at a \$1.2 billion valuation. More shockingly, the aggregate consideration paid by Merger Sub in the Offer and the Merger to purchase all outstanding shares of Company Common Stock (other than the Rollover Shares), was just approximately \$9.3 million.

PARTIES

I. PLAINTIFFS

16. Plaintiff Oscar Pardo Planas was a continuous holder of the Company's common stock at all relevant times. Plaintiff Planas is a former employee of GreenLight.

17. Plaintiff Keith W. Meyer was a continuous holder of the Company's common stock at all relevant times until the consummation of the Transaction.

18. Plaintiffs Susan Serven and Lawrence Serven were joint holders of the Company's common stock from December 2021 until the consummation of the Transaction. Plaintiffs Susan Serven and Lawrence Serven continuously held the Company stock at all relevant times.

II. DEFENDANTS

A. Conflicted Board Members

19. *Andrey Zarur* ("Zarur") was a co-founder of pre-de-SPAC Greenlight ("Legacy GreenLight") and was GreenLight's CEO, President, and a member of the Board at all relevant times. From February 2006 to February 2014, Zarur served as the Managing General Partner of Kodiak Venture Partners ("Kodiak"), a Major

Investor of the Company. Kodiak participated in the Transaction as a Rollover Stockholder.⁴

20. Zarur is a defendant in his capacities as the CEO and a director of GreenLight at all relevant times. As outlined below, Zarur manipulated the merger process to assure his continued employment as CEO of GreenLight, concealed material information from GreenLight’s special committee members, and voted for the Merger. Zarur currently remains the President, CEO, and one of the three directors of now-private GreenLight.

21. Zarur’s employment was material to him. A review of his LinkedIn indicates that he is currently (i) a college lecturer (without mention of tenure), (ii) the co-founder, President, and CEO of GreenLight since 2008, and (iii) is the co-founder and director of Lumicell.⁵ Lumicell’s website indicates that Zarur is just a director, and not an officer.⁶ Thus, according to Zarur’s LinkedIn, it is reasonable to infer that Zarur’s job with GreenLight is—and has been since 2015—his only full-

⁴ Kodiak was founded by Dave Furneaux (“Furneaux”). Furneaux recently founded investment holding Company BlueIO. BlueIO and Furneaux participated in the Transaction as Rollover Stockholders and in the concurrent convertible note financing.

⁵ See *Andrey Zarur*, LINKEDIN (<https://www.linkedin.com/in/andrey-zarur-a73a748/details/experience/>) (last accessed September 12, 2024).

⁶ See *Who We Are*, LUMICELL (<https://lumicell.com/who-we-are/>) (last accessed September 12, 2024).

time job. What is more, Lumericell’s investors include BlueIO and Kodiak, and Furneaux also serves on the Lumericell board of directors.⁷ It is therefore also reasonable to infer that Zarur’s position with GreenLight and his continued affiliation with Kodiak and Furneaux is material to him and his professional endeavors. According to GreenLight’s Form 10-K filed with the SEC on March 28, 2023, Zarur’s 2022 and 2023 base salary was \$575,000.00. This Form 10-K also disclosed that he was not an independent director.⁸ Upon information and belief, Zarur’s employment was in jeopardy absent a sale to the Buyer Consortium and/or in a sale of GreenLight to a strategic bidder.

22. ***Matthew Walker*** (“Walker”) voted for the Merger as a member of the Board, and he was chairperson of its audit committee and a member of its compensation committee since February 2022. Walker was a member of the Legacy GreenLight board from December 2018 until the closing of the De-SPAC in February 2022. Walker also was Managing Director at Builders Vision, LLC, (“Builders”) an impact platform that includes several “S2G” titled funds, including S2G Ventures Fund I, L.P. (“S2G Ventures I”), S2G Ventures Fund II, L.P. (“S2G

⁷ *Id.*

⁸ Zarur’s employment was governed by the Amended and Restated Employment Agreement. According to this agreement, a “Change of Control Event” triggers the vesting of certain of Zarur’s securities, but does not trigger any severance pay.

Ventures II”), and S2G Builders Food & Agriculture Fund III, LP (“S2G Builders” and collectively, “S2G Ventures”). Builders has been a Major Investor of GreenLight since October 2014 and was a member (through S2G Ventures) of the Buyer Consortium. Upon information and belief, Walker owed Builders fiduciary duties. As of March 15, 2023, Walker beneficially owned and controlled approximately 14.8% of the Company’s Common Stock. Walker is one of three directors of now-private GreenLight. Walker personally participated in the transaction as a Rollover Stockholder.

23. ***Ganesh Kishore*** (“Kishore”) voted for the Merger as a member of the Board, and he was the chairperson of the Board’s compensation committee and a member of its environmental, social, governance and impact committee since February 2022. Kishore was on the Legacy GreenLight board from 2015 until the closing of the De-SPAC in February 2022. Kishore also was a Managing Partner at Spruce Capital Partners LLC, a venture capital management firm, since February 2013 and as a Co-Manager of MLSCF II (GP) (Labuan), LLP, the General Partner of MLS Capital Fund II. As of March 15, 2023, Kishore beneficially owned and controlled approximately 3.9% of the Company’s Common Stock. Upon information and belief, Kishore owed fiduciary duties to MLSCF II (GP). Kishore and MLS Capital Fund II participated in the Transaction as a Rollover Stockholder.

24. *Eric O'Brien* (“O’Brien”) served as a director of GreenLight and a member of the compensation committee of the Board since February 2022. O’Brien served as a member of the Legacy GreenLight Board from June 2019 until the closing of the De-SPAC in February 2022. O’Brien has been a co-founder and Managing Director of Fall Line since June 2011, and is one of two members of Fall Line GP. After the Transaction, O’Brien was one of three directors of now-private GreenLight. O’Brien sat on both sides of the Transaction.

25. “*Conflicted Board Members*” refers to Zarur, O’Brien, Kishore, and Walker collectively.

B. The Fall Line Group

26. *Fall Line Capital* (previously, “Fall Line” and together with Fall Line LP and Fall Line GP, the “Fall Line Entities”) is a private equity firm focused on investments in farmland and agricultural technologies.

27. *Fall Line Endurance Fund, LP* (previously “Fall Line LP”) owned 11,452,834, or approximately 7.6%, shares of GreenLight Common Stock as of March 15, 2023. GreenLight was party to a lease agreement with a subsidiary of Fall Line LP pursuant to which the Company leased approximately 81.25 acres of farmland for research and development purposes; the 10-year lease commenced on January 1, 2023.

28. ***Fall Line Endurance GP, LLC*** (previously “Fall Line GP”), is a Delaware limited liability company and the general partner of Fall Line LP.

29. ***Clay Mitchell*** (“Mitchell”) is a co-founder and a Managing Director of Fall Line; O’Brien and Mitchell are the sole members of Fall Line GP.

30. ***“Fall Line Group”*** refers to Fall Line, Fall Line LP, Fall Line GP, O’Brien, and Mitchell. On June 21, 2023, GreenLight filed a Form SC TO-T with the SEC, which the Fall Line Entities signed. This form explicitly incorporated by reference an Offer to Purchase dated June 21, 2023. The Offer to Purchase stated that “by virtue of the Rollover Agreements, each of . . . Fall Line, Fall Line GP and Messrs. Mitchell and O’Brien may be deemed to beneficially own shares of common stock of GreenLight held by the other Rollover Investors.” It also stated that the “Rollover Investors may be deemed to control the Company” through their ownership of a majority of GreenLight stock.

C. Buyer Consortium

31. ***S2G Ventures Fund I, L.P.*** (previously, “S2G Ventures I”), ***S2G Ventures Fund II, L.P.*** (previously, “S2G Ventures II”), and ***S2G Builders Food & Agriculture Fund III, LP*** (previously, “S2G Builders” and collectively, “S2G Ventures”) were all Delaware entities that signed the Transaction Statement. According to the Offer to Purchase, S2G Ventures I owned 1.38%, S2G Ventures

II owned 5.66%, and S2G Builder owned 7.62% of GreenLight stock. S2G Ventures is a Major Investor and was a member of the Buyer Consortium and co-purchaser of GreenLight.

32. *Cormorant Global Healthcare Master Fund, LP* (“Cormorant Global”) and *Cormorant Private Healthcare Fund II, LP* (“Cormorant Private” and collectively, “Cormorant”) were Delaware entities that signed the Transaction Statement. According to the Offer to Purchase, Cormorant Global owned 3.13% and Cormorant Private owned 2.94% of GreenLight stock. Cormorant was a member of the Buyer Consortium and co-purchaser of GreenLight.

33. *Morningside Venture Investments Ltd.* (“Morningside Venture”) and *MVIL LLC* (“MVIL” and collectively, “Morningside”) signed the Transaction Statement and owned 11.15% of GreenLight stock according to the Offer to Purchase. MVIL is a Delaware entity and wholly owned subsidiary of Morningside Venture. Morningside is a Major Investor and was a member of the Buyer Consortium and co-purchaser of GreenLight.

34. “*Buyer Consortium*” refers to the Fall Line-led group of the Company’s largest shareholders – namely the Fall Line Group (7.6%), S2G Ventures (14.7%), Morningside (11.2%), and Cormorant (6.1%) – which, through themselves and their affiliates, collectively held and controlled approximately 42.9% of the

company's shares. The Buyer Consortium were major Legacy GreenLight investors, co-buyers of GreenLight, and provided the cash to fund the Merger.

III. RELEVANT NON-PARTIES

35. ***Nina Thayer*** (“Thayer”) was GreenLight’s general compliance officer and corporate secretary. According to GreenLight’s current website, Thayer is the General Counsel for the post-Merger GreenLight.⁹ Thayer signed the Transaction Statement, which incorporated the Offer to Purchase.

36. ***Charles Cooney*** (“Cooney”) served as a member and chairperson of the Board and as a member of its audit committee since February 2022. Cooney served as a member of the Legacy GreenLight board from December 2010 until the closing of the De-SPAC in February 2022, including as its chairperson after February 2018.

37. ***Jennifer Pardi*** (“Pardi”) served as a member of the Board since its inception and has served as a member of its audit committee and environmental, social, governance, and impact committee since February 2022. Pardi previously served as a director of the blank-check special purpose acquisition company that took Legacy GreenLight public through the De-SPAC.

⁹ *GreenLight Biosciences*, NINA THAYER (last accessed Mar. 3, 2025) (<https://www.greenlightbiosciences.com/team-members/nina-thayer>).

38. *Martha Schlicher* (“Schlicher”) served as a member of the Board and as chairperson of its audit committee and as a member of its compensation committee since February 2022. Schlicher, served as a member of the Legacy GreenLight Board since February 2018 and as the chair of GreenLight’s audit committee since October 2020.

39. Defendants Zarur, O’Brien, Kishore, Walker and non-defendants Schlicher, Pardi, Cooney formed the Board of Directors of GreenLight at all relevant times and are collectively referred to herein as the “Board.”

40. *Marta Ortega-Valle* (“Ortega-Valle”) was at all relevant times, a co-founder of Legacy GreenLight and held multiple roles in Legacy GreenLight. At all times relevant herein, Ortega-Valle served as the Company’s Chief Strategy & Sustainability Officer, and continues to hold this role in the now-private GreenLight. **Ortega-Valle joined Kodiak in 2008; Kodiak was a 6.5% shareholder of the Company.** Ortega-Valle and Kodiak participated in the Transaction as a Rollover Stockholder.

41. “*Rollover Stockholders*” or “*Rollover Investors*” refers to the additional GreenLight stockholders who entered into Contribution and Exchange Agreements with Parent, and which collectively with the Buyer Consortium

represented approximately 79.46% of the total issued and outstanding shares of Company Common Stock.

JURISDICTION AND VENUE

42. This action arises out of Delaware law.

43. This Court has personal jurisdiction over the Director Defendants and Officer Defendants because, *inter alia*, they were directors and officers of GreenLight, a Delaware corporation.

44. This Court has personal jurisdiction over the Fall Line Entities, S2G Ventures, Cormorant, and MVIL because, *inter alia*, they are and have been Delaware entities at all relevant times.

45. This Court has personal jurisdiction over the other entity defendants because they consented to Delaware jurisdiction through their acquisition of GreenLight stock. Specifically, GreenLight's Certificate of Incorporation also included a provision causing GreenLight holders to have notice of and consent to Delaware as the exclusive jurisdiction for certain stockholder lawsuits:

Section 10.3 Notice. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article X [EXCLUSIVE FORUM FOR CERTAIN LAWSUITS].

46. Personal jurisdiction is proper over Mitchell. Mitchell was the sole member of Fall Line GP. He also negotiated the Merger Agreement, which is

governed by Delaware law, contains a Delaware Court of Chancery consent-to-jurisdiction clause, and has a Delaware Court of Chancery exclusive forum selection clause. Indeed, the Offer stated that “Mitchell principally led, on behalf of Purchaser, Parent, and Fall Line, the discussions and negotiations with GreenLight regarding the Merger Agreement, the Rollover Agreement, the Note Purchase Agreement and the transactions contemplated thereby, including the Offer, the Merger and the Rollover.”

47. Personal jurisdiction is also proper over the Buyer Consortium and Fall Line Group because the Merger Agreement requires its parties to submit to the personal jurisdiction of the Court of Chancery of the State of Delaware.

48. The Merger Agreement states in pertinent part the following:

Submission to Jurisdiction. Each party to this Agreement (a) irrevocably and unconditionally submits to the personal jurisdiction of the Court of Chancery of the State of Delaware (or, only if such court declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), and any appellate court therefrom (the “Chosen Courts”), (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (c) agrees that any actions or proceedings arising in connection with this Agreement or the Merger Transactions shall be brought, tried and determined only in the Chosen Courts, (d) waives any claim of improper venue or any claim that the Chosen Courts are an inconvenient forum and (e) agrees that it will not bring any action relating to this Agreement or the Merger Transactions in any court other than the Chosen Courts.

49. Each member of the Buyer Consortium were parties and/or signatories to the Contribution and Exchange Agreement, which contained a Delaware Court of Chancery exclusive forum selection provision:

a. This Agreement, and any dispute, claim, legal action, suit, proceeding or controversy arising out of or relating hereto, shall be governed by, and construed in accordance with, the Law of the State of Delaware, without regard to conflict of law principles thereof.

b. Each party to this Agreement (a) irrevocably and unconditionally submits to the personal jurisdiction of the Court of Chancery of the State of Delaware (or, only if such court declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), and any appellate court therefrom (the “Chosen Courts”), (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (c) agrees that any actions or proceedings arising in connection with this Agreement, the transactions contemplated hereby, or the Merger Transactions shall be brought, tried and determined only in the Chosen Courts, (d) waives any claim or improper venue or any claim that the Chosen Courts are an inconvenient forum and (e) agrees that it will not bring any relating to this Agreement, the transactions contemplated hereby, or the Merger Transactions in any court other than the Chosen Courts.

50. In addition, GreenLight’s Certificate of Incorporation contained a Delaware Court of Chancery exclusive forum selection provision:

Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by the applicable law, the Court of Chancery of the State of Delaware (the “Court of Chancery”) shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or Proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director,

officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Bylaws, or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine (as defined by the laws of the State of Delaware) and, if brought outside the State of Delaware, the stockholder bringing the suit will be deemed to have consented to service of process on such stockholder's counsel, except for, as to each of (i) through (iv) above, any claim (A) as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or (C) for which the Court of Chancery does not have subject matter jurisdiction. Notwithstanding the foregoing, (i) the provisions of this Section 10.1 will not apply to suits brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction, and (ii) unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder.

(Emphases added).

SUBSTANTIVE ALLEGATIONS

I. EVENTS LEADING TO THE MERGER

A. Relevant Corporate Background

51. Prior to the Merger, GreenLight was a pre-revenue synthetic biology company.

52. GreenLight's proprietary cell-free biomanufacturing platform makes complex biological molecules—nucleic acids, peptides, carbohydrates, and many others—at a lower cost than traditional methods using fermentation. The Company utilized its platform to develop and commercialize products addressing agricultural, human health, and animal health issues. The Company's focus was on the usage and development of RNA based products.

53. As provided in the Company's annual report:

Since our inception in 2008, we have **devoted substantially all of our efforts and financial resources to conducting research and development activities for our programs, acquiring, in-licensing, and discovering product candidates, securing related intellectual property rights, raising capital, and organizing and staffing our company.** We do not have any products approved for sale and have not generated any revenue from product sales. From our founding through December 31, 2022, we have funded our operations primarily through proceeds from the sale of our capital stock, the [De-SPAC] (including the related PIPE financing), the Private Placement in August 2022, debt financings, the issuance of convertible notes and collaboration agreements.

54. The Company had an agricultural program and human health program

with multiple product candidates in its pipeline. The most advanced product candidate was its plant health product, Calantha™ (with the active ingredient Ledprona), which was intended to prevent or reduce crop damage from the Colorado potato beetle. The Colorado potato beetle is ubiquitous across the country, invasive, quickly develops resistance to chemical insecticides, decimates potato crops, and accounts for more than \$500 million in crop loss annually. Legacy GreenLight had requested a tolerance exemption from the EPA for Ledprona, and if granted, expected to commercially launch Calantha™ by the end of 2023. EPA approval of Calantha represented a significant milestone for the Company and its proprietary technology, as “it would have been about five years from the day which [GreenLight] first synthesized Calantha . . . less than half the time of what it takes for a new chemical to be registered[, and] also about one quarter of the cost.”¹⁰

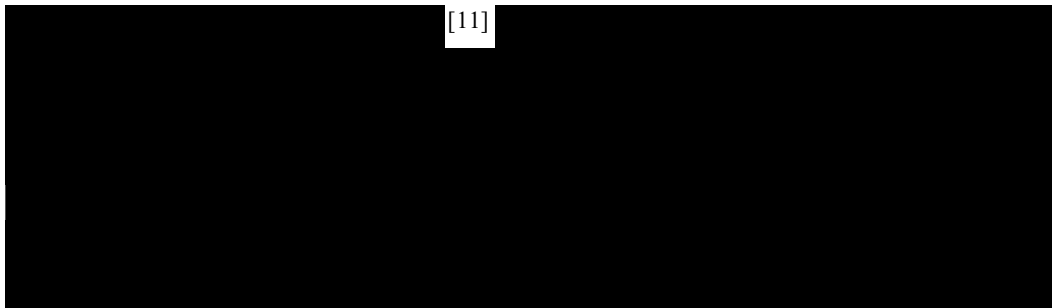
55. Notably, at the time of the Offer, the Company also had high expectations for its development of an RNA-based syrup targeting Varroa mites – “the number one threat” to beekeepers – which was still in regulatory review at the EPA.

¹⁰ See March 7, 2023 Webcast; *id.* (“Calantha really represents the promise of RNA in the crop protection market . . . We've got five plus years of field trial data showing that it stacks up against some of the best chemical insecticides, pretty much no matter where you put it.”)

56. As of March 10, 2023, the Company had approximately 40 patent families: approximately six families related to RNA production; approximately seven families related to other human health-related technologies; approximately 18 families related to crop protection and bee health; approximately three families related to production of sugars; and approximately six families related to process control and compound production.

57. “New crop-protection strategies are urgently needed as pests become resistant to existing pesticide products,” but development and regulatory hurdles constrain the market’s ability to keep up with this rapidly developing resistance. However, **undisclosed to minority shareholders and the public**, the Company had developed a solution (the “Bt-adjuvant”).

58. As explained by the Company’s management to representatives of Continental Grain Company (a Major Investor in Legacy GreenLight and Rollover Stockholder) in a May 22 email:



¹¹ Bt-traited crops are genetically modified plants that contain the toxins of the bacterium *Bacillus thuringiensis* (Bt) to make them resistant to certain insect pests.

[REDACTED]

[REDACTED]

[REDACTED]

59. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

B. Legacy GreenLight and the “Major Investors”

60. Fall Line, through certain of its affiliates, has been an investor in either the Company or Legacy GreenLight continuously since 2017. Fall Line was founded in 2011 as an investment fund focused on investing and improving U.S. farmland

through active, hands-on land management, and seeks to address the long-term supply and demand imbalance in agricultural commodities by combining the best of precision farming techniques with the latest in new technologies to change the fundamental productivity and value of farmland. Notably, Fall Line accomplishes this via investments in AgTech companies that are strategic to its land holdings.

61. In September 2017, Fall Line led an \$18 million Series D funding round, which also included S2G Ventures, Lewis and Clark Ventures, Marco Capital Investments, and the majority of Legacy GreenLight’s then-existing investors. Notably, and despite not having brought a product to market since Legacy GreenLight’s inception in 2008, CEO Zarur commented, “[t]he completion of our Series D round of financing allows us to expedite the commercialization of these next-generation agricultural products[.]”

62. From December 2018 to June 2019, Legacy GreenLight completed a \$55 million Series C Preferred Stock financing; participants included S2G Ventures, Fall Line, Kodiak, Baird Venture Partners, BlueIO, and MLS Capital Fund II. (“MLS”).

63. In June and July 2020, Legacy GreenLight completed a \$109 million Series D Preferred Stock financing, led by Morningside Ventures and with participation from new and existing investors including Fall Line, S2G Ventures,

Lewis and Clark, Baird Venture Partners, Cormorant Asset Management, Continental Grain Company, Tao Capital Partners, and MLS.

64. In connection therewith, Legacy GreenLight said it planned to use the new funding toward expansion of its human health efforts into new platforms like RNA-based therapeutics, as well as develop and commercialize products focused on sustainable crop production, and further stated that its first biopesticide pesticide was expected to go on the market in 2022.

65. Notably, in connection with these early investments in Legacy GreenLight, Defendants Kishore (MLS), O'Brien (Fall Line), Walker (S2G Ventures), and others (including Jason Dinges (Morningside Ventures), Michael Liang (Baird), and David Furneaux (Kodiak, BlueIO, and Furneaux Capital)) were appointed to the Legacy GreenLight board of directors. Prior to the De-SPAC, as of November 2021, Legacy GreenLight's capital structure and securities ownership was as follows:

Name of Beneficial Owner	Number of Shares of GreenLight Common Stock ⁽¹⁾		Number of Shares of GreenLight Preferred Stock (on an as-converted basis) ⁽¹⁾		Number of Shares of GreenLight Common Stock (on an as-converted basis) ⁽¹⁾	
	(#)	(%)	(#)	(%)	(#)	(%)
Five Percent or Greater Holders						
S2G Ventures ⁽²⁾	—	—	21,548,551	15.0%	21,548,551	14.7%
Morningside Venture Investments Limited ⁽³⁾	—	—	19,317,805	13.7%	19,317,805	13.3%
Kodiak Venture Partners ⁽⁴⁾	—	—	14,738,423	10.4%	14,738,423	10.2%
Fall Line Endurance Fund, LP ⁽⁵⁾	—	—	12,322,131	8.6%	12,322,131	8.4%
MLS Capital Fund II, L.P. ⁽⁶⁾	—	—	8,629,170	6.1%	8,629,170	5.9%
Baird Ventures ⁽⁷⁾	—	—	7,448,565	5.2%	7,448,565	5.1%
Directors and officers of GreenLight⁽⁸⁾						
Matthew Walker ⁽²⁾	—	—	21,548,551	15.0%	21,548,551	14.7%
Jason Dinges ⁽⁹⁾	—	—	—	—	—	—
Eric O'Brien ⁽⁵⁾	—	—	12,322,131	8.6%	12,322,131	8.4%
Ganesh Kishore ⁽⁶⁾	—	—	8,629,170	6.1%	8,629,170	5.9%
Michael Liang ⁽⁷⁾	—	—	7,448,565	5.2%	7,448,565	5.1%
Andrey Zarur ⁽¹⁰⁾	5,180,162	68.0%	122,591	*	5,302,753	3.6%
Carole Cobb ⁽¹¹⁾	2,013,264	35.5%	—	—	2,013,264	1.4%
Charles Cooney	458,705	12.5%	—	—	458,705	*
Susan Keefe ⁽¹²⁾	657,024	15.2%	—	—	657,024	*
Martha Schlicher	164,090	4.5%	—	—	164,090	*
Directors and Officers of GreenLight as a group (fifteen (15) persons)	9,436,750	83.9%	50,071,008	34.4%	59,507,758	39.0%

* Less than 1%.

66. By November 2021, Zarur held 68% of Legacy GreenLight’s common stock, but only 3.6% on an as-converted basis, while Fall Line, S2G Ventures, Kodiak, and Morningside held approximately 46% of Legacy GreenLight on an as-converted basis.

67. Internally, Fall Line, S2G Ventures, Morningside, Kodiak, and other of these early investors were characterized and referred to as “Major Investors” that exercised significant influence over the Company’s affairs. Indeed, in the Company’s own words, “GreenLight management, board and investor contacts ha[d] consistently raised the vast majority of capital to fund GLB operations,” often from these Major Investors specifically, such that management believed that, at least with respect to *this* Merger, “[s]hareholders [wer]e best served by avoiding financial

advisor fees and using GreenLight management, board and investors to survey the capital markets.”

C. The De-SPAC

68. On February 3, 2022, Legacy GreenLight was brought public through a SPAC merger (the “De-SPAC”). In connection therewith, in January 2022, the Company (then known as Environmental Impact Acquisition Corp., or “ENVI”) filed a series of solicitation materials with the SEC soliciting its SPAC merger with Legacy GreenLight.

69. These materials touted the development process and commercial prospects of its proprietary platform and product candidates, including specifically Ledprona.

70. For example, the Company’s January 12, 2022 Form S-4 Registration Statement (the “Registration Statement”) highlighted the Company’s “five-phase product development process,” pursuant to which, “in order for a product to move to a particular stage, it must successfully have met the requirements of the preceding stages:”

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	
Ideation	Discovery 1.A (Proof of Concept)	Discovery 1.B (Proof of Target)	Pre-Development	Development	Pre-Launch	Launch
Commercial <ul style="list-style-type: none"> • Technical gaps identified • Discovery concept and target defined • Rapid market and strategic fit assessment • Technical probability of success assessment 	Commercial <ul style="list-style-type: none"> • Initial business case and strategic fit assessment Bioinformatics <ul style="list-style-type: none"> • Target genes identified and multiple sequences designed and produced Discovery <ul style="list-style-type: none"> • Screening platform validated • Demonstrated activity <i>in vitro</i> and lab testing or demonstrate proof of concept in model system/crop Delivery Technology <ul style="list-style-type: none"> • Delivery technology identified and tested in combination with active ingredients • Demonstrated lab and greenhouse activity at upper use rate 	Commercial <ul style="list-style-type: none"> • Revised business case and strategic fit definition Formulation <ul style="list-style-type: none"> • Requirements defined and probes formulations tested Discovery <ul style="list-style-type: none"> • Demonstrated greenhouse activity at or near commercial use rate Development & Regulatory <ul style="list-style-type: none"> • Field trials confirmation • Residue analytical assay developed • Technical and regulatory probability of success assessment completed 	Commercial <ul style="list-style-type: none"> • Product concept finalized • Product naming strategy • Final bottom-up business case defined (country by country) • Full development and market entry launch plan defined Development & Regulatory <ul style="list-style-type: none"> • Field trials with sufficient power to define label rates and use profile • Pre-submission meetings with relevant regulatory agencies • Regulatory strategy defined for studies and dossier filing Formulations <ul style="list-style-type: none"> • Final formulation selected 	Commercial <ul style="list-style-type: none"> • Supply chain designed and implemented • Preliminary market launch plan agreed Development and Regulatory <ul style="list-style-type: none"> • Label ready, final package identified • Regulatory dossier studies (toxicology, ecotoxicology, environmental-fate, residue and efficacy) completed and dossier written Manufacturing <ul style="list-style-type: none"> • Process scale up completed • Commercial manufacturing site identified, and capital plan approved 	Commercial <ul style="list-style-type: none"> • Market and sales plan finalized • Secondary market opportunity assessment • Product training materials prepared • Sales collateral prepared • Production forecast • Distribution and commercial partners contracted as needed • Product name finalized • Collect testimonials from key stakeholders • Product messaging by stakeholder group finalized Development & Regulatory <ul style="list-style-type: none"> • Dossier submitted • System and demonstration field trials • Stewardship & resistance management plan 	Registration granted and first sale Commercial <ul style="list-style-type: none"> • Product marketing activities • Sales • Prepare sales and customer service functions • Billing system completed • Identify label expansion opportunities • Product life cycle management plan agreed Manufacturing <ul style="list-style-type: none"> • First commercial production Intellectual Property <ul style="list-style-type: none"> • Intellectual property enforcement

71. As demonstrated by the above chart, each phase required the completion of certain regulatory hurdles, including rounds of field trials and submissions. According to the Registration Statement, generally,

[i]n order to commercialize a product for the U.S. agricultural market, we must complete specified toxicology studies, submit a registration dossier to the EPA demonstrating that the product does not pose unreasonable risks to human health or the environment, respond adequately to any deficiencies identified by the EPA through its risk assessment process and obtain the EPA’s approval of our labeling. The EPA must also establish a tolerance level for the product or issue a tolerance exemption. We must separately obtain any applicable state or foreign regulatory approvals.¹²

72. The Registration Statement stated that, with respect to Ledprona, it had

¹² The EPA regulates bio-based pest management products under the Federal Food, Drug and Cosmetics Act (“FFDCA”), the Food Quality Protection Act (“FQPA”) and the Federal Insecticide, Fungicide and Rodenticide Act (“FIFRA”).

“gone from discovery to Environmental Protection Agency (EPA) submission in four years,” and noted that “testing ha[d] shown that [Ledprona] [wa]s safe for honeybees, butterflies, and several other non-target insects and mammals.”

73. In 2021, Legacy Greenlight requested an Experimental Use Permit (“EUP”) for Ledprona. The EPA determined that “the permit may be of regional or national significance” and sought comments on the application. The Registration Statement similarly provided:

Based on our toxicity testing and the[] advantages of dsRNA, GreenLight has requested a tolerance exemption from the EPA for the active ingredient contained in its first dsRNA product, GS2, which seeks to control Colorado Potato Beetle in potatoes and other solanaceous crops. If granted, such an exemption would be consistent with a category IV toxicity level, the EPA’s lowest level of pesticide toxicity under FIFRA.¹³

74. The Company’s success in achieving the regulatory milestones was absolutely crucial. By way of example, during a March 7, 2023 R&D Day Series on Plant Health webcast (the “March 7 Webcast”), Zarur highlighted that GreenLight

¹³ In a September 26, 2022 S-1 Registration Statement and an October 6, 2022 424B3 Prospectus, the Company discussed its then-ongoing EPA approval process for its Varroa mite product, noting that “[i]n order to submit a registration dossier to the EPA . . . we need to complete additional studies required for the initial submission,” and that GreenLight “*may* also expand the scope of our field testing to a full Experimental Use Permit which will extend the time and resources required for field testing.”

had been “actively engaged with the EPA throughout [the] process” and “*expect[ed]* the EPA to give [GreenLight] experimental use permit for [the] Calantha,” while the Company’s VP of Marketing further confirmed that “one of the **keys to [GreenLight’s] commercial activity . . . [wa]s going to be taking advantage of the experimental use permit,**” which would “allow [GreenLight] to get onto some larger acres, and make sure [it] fully understand[s] how the product works at a larger scale.” Indeed, they stated that the EUP would be a “**blessing from the EPA,** that this, these products are safe, that they can be used in broad acreage.”

75. Management further noted that, with respect to Calantha, GreenLight had “five plus years of field trial data showing that it stack[ed] up against some of the best chemical insecticides, pretty much no matter where you put it,” and that “[i]n consultation with [the EPA], some pre-submission meetings [had] happened . . . and there was agreement to put together a kind of smaller regulatory study program than is typical for other more conventional chemistries,” which “should allow for more expedited review program or review timeline.”

76. As a result, the Company claimed that it “*expect[ed]* to commercially launch our RNAi Colorado potato beetle product in 2022 following EPA approval, assuming we are able to obtain EPA and state approvals according to our current plans.” This product was expected to be a massive contributor to GreenLight’s

revenues in 2023, 2024, and beyond, especially because this product addresses a problem that “accounts for more than \$500 million in crop loss annually[.]”

77. Through Ledprona, GreenLight was prepared to spearhead its rapid entry into a massive market. In fact, the Registration Statement highlighted leadership’s “belie[f] [that] *the addressable market for protecting crops from the Colorado potato beetle is approximately \$350 million. Assuming EPA approval in 2022, we anticipate full commercialization in 2023.*” (Emphasis added).

78. Immediately before the closing of the De-SPAC, ENVI held approximately \$207.0 million in a trust account for its public stockholders. In connection with the De-SPAC, ENVI’s public stockholders redeemed shares of public common stock for approximately \$194.9 million, and the funds remaining after such redemptions, totaling approximately \$12.1 million, became available to finance a portion of the transaction expenses for the De-SPAC.

79. Accordingly, in connection with the De-SPAC, ENVI entered into agreements with new and existing investors in Legacy GreenLight (including affiliates of Fall Line, S2G Ventures, Morningside, and MLS) to subscribe for and purchase an aggregate of approximately 12.4 million shares of Company Common Stock (the “February 2022 PIPE Financing”). The February 2022 PIPE Financing was consummated on February 2, 2022 and resulted in gross proceeds of

approximately \$124.3 million, prior to payment of the transaction costs.

80. Following the De-SPAC, the Company’s capital structure and securities ownership was as follows:

The beneficial ownership of New GreenLight Common Stock is based on 122,839,613 shares of New GreenLight Common Stock issued and outstanding as of March 15, 2022:

<u>Name of Beneficial Owner</u>	<u>Number</u>	<u>Percentage</u>
<i>Five Percent or Greater Holders</i>		
Builders Vision, LLC (1)	15,843,021	12.9%
Morningside Venture Partners (2)	13,857,931	11.3%
Kodiak Venture Partners (3)	9,809,892	8.0%
Fall Line Endurance Fund, LP (4)	8,901,814	7.2%
Cormorant Asset Management, LP (5)	6,710,540	5.5%
<i>Directors and Named Executive Officers</i>		
Matthew Walker (1)	15,843,021	12.9%
Eric O’Brien (4)	8,901,812	7.2%
Ganesh Kishore (6)	5,818,575	4.7%
Dr. Andrey Zarur (7)	3,787,853	3.1%
Carole Cobb (8)	1,408,216	1.1%
Susan E. Keefe (8)	485,310	*
Charles Cooney	305,314	*
Martha Schlicher (9)	109,218	*
Jennifer Pardi	—	—
<i>All directors and executive officers as a group (14 individuals)</i>	37,269,880	30.3%

* Indicates beneficial ownership less than 1%.

81. The Company raised an additional approximately \$108.3 million of gross proceeds from a private placement of Company Common Stock in August 2022 (the “August 2022 Private Placement”). The Company’s largest stockholders, including Fall Line, Builders Vison, LLC /S2G Ventures, Morningside Venture Partners, and Cormorant Asset Management, LP, participated in the August 2022 Private Placement.

82. By March 2023, the Company's ownership was as follows:

Name of Beneficial Owner	Number	Percentage
Five Percent or Greater Holders		
Builders Vision, LLC (1)	22,348,123	14.7%
Morningside Venture Partners (2)	16,919,153	11.2%
Fall Line Endurance Fund, LP (3)	11,452,834	7.6%
Kodiak Venture Partners (4)	9,809,898	6.5%
Cormorant Asset Management, LP (5)	9,188,659	6.1%
Directors and Named Executive Officers		
Matthew Walker (1)(6)	22,453,565	14.8%
Eric O'Brien (3)(7)	11,494,501	7.6%
Ganesh Kishore (8)(7)	5,860,242	3.9%
Dr. Andrey Zarur (9)	5,147,591	3.4%
Carole Cobb (10)	1,704,450	1.1%
Susan E. Keefe (10)	769,449	*
Charles Cooney (11)	365,514	*
Amin Khan (10)	255,146	*
Martha Schlicher (7)	41,667	*
Jennifer Pardi (7)	41,667	*
<i>All directors and executive officers as a group</i>	48,517,942	31.7%

83. On December 21, 2022, the Company entered into a lease agreement with an affiliate of Fall Line, pursuant to which GreenLight leased farmland for research and development purposes. The lease commenced on January 1, 2023, for an initial ten-year term, at an annual rental rate of \$90,000 plus operating expenses. The Company also agreed to pay \$350,000 as additional rent, payable in two installments of \$175,000 on each of January 1, 2023 and January 1, 2024.

D. The Merger Process

1. An EPA Delay Allows Fall Line, Major Investors, and Management to Opportunistically Privatize GreenLight

84. Despite management's optimism regarding Ledprona's timeline for commercial approval, the EPA did not rule on Ledprona in 2022, creating instability in the Company's operations. On November 9, 2022, the Company announced its 3Q:2022 financial results and highlighted the Company's progress:

“We continue to make progress against our key goals, which include obtaining proof-of-concept for our mRNA platform in human health and progressing late-stage plant health programs toward commercialization. **This quarter we carried out a strategic realignment to better optimize our R&D efforts and prioritize our nearer-term value drivers.** These efficiencies, combined with our August financing, will help us navigate today’s challenging market conditions,” said Andrey Zarur, CEO of GreenLight. **“In 2023, pending EPA approval, we anticipate bringing Calantha™, the first-ever foliar-applied RNA solution for crop protection, to market and submitting a regulatory application for our honeybee solution.** In addition, we are pursuing potential opportunities to enable us to initiate clinical trials for our COVID-19 vaccine candidate and continuing to work with Serum Institute of India (SII) on identifying and developing a shingles vaccine candidate.”

Financial Guidance:

The Company estimates that its **cash and equivalents of \$98.4 million as of September 30, 2022 will be sufficient to fund planned operating expenses and capital expenditures, through the second quarter of 2023.** Alongside recent measures, including a corporate realignment and portfolio prioritization, the Company continues to evaluate a range of opportunities to extend cash runway, including management of program spending, platform licensing collaborations, and potential financing activities.

85. As expected, the announcement of the delay caused GreenLight’s stock to decline to around \$1.15 per share on January 3, 2023, which represented nearly a 90% discount to its trading price less than a year earlier.¹⁴

86. Having just negotiated the ten-year farmland lease, Fall Line quickly

¹⁴ GreenLight traded as high as \$14.03 per share on March 21, 2022.

sought to take advantage of the EPA’s slow process and the Company’s depressed trading price. On February 23, 2023, O’Brien approached Zarur to communicate Fall Line’s interest in exploring a potential transaction or other strategic alternatives involving GreenLight.

87. Two weeks later, on March 8, 2023, the Board held a meeting, at which all Board members and certain members of GreenLight’s management were present, to discuss, *inter alia*, “potential funding structures for GreenLight” and to consider forming a special committee for the purpose of evaluating such potential financing structures or other potential strategic transactions.

88. Notably, during the March 7 Webcast (the day before), Zarur and management discussed the Company’s commercialization efforts, noting their “expect[ation]” (i) that the EPA would “give [GreenLight the EUP for Calantha] *shortly*,” and (ii) “to gain regulatory approval to commercialize Calantha this year,” which “would constitute the first ever sprayable RNA ever approved through a completely new synthesis process.” Zarur thereafter acknowledged “the elephant in the room [wa]s the company’s stock price” and justified the delay: “in a way, it’s not a surprise that it took a little bit longer than anybody anticipated to get this product, [b]ut what we believe is that going forward, the rest of our portfolio will be accelerated.” Zarur further noted that, assuming approval, “it would have been about

five years from the day which we first synthesized Calantha. . . less than half the time of what it takes for a new chemical to be registered.”

89. According to the Recommendation Statement, following discussion, the Board determined that Defendants Cooney and Schlicher “were each free of any relationship that, in the opinion of the Board, would interfere with their exercise of independent judgment as a member of a special committee formed for the purpose of evaluating a potential strategic transaction involving the Company, including with respect to any potential conflicts with Fall Line or Fall Line’s affiliates, **including other potential rollover participants.**”

90. **In other words, in the only two weeks between its February 23rd approach and the March 8th Board meeting – if not before – Fall Line had already had discussions with future members of the Buyer Consortium and Rollover Stockholders.**

91. On March 8, 2023, the Board designated Cooney and Schlicher as members of a newly formed special committee (the “Special Committee” or “Committee”), as allegedly independent and disinterested directors.

92. The Board empowered the Special Committee to, *inter alia*: (i) consider and evaluate all proposals that might be received by GreenLight in connection with a possible sale or other business combination transaction or series of transactions

involving all or substantially all of GreenLight’s equity or assets on a consolidated basis, through any form of transaction; (ii) participate in and direct the negotiation of the material terms and conditions of any such transaction; (iii) consider any alternatives to any such transaction, including without limitation, GreenLight continuing to operate as an independent company; (iv) terminate any negotiations, discussions or consideration of, or reject, on behalf of GreenLight, any transaction; (v) recommend to the Board the advisability of entering into a definitive agreement (and any ancillary agreements relating thereto) with respect to any such transaction, including the power to approve or disapprove of such transaction, or the advisability of pursuing any other alternative; and (vi) engage such advisors, consultants and agents as the Special Committee may deem necessary or appropriate to discharge its duties.

93. Thereafter, “[b]etween March 15, 2023 and March 30, 2023,” the Special Committee **and management** interviewed and met with potential financial advisors.

94. Meanwhile, on March 20, 2023, Mitchell (of Fall Line) again approached the Special Committee and Zarur to communicate interest in discussing a potential transaction.

95.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] 15

96. At the conclusion of this meeting, the Board resolved, *inter alia*:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

15

[REDACTED]

[REDACTED]

[REDACTED]

97. Also on March 23, 2023, the Company and Fall Line entered into a confidentiality agreement. However, according to the Recommendation Statement, **prior to the confidentiality agreement with Fall Line**, “[b]etween March 21, 2023 through early May 2023, the Company provided certain Rollover Stockholders (including S2G Builders Food & Agriculture Fund III, LP, MVIL, LLC, Cormorant Private Healthcare Fund II, LP, Cormorant Global Healthcare Master Fund, LP, Macro Continental, Inc., Furneaux Capital Holdco, LLC, and Lewis and Clark Ventures I, LP) with due diligence information and/or data room access for purposes of their evaluation of a potential investment.”

98. In other words, before the Special Committee even had its first formal meeting on March 30, 2023, the Company began sharing diligence information with

certain Major Investors and other (eventual) members of the Buyer Consortium and Rollover Stockholders.

99. On March 24, 2023, undisclosed members of GreenLight management met with Mitchell and other representatives from Fall Line to discuss and review certain business and diligence related matters regarding GreenLight.

100. On March 28, 2023, the Company announced FY:2022 financial results, and provided an update on its programs and pipeline. The press release noted that the Company had hosted comprehensive R&D showcase days on March 7 and 9, at which it had “provid[ed] numerous updates on development and regulatory process” for its plant and human health programs.

101. The next day, on March 29, 2023, an affiliate of Fall Line (Fall Line LP, referred to as “Bidder” in the Recommendation Statement) sent the Special Committee a preliminary non-binding proposal (the “Initial Proposal”) for taking the Company private at \$0.60 per share. Critically, the Initial Proposal proposed to acquire only:

the outstanding shares of Company Common Stock not beneficially owned by the Bidder or any potential co-investors in Buyer or their respective affiliates, for cash consideration of \$0.60 per Share, with the Bidder, other potential co-investors in Buyer and their respective affiliates rolling over all of their Company Common Stock into Buyer to result in the Company becoming wholly-owned by Buyer.

102. In other words, the Initial Proposal **already contemplated** the participation of the Buyer Consortium and Rollover Stockholders in the contemplated Merger. Indeed, the Initial Proposal specifically stipulated that the Initial Proposal was conditioned on certain Company stockholders agreeing to roll their existing equity into the proposed transaction set forth in the Initial Proposal. Finally, the Initial Proposal did **not** provide that any transaction would be conditioned on a majority-of-the-minority approval of stockholders (or the approval of an independent special committee).

103. On March 30, 2023, following the closing of the market, the Company publicly announced that it had received the Initial Proposal. The Company’s announcement indicated that the Initial Proposal involved “certain to be identified Company stockholders agreeing to roll their existing equity in connection with the Proposed Transaction.” Fall Line similarly amended its Schedule 13D to disclose that it had submitted the Initial Proposal. Fall Line’s Schedule 13D and attached Initial Proposal stated that Fall Line was interested only in pursuing the Merger and **did not intend to sell its stakes in the Company to any third party.**

2. Management Controls the Process and Frustrates the Special Committee’s Efforts

104. On March 30, 2023, the Special Committee met to discuss the Initial Proposal. Following discussion, the Special Committee determined to engage an

investment bank to provide only a fairness opinion, and to have conflicted management lead a charade market check process.

105. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

106. Also on March 31, 2023, the Special Committee executed an engagement letter with Roth Capital Partners, LLC (“Roth”), pursuant to which Roth was engaged to serve as a financial advisor for the purpose of providing the Special Committee with a fairness opinion in connection with a potential merger transaction.

107. Because the Special Committee left the conduct of the market check exclusively in management’s hands, the Special Committee determined “to have standing check-in calls with certain members of the Company’s senior management to discuss status of the exploration of potential financial and strategic opportunities for the Company (each a ‘Committee Standing Call’).” [REDACTED]

[REDACTED]

[REDACTED]

108. On April 3, 2023, during a Committee Standing Call, “Cooney and Schlicher and certain members of the Company’s management team discussed the current status of discussions with Fall Line, next steps in continuing the Company’s market check and the proposed offer price of \$0.60 per Share as set forth in the Initial Proposal.”

109. On April 3, 2023, the Special Committee also held a meeting with “certain [undisclosed] members of the Company’s management team and representatives of Roth [] present.” During that meeting, the Special Committee reviewed an overview of the background of the proposed transaction with Fall Line, the current status of discussions, market trends, and next steps in engaging and negotiating with Fall Line regarding the Initial Proposal while continuing to consider other potential strategic alternatives. [REDACTED]

[REDACTED]

[REDACTED]

110. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

111. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

112. According to the Recommendation Statement, on April 5, 2023, “at the Special Committee’s request, the Company’s internal legal counsel instructed members of management to avoid having conversations with Fall Line regarding compensation, continued employment, **equity matters or other related topics**, given the then-current stage of discussions with Fall Line.” [REDACTED]

[REDACTED]

[REDACTED]

113. On April 7, 2023, the Special Committee formally engaged Foley Hoag LLP (“Foley”) as external counsel to the Special Committee. [REDACTED]

[REDACTED]

115. [REDACTED]

[REDACTED]

116. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]¹⁶

117. Importantly, at this time – and in the midst of economic negotiations (“the then-current stage of discussions with Fall Line”) – Company representatives clearly determined that a control group had formed, thereby making the inclusion of a majority of the minority provision desirable. As is apparent, although economic negotiations were ongoing, the transaction was *never* conditioned on approval of a majority of the minority.

118. Also on April 7, 2023, a representative of Foley contacted a representative of [REDACTED] to convey the Special Committee’s willingness to consider any offer. On April 10, 2023, representatives of Foley and [REDACTED] discussed the possible interest of an unidentified client of [REDACTED], described by [REDACTED] as a large

¹⁶ The Special Committee was empowered and authorized to “participate in and direct the negotiation of the material terms and conditions of any such transaction,” yet as described below, it appears that the Company’s management team repeatedly disregarded the Committee’s instructions and oversight responsibility, commandeered and tainted the process and steered it towards Fall Line, thereby rendering the Special Committee ineffective.

multinational manufacturing company and referred to as “Party A”, in submitting a bid for the Company and how Party A might participate in any bidding process. Foley encouraged [REDACTED] to advise Party A to submit any bid as soon as possible.

119. On April 10, 2023, undisclosed members of the Company’s management team met with members of the Fall Line team to discuss and review ongoing business and diligence matters. Later on April 10, 2023, during a Committee Standing Call with Cooney and Schlicher, certain members of the Company’s management team, *with certain representatives of Fall Line joining the call*, provided a recap of the business and diligence matters reviewed among the Company’s and Fall Line’s business principals during such diligence session and next steps in the current deal process.

120. On April 11, 2023, during a Committee Standing Call with Drs. Cooney and Schlicher, certain members of the Company’s **management team provided updates on negotiations with Fall Line as well as updates on outreach to potential new and existing investors** and potential third parties regarding a strategic transaction.

121. On April 12, 2023, the Special Committee convened. Also present at this meeting were representatives of Foley, the Special Committee’s counsel,

representatives of Goodwin, the Company's external counsel, and the Company's internal General Counsel, Thayer.¹⁷

122. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

123. [REDACTED] the Special Committee convened again, this time with just Foley present. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

¹⁷ Thayer continues to serve as General Counsel of the now-private GreenLight.
{02120130;v1 }

124. The Special Committee thereafter [REDACTED]

[REDACTED]

125. [REDACTED]

[REDACTED]

126. [REDACTED]

[REDACTED]

127. On April 13, 2023, the Special Committee held a meeting with both Foley and Goodwin present to, *inter alia*, discuss the key terms of the draft Merger Agreement. According to the Recommendation Statement, Roth joined “and provided their view on the continued decline in the trading price of the Company

Common Stock and explained the factors Roth intended to consider when assessing the fairness of the proposed transaction from a financial point of view.” The Special Committee also discussed the inquiry from Party A.

128. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

129. On April 14, 2023, the Special Committee “and certain members of the Company’s management team discussed general status updates on outreach to potential new and existing investors and third parties regarding a strategic transaction.” [REDACTED]

130. “Later on April 14, 2023, the Special Committee held a meeting at which both Special Committee members and a representative of Foley were present, during which **the Special Committee discussed supervision of communications by the Company’s management with [REDACTED]** and the potential retention of Roth

to lead negotiations with Party A if Party A were to submit a bid.” In other words, the Special Committee again met to discuss its concerns regarding management’s control of the process (and management’s self interest in and bias toward a Fall Line-led privatization over a third-party buyout) and engagement with potential transaction parties, and considered expanding Roth’s retention to include bidder engagement to neutralize those conflicts, but then decided to do nothing.

131. [REDACTED]

[REDACTED]

[REDACTED],¹⁸ [REDACTED]

[REDACTED]

[REDACTED]¹⁹ [REDACTED]

[REDACTED]

[REDACTED]

132. On April 17, 2023, the Special Committee held a meeting with Foley, during which it “discussed communications protocols for outreach by the Company’s management team to third parties . . . as part of the market check process, certain terms of the merger agreement, including the treatment of employee equity,

¹⁸ GREENLIGHT_LK_00001189.

¹⁹ GREENLIGHT_LK_00001196-97.

the Company’s need to reduce its budget and the impact of budget reductions on the transaction process.”

133. [REDACTED]

[REDACTED]

[REDACTED]²⁰ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

134. [REDACTED]

[REDACTED]

[REDACTED]

135. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

²⁰ *Morrison v. Berry*, 191 A.3d 268, 275 (Del. 2018).

[REDACTED]

[REDACTED]

[REDACTED]

136. Despite Zarur’s obvious conflicts and the favoritism management was showing toward a Fall Line-led privatization, the Special Committee continued to allow Zarur and his team to conduct the process and negotiations and never asked Roth to step in to conduct the sales process.

3. The Convertible Note Financing and Term Sheet

137. Rather, according to the Recommendation Statement, on April 18, the Special Committee had a standing call with certain members of management to discuss, *inter alia*, “the proposed terms of the convertible note financing, general updates to the deal process, including ongoing diligence requests from Fall Line, and updates on outreach to potential new and existing investors and third parties regarding a strategic transaction.” This is the *first* reference to a convertible note in the narrative of the Recommendation Statement.

138. During this meeting, the Committee and management reviewed a draft proposed term sheet (the “Term Sheet”) contemplating a \$70 million convertible note financing, of which \$30 million would be advanced to the Company at the signing of a merger agreement and the remaining amounts to be funded at the closing

of the then-proposed sale to the Buyer Consortium. Following such discussion, Drs. Cooney and Schlicher instructed the Company’s management team to send out the proposed Term Sheet to OMM and Fall Line.

139. In other words, management was now actively facilitating a privatization in which the Company’s Major Investors would provide near-term capital in exchange for an increased equity share of the Company and other unique benefits at the expense of the Company’s minority public shareholders. As discussed below, this convertible note would become a significant part of the Merger negotiations and a “gating item” to “*formaliz[ing]*” the Rollover Stockholders.

140. [REDACTED]

[REDACTED]

[REDACTED]

21

141. On April 20, 2023, the Special Committee met with representatives of Foley (the Special Committee’s counsel), Goodwin (the Company’s counsel), Thayer (the Company’s General Counsel), and David Kennedy (formerly the Company’s General Counsel and now a “legal advisor to the Company”). The meeting began with [REDACTED]

²¹ By contrast, the Recommendation Statement represented that, as of April 21, 2023, “no parties had yet indicated interest in engaging in discussions with the Company regarding such potential investment or transaction opportunities.”

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

²²

142. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

143. [REDACTED]

[REDACTED]

[REDACTED]

²² Notably, Ms. Thayer (who remains General Counsel for now-private GreenLight) and Mr. Kennedy (the Company’s former General Counsel who retired and thereafter participated in the process alongside management as a “legal advisor”) may have likewise preferred a transaction with Fall Line.

[REDACTED]

144. With respect to the financial projections, [REDACTED]

[REDACTED]

145. The Special Committee never received the formal presentation from management regarding the topics requested. Instead, the Recommendation Statement states that, during a Committee Standing Call the next day (April 21), [REDACTED] [REDACTED] “Cooney and Schlicher and certain members of the Company’s management team discussed updates on investor outreach and outreach to third parties as part of the market check process” and “[t]he Company’s management team also provided an overview of the Company’s go-forward business plan and its then current cash position.”

146. On April 24, 2023, the full Board met – without O’Brien (who recused himself) and Pardi (who was absent).²³ During this meeting, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

147. Later on April 24, 2023, the Special Committee convened with Foley and Goodwin to discuss general transaction timing and transaction execution logistics, including a potential majority-of-the-minority closing condition for the tender offer, again revealing the Committee’s awareness that Fall Line had already reached an agreement, arrangement, or understanding with a controlling consortium of rollover shareholders and thus formed a control group.

148. [REDACTED]

[REDACTED]

²³ The Recommendation Statement indicates that “all Board members, other than [] O’Brien” were present.

[REDACTED]

[REDACTED]

149. Over the next several days, the Committee prepared for and held a meeting with Mitchell and management to discuss the Merger, including a price, and short term financing for the Company’s operations in connection with a potential transaction.

150. On April 27, 2023, the Special Committee held a meeting with Goodwin, Foley, Thayer, and Kennedy present. [REDACTED]

[REDACTED]

151. Thereafter, Roth discussed [REDACTED]

[REDACTED]

24

24

152. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

153. On April 28, 2023, members of management met with representatives of Fall Line and OMM to discuss logistics related to deal timing. Later the same day, during a Committee Standing Call with Drs. Cooney and Schlicher, certain members of the Company’s management team provided an update on discussions with Fall Line and on outreach to potential new and existing investors and general updates regarding the deal process and negotiations.

154. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

155. Also on April 28, 2024, Schlicher spoke with Mitchell, who “conveyed certain of Fall Line’s reasons for not increasing the offer price.” In that conversation, Mitchell proposed to eliminate the termination fee payable by the Company under the Merger Agreement in favor of an expense reimbursement provision that would cover Fall Line’s expenses in the event of a superior proposal.

156. [REDACTED]

[REDACTED]

[REDACTED]

4. Fall Line and the Buyer Consortium Use the Term Sheet to Lower the Offer Price

157. On April 29, 2023, the Company provided Fall Line a revised draft of the Term Sheet, that provided for, among other revisions: (i) an advance of \$15 million concurrent with the signing of the Merger Agreement, such advance to automatically convert to convertible notes at the initial financing substantially concurrently with the consummation of the Offer and to be counted towards the minimum \$60 million initial financing amount, (ii) **an employee equity incentive plan with an employee option pool representing 15% of the post-closing capitalization**, (iii) a maturity date of 18 months following the closing of the initial financing, (iv) reducing the senior liquidation preference for the Series A-1 Preferred Stock to 2X, (v) that the investors would be selected by the Company subject to Fall Line's consent and (vi) a \$50,000 expense reimbursement cap for Fall Line.

158. On April 30, 2023, the Special Committee held a meeting. According to the Recommendation Statement,

the Special Committee discussed the potential implications of [] Schlicher's recent discussions with Fall Line for the offer price, Fall Line's ability to finance its proposal, the possible retention of Roth to assist with negotiations, management's revisions to the Term Sheet and other transaction matters. The Special Committee also discussed its

supervision of both the Company management team’s negotiation of transaction terms with Fall Line and the Company management team’s solicitation of alternative proposals from third parties. A representative of Foley advised the Special Committee regarding their fiduciary duties. **The Special Committee directed the representative of Foley to ask Roth to make a proposal regarding additional financial advisory services, to convey to management the Special Committee’s comments on the Term Sheet and to discuss with management the Special Committee’s supervision of the transaction process.**

159. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

160. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

161. Moreover, and suspiciously undisclosed in the Recommendation Statement, the Committee [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

162. Nevertheless, the Special Committee continued to allow GreenLight management to negotiate with Fall Line and other investors as the parties continued to discuss and exchange drafts of the financing Term Sheet. Later on April 30, 2023, management and Fall Line again exchanged revised drafts of the Term Sheet, with Fall Line’s revised draft providing for, among other revisions, (i) a reduction of the employee option pool to represent 10% of the post-closing capitalization, instead of 15%, and (ii) removal of any cap on the expense reimbursement requirement.

163. On May 1, 2023, during a Special Committee meeting, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] At the conclusion of the meeting, the Committee approved management’s proposed revised draft of the convertible note term sheet.

164. During a second meeting on May 1, 2023, [REDACTED]

[REDACTED]

165. No doubt recognizing [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

166. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

167. The next day, on May 2, 2023, Mitchell of Fall Line contacted the Special Committee to notify them of a reduced offer price of \$0.40 per share, and to provide a revised Term Sheet. With respect to the Term Sheet, the revised draft provided for, *inter alia*, a requirement – **which ultimately was agreed to and went into effect – that the Company repay a multiple of 3X of the principal amounts outstanding under the notes under certain circumstances**, and removal of any cap on the expense reimbursement requirement. [REDACTED]

[REDACTED]

[REDACTED]

168. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

169. During the Committee's meeting later on May 2, 2023, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

170. Later on May 2, 2023, Schlicher and Mitchell had a conversation during which Mitchell indicated that Fall Line would not increase the offer price above \$0.40 per Share. **Fall Line and the Company executed the “more attractive” financing Term Sheet that included the 3x multiplier later the same day.** Mitchell executed the Term Sheet on behalf of Fall Line and Zarur executed on behalf of GreenLight.

171. With the Buyer Consortium’s post-buyout financing now nearly secured, management pivoted to *formalizing* the previously discussed rollover commitments from other of the Company’s largest stockholders.

172. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] 25 [REDACTED]

[REDACTED]

[REDACTED]

25 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

173. On May 4, 2023, the Special Committee convened [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

174. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

175. Thereafter, various members of the Company’s management, including Ms. Thayer, Mr. Kennedy, Ms. Kimberly Warren, Chief Business Officer of the Company, and Zarur [REDACTED]

[REDACTED]

[REDACTED]

176. Zarur then updated the Committee on the status of Fall Line’s fundraising efforts. Specifically, [REDACTED]

[REDACTED]

177. Immediately following this meeting, the Committee met again with just Foley “to obtain legal advice.” [REDACTED]

[REDACTED]

178. Despite Party A’s continued interest in a transaction, the Committee determined to accept Fall Line’s offer. The Committee then discussed [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. The Company Conceals a Milestone EPA Ruling

179. Importantly, also on May 4, 2023, the EPA approved the Company’s experimental use permit concerning Ledprona (the “EPA Ruling”):

This regulation establishes a temporary exemption from the requirement of a tolerance for residues of Ledprona (CAS# 2433753–68–3) in or on potatoes when used in accordance with the terms of Experimental Use Permit (EUP) No. 94614–EUP–1. GreenLight Bioscience, Inc. submitted a petition to EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA) for a temporary exemption from the requirement of a tolerance for residues of Ledprona on all raw agricultural products and food products. After reviewing the petition and supporting data, the Agency has limited the temporary tolerance exemption to residues of Ledprona on potatoes only. This regulation eliminates the need to establish a maximum permissible level for residues of Ledprona in or on potatoes. This temporary tolerance exemption expires on April 30, 2025.

180. The EPA Ruling explicitly made several positive findings with respect to Ledprona:

In summary, dietary risk from the use of Ledprona is considered negligible because dietary exposure to residues of Ledprona in or on

food or feed is expected to be negligible and no adverse effects were observed in toxicity testing. A full summary of the data upon which EPA relied and its risk assessments based on that data can be found within the document entitled, “Human health and product characterization for the Experimental Use Permit application for Calantha™, containing 0.8% of the new active ingredient ‘Ledprona’ dsRNA for use on potatoes and associated petition to establish a temporary tolerance exemption” (Human Health Risk Assessment).

* * *

Available data have demonstrated that, with regard to humans, Ledprona presents no adverse effects of concern and exposure to the active ingredient will be insignificant. Ledprona consists of double-stranded ribonucleic acid (dsRNA) that induces mortality of the Colorado potato beetle (*Leptinotarsa decemlineata*) via a gene silencing mode of action. When dsRNA is applied, it causes the inhibition (or silencing) of the gene product, messenger RNA (mRNA), preventing the translation of the mRNA to proteins. Ledprona dsRNA targets the Proteasome subunit beta type-5 (PSMB5) mRNA sequence in the Colorado potato beetle. PSMB5 mRNA encodes a protein that regulates proper folding of other proteins in the Colorado potato beetle. Once Ledprona is ingested by the Colorado potato beetle, over time the lack of PSMB5 mRNA leads to the reduction of the PSMB5 protein and ultimately causes mortality.

Dietary exposure to Ledprona through residues of the active ingredient in or on food or feed as well as in drinking water is expected to be negligible. As detailed in the Human Health Risk Assessment, dietary exposure to Ledprona is anticipated to be limited for the following reasons: (1) The EUP is limited to foliar application on potatoes. Underground tubers would not be directly exposed to Ledprona, so consumption of residues on potatoes is expected to be limited; (2) Once applied, Ledprona is expected to undergo rapid degradation due to microbial activity; (3) Submitted data show that Ledprona rapidly degrades in the mammalian gut; and (4) Mammals possess physiological barriers (i.e., nucleases in saliva and gastrointestinal tract, acidic conditions in the stomach, presence of multiple membrane barriers) that prevent uptake of dsRNA. Ledprona is expected to degrade within 20–25 hours after application at the EUP label rates in

microbially rich environments (e.g., soil) Further, Ledprona rapidly degrades in simulated gastric fluids (within 10 minutes in simulated intestinal fluid and within 20 minutes in simulated gastric fluid) and degrades at similar rates as RNA extracted from plants. This information allows EPA to rely on a well-established history of exposure to RNA molecules via food. These data indicate that dietary exposure from the use of this active ingredient is considered negligible.

* * *

Based upon its evaluation, EPA concludes that there is reasonable certainty that no harm will result to the U.S. population, including infants and children, from aggregate exposure to residues of Ledprona in or on potatoes. This includes all anticipated dietary exposures for which there is reliable information. The Agency has arrived at this conclusion based on the rapid degradation of the active ingredient in environmental and biological conditions, mammalian physiological barriers limiting the uptake of dsRNA, and the lack of effects observed in toxicity testing.

181. The experimental use permit allowed the Company to test Ledprona in 10 states: “this EUP was issued to allow GreenLight BioSciences to develop methods to better optimize the performance of Ledprona in the field to support a future regulatory action for the product.” The EUP was a “blessing from the EPA” and validation that “these products are safe [and] . . . c[ould] be used in broad acreage.” “[T]aking advantage of th[is EUP]” was “one of the keys to [GreenLight’s] commercial activity” concerning Ledprona and Calantha. *See* March 7 Webcast.

182. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

183. The Company, the Conflicted Board members, management, and the Buyer Consortium concealed the EPA Ruling from public stockholders. **Greenlight never disclosed it in any press release, Form 8-K, or even the Recommendation Statement**, thus suppressing the trading price of its common stock at a critical time in the process and preventing stockholders from making a fully-informed decision with respect to the Offer.

184. [REDACTED]

²⁶ GREENLIGHT_LK_00016840 (emphasis in original).
{02120130;v1 }

[REDACTED]

185. [REDACTED]

[REDACTED]

186. Also on May 4, 2023, Party B, a life science company, executed a confidentiality agreement with GreenLight.

187. Apparently unaware of the EPA Ruling, on May 5, 2023, Schlicher conveyed the Special Committee’s decision to accept the offer price of \$0.40 per share to Mitchell of Fall Line.

188. Over the next several days, the parties negotiated the terms of the Merger Agreement, including the treatment of the Company’s equity awards.

189. [REDACTED]

[REDACTED]

[REDACTED] ²⁷

190. [REDACTED]

[REDACTED]

[REDACTED]

191. The discussion then turned to [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

²⁷ GREENLIGHT_LK_00016839 (emphasis added).

192. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

193. On May 11, 2023, the Special Committee met and received an update from management on the negotiation of key transaction documents, including the status of participation in the proposed rollover of shares, and the status of revisions to the management projections. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

194. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

195. [REDACTED]

[REDACTED]

196. Plainly, the Company’s leadership – including the Special Committee – were aware of the formation of the Buyer Consortium, the fact that it had enough shares to act as a controller, and the fact that *MFW* protections should have been implemented, but were not; and the Special Committee lacked control over the process and was allowing management and Fall Line to negotiate for their respective unique benefits while assembling the Buyer Consortium without any *MFW* protections for minority shareholders. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

197. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] 28 [REDACTED]

[REDACTED]

[REDACTED] 29 [REDACTED]

[REDACTED]

[REDACTED]

198. Also on May 13, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

28 GREENLIGHT_LK_00003024.

29 GREENLIGHT_LK_00003024.

199. Meanwhile, between May 13 and May 29, 2023, representatives of Goodwin and representatives of OMM (Fall Line's outside legal counsel) traded multiple revised drafts of the financing-related documentation, including the form of Advance Note, Note Purchase Agreements and form of note thereunder, and forms of Certificate of Incorporation of the Surviving Corporation, Investor Rights Agreement, Right of First Refusal and Co-Sale Agreement, Voting Agreement (which indicated that Zarur was to continue as the CEO and a director of the post-close Company), Subordination Agreements and Security Agreements. In other words, Zarur's continued employment as CEO was negotiated alongside the Tender Offer Agreement and other transaction documents.

200. On May 15, 2023, [REDACTED], on behalf of Party A, formally informed Zarur that Party A did not intend to move forward with a transaction.

201. On May 16, 2023, during a Standing Call (for which, again, no contemporaneous minutes or management materials were provided in the 220 Production), the management team presented the revised Company projections and a review of the assumptions and various financial scenarios, and the Committee thereafter approved the Management Projections disclosed in the Recommendation

Statement.³⁰ Later in the day on May 16, 2023, the Special Committee held another meeting with certain members of the Company’s management team – again for which no contemporaneous minutes or management materials exist – to discuss updates regarding rollover investors and the transaction.

202. According to the Recommendation Statement, also on May 16, 2023, Fall Line and the Company agreed on a version of the financing Term Sheet, which was then shared in the data room available to Rollover Stockholders. This “simplified” version of the Term Sheet merely “strip[ped] out some of the merger agreement/ rollover mechanics.” As noted above, [REDACTED]

[REDACTED]

203. [REDACTED]

[REDACTED]

[REDACTED]³¹ [REDACTED]

[REDACTED]

[REDACTED]

³⁰ [REDACTED]

³¹ GREENLIGHT_LK_00017271.

204. It [REDACTED]

[REDACTED] 32.

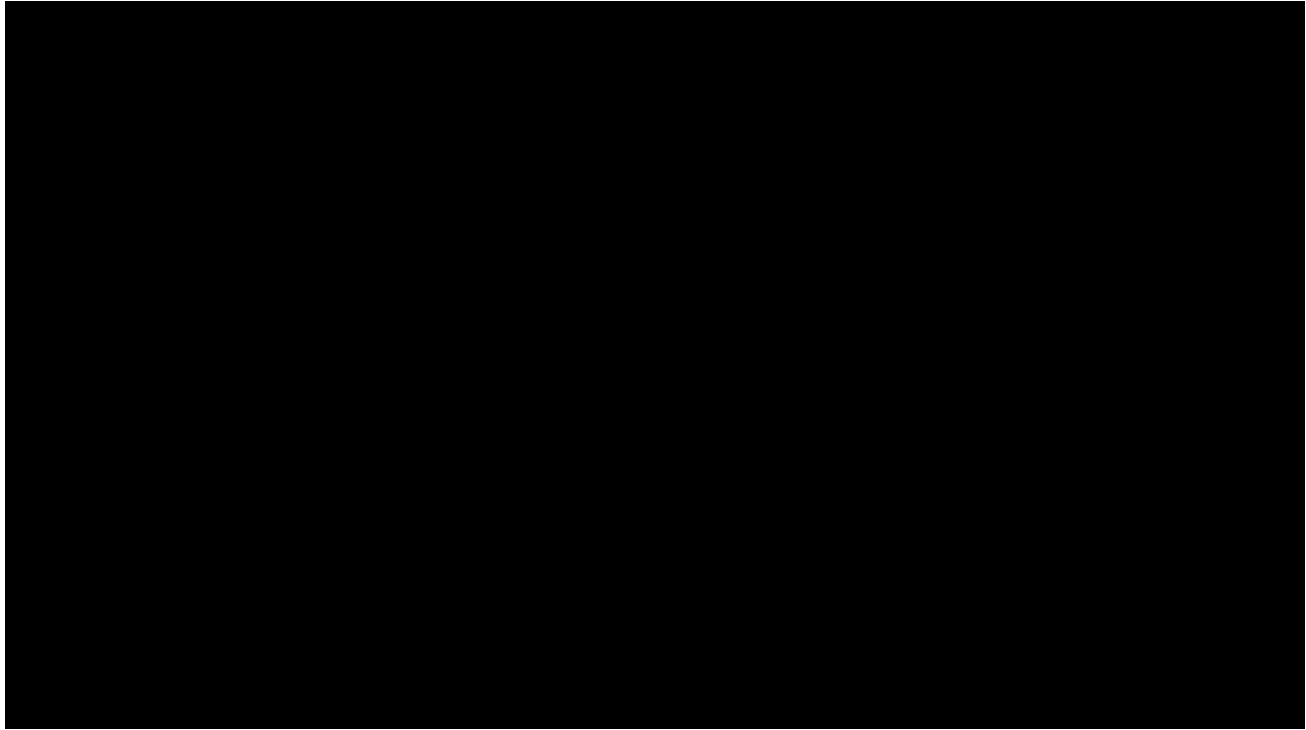
[REDACTED]

205. The [REDACTED]

[REDACTED]

³² GREENLIGHT_LK_17272.

{02120130;v1 }



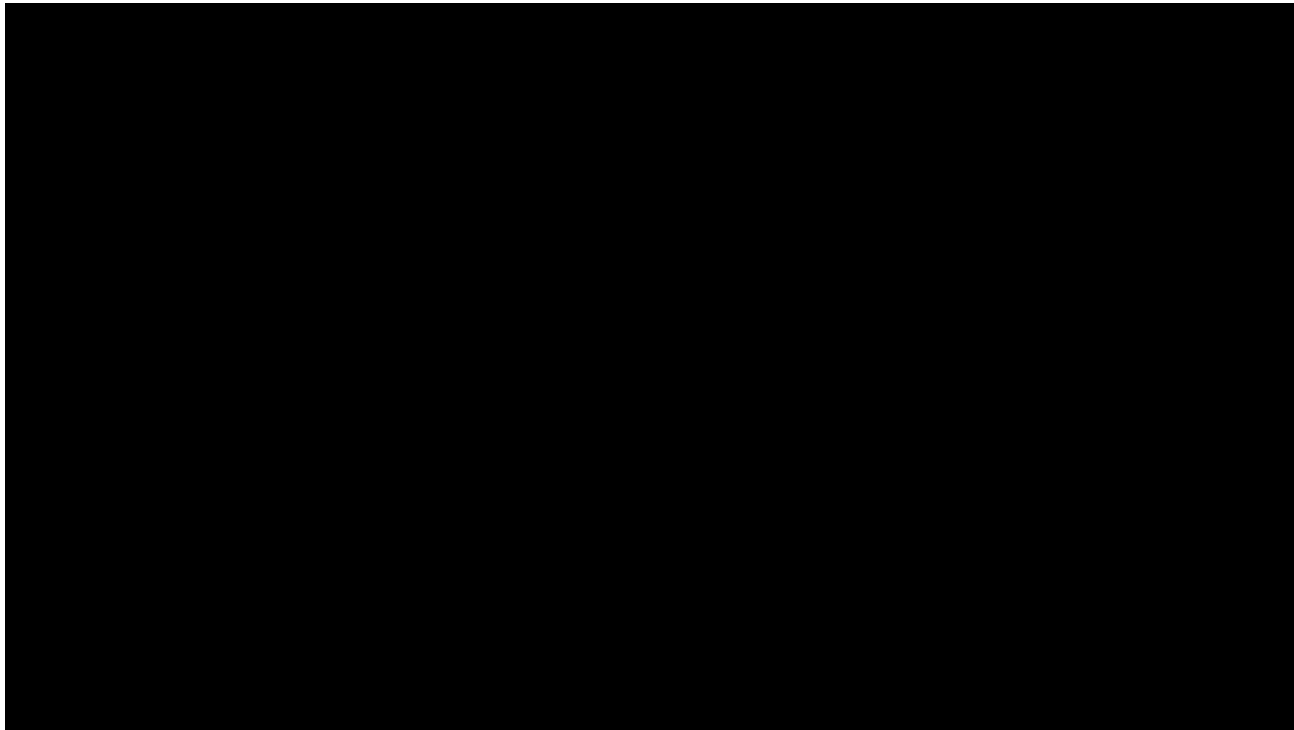
206. The [redacted]

[redacted]

[redacted]



207. The



208. As [REDACTED]

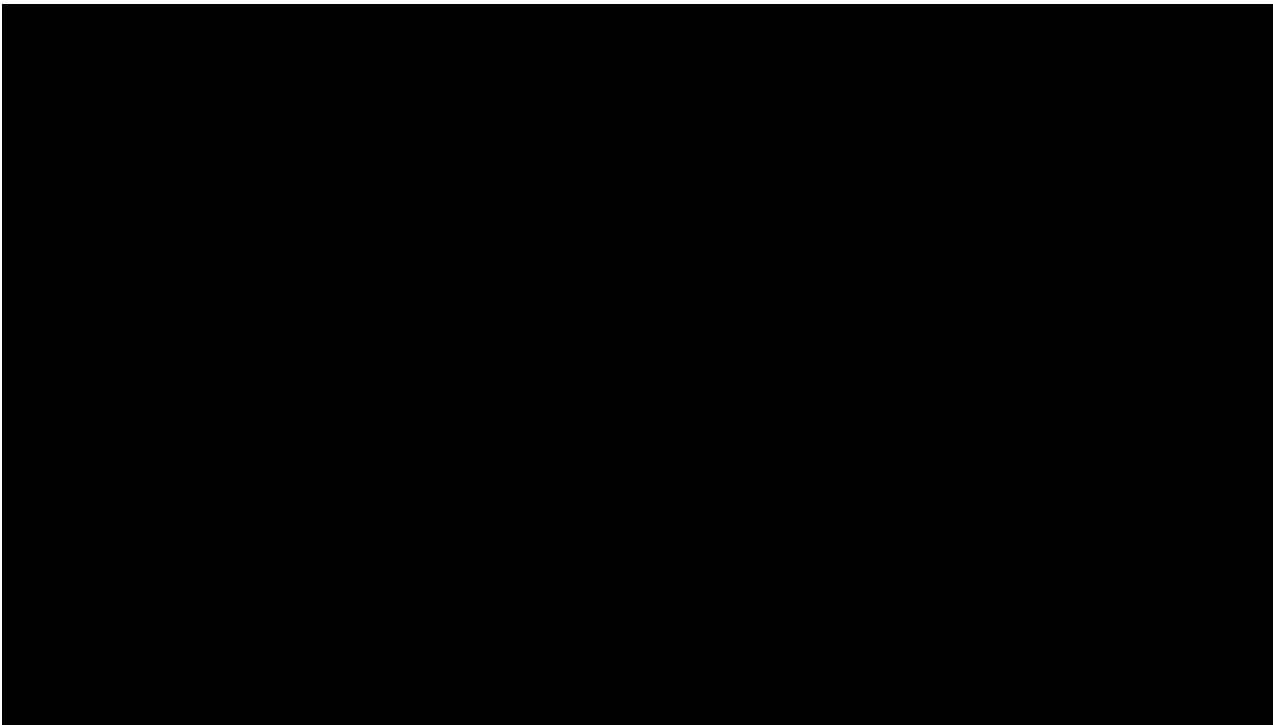
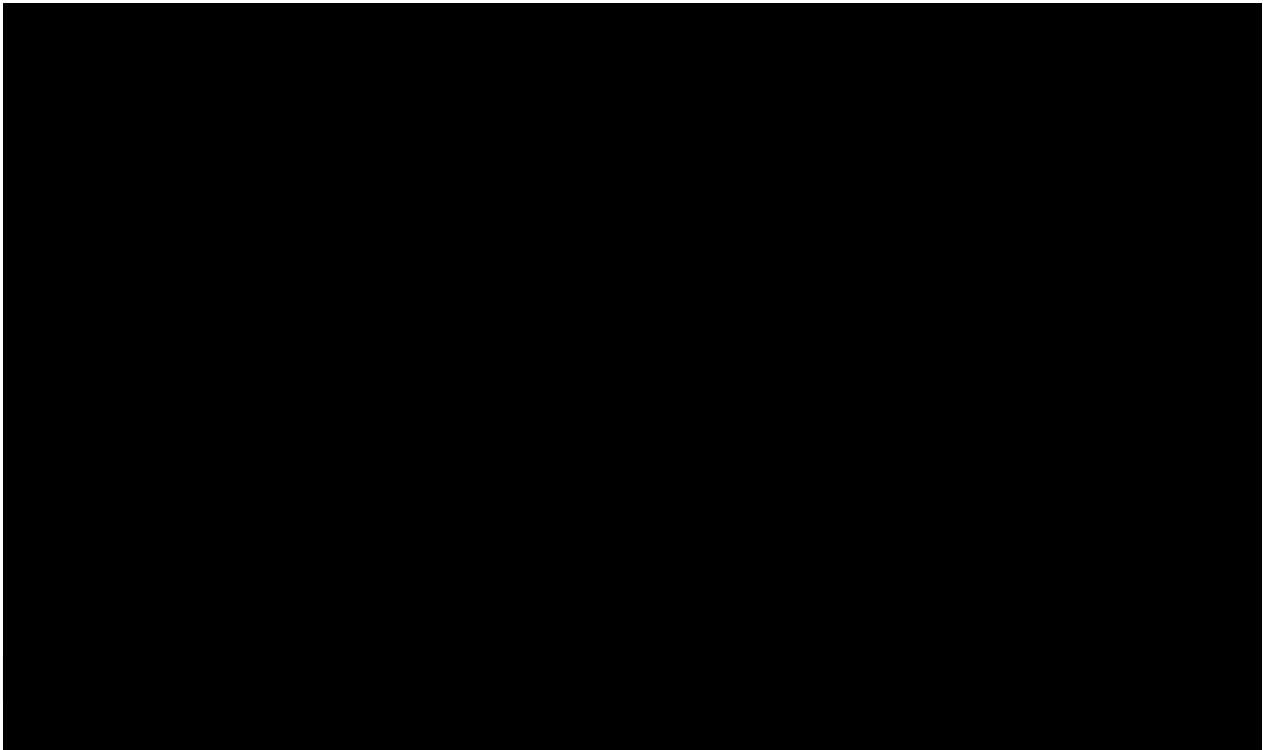
[REDACTED]

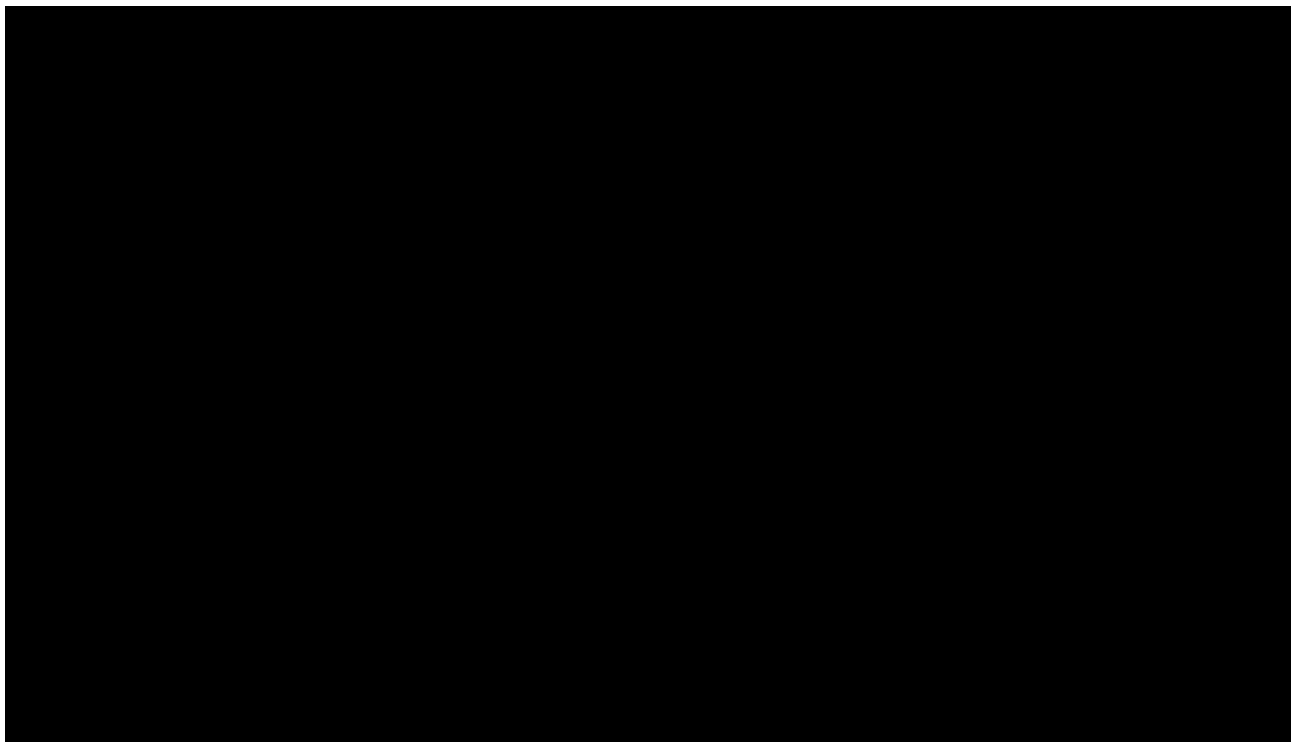
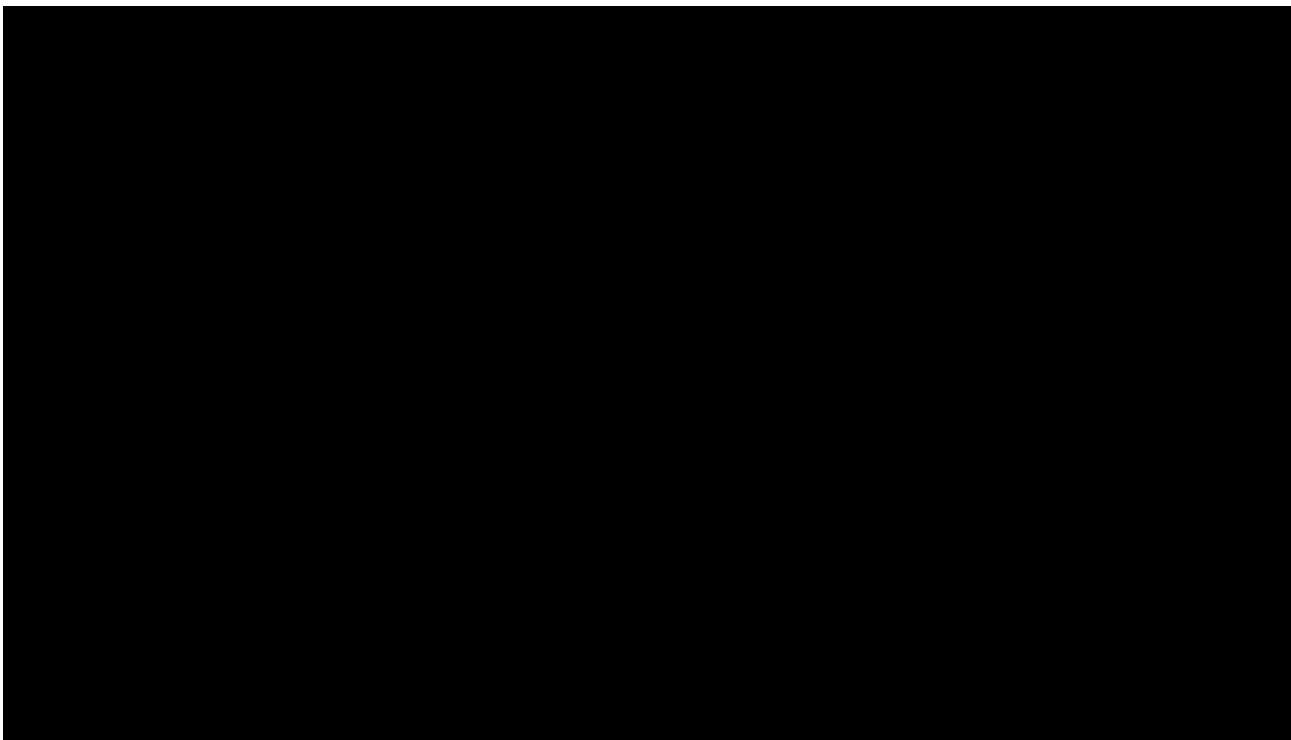
[REDACTED]

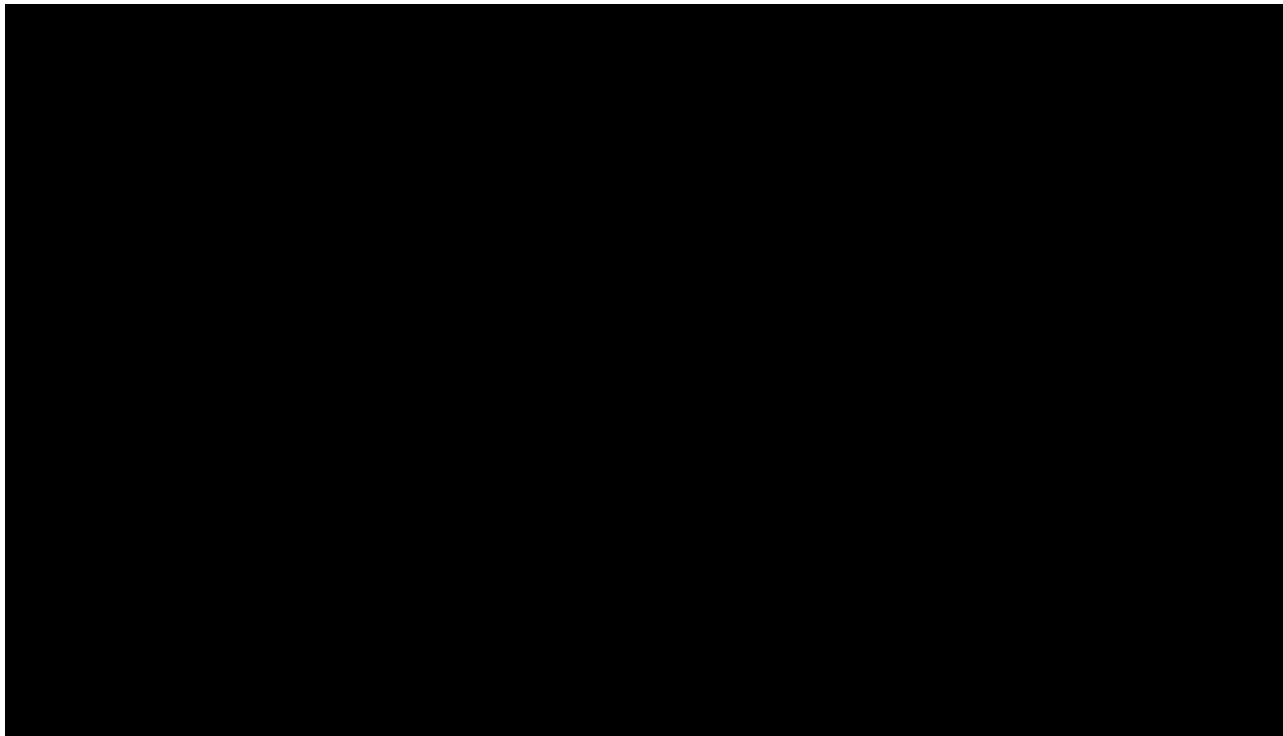
[REDACTED]

209. [REDACTED]

[REDACTED]

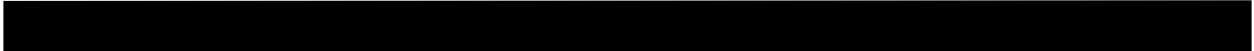






6. The Buyer Consortium Exercises Control and Lowers Their Offer Again

210. On May 17, 2023, Morningside (11.2 % shareholder) committed to “invest \$10 million in the financing.” [REDACTED]



211. [REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

212. No doubt recognizing their full control position, also on May 17, 2023, Mitchell of Fall Line communicated to the Special Committee that the Buyer Consortium **was reducing its offer – again – to \$0.30 per share**. This price reduction was imposed despite the extremely positive development of the EPA Ruling, again raising the inference that the Special Committee was never informed of it. Also notably, the Buyer Consortium’s new offer **still failed to condition the Transaction upon majority-of-the-minority approval**.

213. This price reduction was imposed just two days after Party A – the only remaining alternative bidder and, thus, the only leverage the Special Committee had – dropped out, and one day after the parties approved the Term Sheet and the Special Committee approved the Management Projections to be used for a fairness opinion. Considering (i) management’s then-active recruitment of rollover stockholders, (ii) the Special Committee’s repeated concerns regarding management’s communications with Fall Line, (iii) the risks that management would seek to dissuade bidders other than Fall Line from pursuing a transaction, and (iv) that this same management team had just been offered unique financial benefits to “motivate

management,” including Zarur’s continued employment as CEO, the Buyer Consortium’s reduced offer reeks of unfairness.

214. [REDACTED]

[REDACTED]

215. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

216. Later on May 18, without even proposing a counter, the Special Committee decided to accept Fall Line’s proposal to acquire GreenLight for just \$0.30 per share. During the Special Committee meeting on this day, the Committee discussed [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

217. Immediately following this meeting with management, the Committee met with just its counsel to further discuss the price reduction. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

218. On May 19, 2023, certain members of the Company’s management team and representatives of Party B held a call to discuss certain diligence items. Following this discussion with management, representatives from Party B informed the Company that it did not believe Party B’s existing business unit and the Company’s human health business would be a good fit. It may be reasonably inferred that Zarur and/or other members of the conflicted management team actively dissuaded Party B from pursuing a bid for the Company.

219. Over the next several days, management finalized transaction documents and related financing with the various rollover stockholders, securing signatures to Rollover Agreements to be held in escrow pending execution of the Merger Agreement.

220. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] 33

221. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] 34 [REDACTED] e

33 GREENLIGHT_LK_00008753, GREENLIGHT_LK_00008844

34 GREENLIGHT_LK_00008926.

[REDACTED]

[REDACTED]

222. On May 23, 2023, representatives of Party B formally notified the Company that they were no longer interested in continuing discussions with the Company regarding a potential strategic transaction.

223. On May 24, 2023, Roth, with certain members of the Company's management team present, provided the Committee a high-level overview of Roth's valuation and fairness analyses and methods, and the inputs and assumptions used in such analyses. Again, no contemporaneous minutes or materials for this meeting were provided in the 220 Production.

224. [REDACTED]

[REDACTED] 35

[REDACTED]

[REDACTED]

[REDACTED]

225. On May 25, 2023, the Special Committee held a meeting during which

[REDACTED]

226. [REDACTED]

[REDACTED] 36

[REDACTED]

³⁶ GREENLIGHT_LK_00020971.

[REDACTED]

[REDACTED]

227. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

228. The final transaction documents included an Investor Rights Agreement by and between GreenLight Biosciences Parent, PBC, and “each of the investors listed on [an attached] Schedule A” (each an “Investor”), which agreement governed the rights of the Investors participating in the Secured Convertible Note Purchase Agreement concurrently with the Merger.³⁷ The Investor Rights Agreement defined “Major Investor” as

(a) any Investor that, individually or together with such Investor’s Affiliates, holds at least 5,000,000 shares of Registrable Securities (as

³⁷ GREENLIGHT LK_00021502.

adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof), (b) Fall Line, so long as it continues to own beneficially at least 2,500,000 shares of Registrable Securities, (c) Morningside, so long as it continues to own beneficially at least 2,500,000 shares of Registrable Securities, (d) Continental, so long as it continues to own beneficially at least 2,500,000 shares of Registrable Securities, and (e) S2G, so long as it continues to own beneficially at least 2,500,000 shares of Registrable Securities.

229. The Investor Rights Agreement provided that each “Major Investor” would be entitled to receive certain financial statements and information on the Company’s financial conditions, certain inspection rights, and rights with respect to future offerings. The Investor Rights Agreement further provided, *inter alia*, that (i) Fall Line, Morningside, Continental, and S2G would each be omitted from the definition of “Competitor” for the purposes of the rights and duties outlined therein, and (ii) BlueIO and Continental would have certain board observer rights.

230. [REDACTED]

231. Through the Term Sheet and related transaction documents, Fall Line, Zarur, and the Buyer Consortium extracted unique financial benefits and post-Merger governance rights. What is more, in connection with the Term Sheet, the

Company also agreed to reimburse Fall Line for its legal and other expenses, which upon information and belief exceeded \$150,000.

232. [REDACTED]

[REDACTED]

233. On May, 29, 2023, the Special Committee met to receive Roth's presentation and a presentation from Goodwin (the Company's counsel), and to vote on the transaction. Roth reviewed the projections to be used in its analyses, and confirmed [REDACTED]

[REDACTED]

234. [REDACTED]

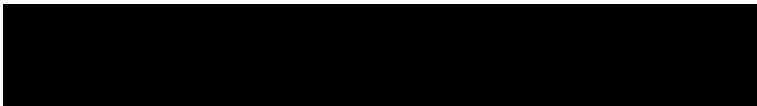
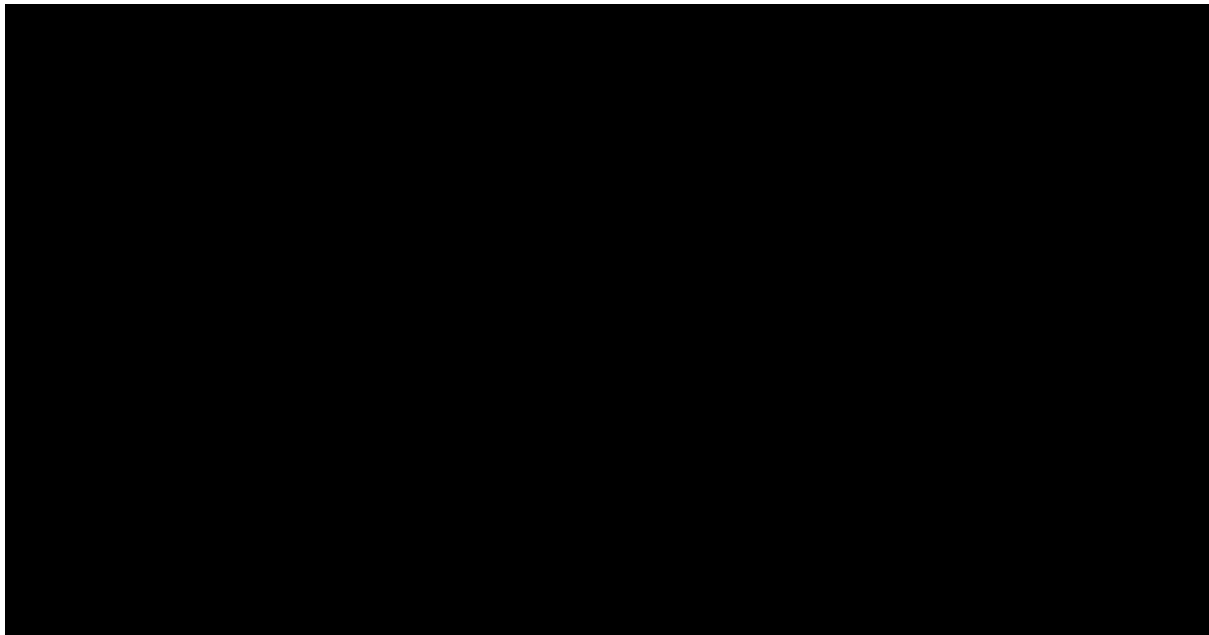
[REDACTED]

[REDACTED]

235. In other words, the Buyer Consortium included **Fall Line (represented on the Board by O'Brien), S2G Ventures (represented on the Board by Walker), Morningside (MVIL LLC), Cormorant Global Healthcare Fund, LP and Cormorant Private Healthcare Fund, LP, and represented 42.9% of the Company's common stock.** [REDACTED]

[REDACTED]

236. [REDACTED]



237. [Redacted]



[Redacted] in



238. Immediately after the Committee meeting, the Board convened.



[REDACTED]

239. The Board's resolutions [REDACTED]

[REDACTED]

[REDACTED]

240. Prior to the market open on May 30, 2023, the Company and Fall Line issued a joint press release announcing the execution of the Merger Agreement.

7. The Go-Shop

241. On June 2, 2023, the Special Committee convened to discuss the ongoing go-shop period. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

242. With respect to the outreach, the Special Committee again considered retaining Roth to assist with additional outreach, but again declined to do so, even though management was invested in the Proposed Transaction with Fall Line and thus could not be expected to vet competing offers impartially.

243. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

244. The Committee convened again on June 5, 2023, to consider [REDACTED]

[REDACTED]

[REDACTED]

245. [REDACTED]

[REDACTED]

246. Then, on July 7, 2023, the Committee convened to [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

247. Despite the Merger Consideration now falling **at the absolute bottom of the fairness range** for the implied equity value of the Company, the Special Committee concluded that it was not necessary to alter its previous recommendations to the Board, and instead reaffirmed its recommendation. The Board thereafter reaffirmed its recommendation in favor of the Merger.

E. The Materially Misleading SEC Disclosures

248. The May 29, 2023 Board resolutions approving the Merger Agreement and transactions contemplated thereby resolved and authorized:

That the Chief Executive Officer, Chief Financial Officer, General Counsel and any Executive or Senior Vice President (collectively, the “Authorized Officers”) be, and each of them acting singly hereby is, authorized, empowered and directed to execute and deliver, in the name and on behalf of the Company, such other agreements, instruments and documents (collectively, the “Transaction Documents”) that any such Authorized Officer deems necessary or advisable to effectuate the Merger and the other transactions contemplated by the Merger Agreement, the Contribution and Exchange Agreement, the Advance Note and the Subordination Agreement

That the Authorized Officers be, and each of them acting singly hereby is, authorized, empowered and directed to take any action to prepare or cause to be prepared and to file or cause to be filed with the U.S. Securities and Exchange Commission (the “SEC”) and to cooperate with Parent in the preparation, execution and filing of, any and all documents, applications, statements, reports, registrations, schedules, documents, information or filings and other papers and instruments (and any amendments or supplements thereto) that may be required from time to time by applicable Law or regulation or by applicable authorities in connection with the Merger or the transactions contemplated by the Merger Agreement or related or incidental thereto or the Note Purchase Agreement or any transactions contemplated thereby, including the issuance of the Notes and issuance of Common Stock upon conversion of the Notes, in each case, including, without limitation, the Solicitation/Recommendation Statement on Schedule 14D-9 (the “Schedule 14D-9”) and Rule 13E-3 Transaction Statement on Schedule 13E-3 (the “Schedule 13E-3”) and a Current Report on Form 8-K to report the execution of the Merger Agreement by the Company and any and all additional documents and information required to be filed therewith, as shall be deemed necessary or advisable under the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder, the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations of the SEC promulgated thereunder, and any appropriate self-regulatory commissions or state securities commissions.

That the Authorized Officers be, and each of them acting singly hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to mail or cause to be mailed or otherwise furnished to the Company Stockholders all documents as shall be necessary or advisable in connection with the Merger or the Contribution and Exchange Agreement or the Advance Note or the Subordination Agreement or the Note Purchase Agreement or any transactions contemplated thereby, including the issuance of the Notes and the Advance Notes and issuance of Common Stock upon conversion of the Notes and the Advance Notes, including, without limitation, a Schedule 14D-9 and Schedule 13E-3, and any supplements or amendments

thereto, each of which shall contain, unless withdrawn, modified or amended by the Board or a duly authorized committee thereof, the Company Recommendation.

249. In other words, Zarur, Keefe, and Thayer, explicitly, were tasked with the preparation of the Recommendation Statement and solicitation materials to shareholders.

250. On June 21, 2023, GreenLight filed a Form SC 13E3 with the SEC (the “Transaction Statement” and together with the Offer to Purchase and Recommendation Statement, the “Transaction Disclosures”) that attached the Offer to Purchase as an exhibit.

251. On June 21, 2023, GreenLight also filed a Form SC14D9 unamended Recommendation Statement with the SEC that was signed by Thayer in her officer capacity. This filing incorporated the Offer to Purchase by reference. The Recommendation Statement disclosed that “at the request of the Special Committee, the Company’s management prepared, in May 2023, internal financial forecasts for fiscal years 2023 through 2028 (the “[Conservative] Projections”) for use in connection with the Special Committee’s evaluation of potential alternatives for the Company, including the discussions and negotiations with Fall Line.” This filing disclosed that Roth used the Conservative Projections for its fairness opinion.

252. The Conservative Projections were as follows:

<i>(Thousands USD)</i>	Pro forma 2023*	2024	2025	2026	2027	2028
<i>Revenue:</i>						
<i>Plant Health - Product Revenue</i>	\$ —	\$ 10,820	\$ 53,792	\$ 115,715	\$ 142,111	\$ 228,988
<i>Human Health - License Revenue</i>	3,750	375	563	1,125	—	2
Total Revenue	3,750	11,195	54,355	116,840	142,111	228,990
Total COGS	—	2,381	11,133	26,014	37,141	70,708
Total GreenLight Gross Profit	3,750	8,814	43,222	90,826	104,970	158,282
<i>R&D Expenses</i>						
<i>Plant Health R&D</i>	33,296	34,774	35,851	36,961	38,107	39,288
<i>Human Health R&D</i>	7,617	—	—	—	—	—
Total R&D Expense	40,913	34,774	35,851	36,961	38,107	39,288
Total SG&A	23,479	19,407	20,027	20,667	21,328	22,011
Total Operating Expenses	64,393	54,181	55,877	57,628	59,435	61,300
<i>Other, net</i>	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Net Income / (Loss)	<u>\$(63,143)</u>	<u>\$(47,868)</u>	<u>\$(15,156)</u>	<u>\$ 30,698</u>	<u>\$ 43,035</u>	<u>\$ 94,482</u>

253. The Recommendation Statement also disclosed that Walker and Kishore extracted unique benefits from the Transaction: “Matthew Walker . . . and a fund over which Ganesh Kishore has the power to vote or direct the voting of shares held by such fund, who are Rollover Investors (as defined herein) entered into a Contribution and Exchange Agreement with Parent that were executed concurrently with the Merger Agreement. Pursuant to the Contribution and Exchange Agreements, the executive officers and directors agreed to contribute their shares of Company Common Stock to Parent, in exchange for shares of Series A-2 Preferred Stock of Parent.”

254. [REDACTED]

[REDACTED]

[REDACTED]

255. The Offer to Purchase purported to – but did not – condition the Merger on the approval by a majority of the non-Rollover Investors:

Purchaser is not required to (and Parent shall not be required to cause Purchaser to) accept for payment or . . . pay for any Shares pursuant to the Offer if any of the following conditions, among others, exist or have occurred and are continuing at the scheduled Expiration Date:

(a) the number of Shares validly tendered (and not properly withdrawn) prior to the expiration of the Offer (but excluding shares tendered pursuant to guaranteed delivery procedures that have not yet been “received” by the “depository,” as such terms are defined in Section 251(h)(6) of the DGCL) do not represent at least (x) a majority of the outstanding Shares, not otherwise owned by Purchaser, its “affiliates” (as defined in Section 251(h)(6) of the DGCL) or the Rollover Investors (as defined below), and (y) that number of the Shares outstanding immediately following the consummation of the Offer that, together with the Shares owned by Purchaser, its “affiliates” (as defined in Section 251(h)(6) of the DGCL) and the Rollover Investors, equals at least such percentage of the Shares, and of each class or series thereof, that would be required to adopt the Merger Agreement under the DGCL and the Company Organizational Documents (such conditions, the “Minimum Condition”).

256. In reality, stockholders’ tender offer decision was irrelevant to whether the Merger would occur because the Rollover Investors owned more than 70% of GreenLight’s voting stock:

*If, following the completion of the Offer, the Shares accepted for payment pursuant to the Offer **together with the Shares otherwise owned by us or our affiliates, or owned by the Rollover Investors, equal at least a majority of the then-outstanding Shares** and the other conditions of the Merger are satisfied or waived . . . ***we will be able to consummate the Merger*** [.]*

257. Given that Transaction Control Group and Rollover Investors controlled 78% of the voting stock, the tender offer was a kabuki formality. Indeed, while the Offer to Purchase defined a majority tender as a “Minimum Condition,” it then stated that the Minimum Condition was *waivable*.

F. The Closing of the Merger

258. Fall Line commenced the Offer on June 21, 2023, and the Offer expired on July 19, 2023. In connection with the Offer, a total of 18,736,159 shares of Company common stock were validly tendered and not validly withdrawn, representing approximately 60.2% of the outstanding shares of common stock other than Rollover Shares.

259. The Merger was completed on July 24, 2023. A press release from this day announced that “[t]he combined company will operate as GreenLight Biosciences and continue to be led by Andrey J. Zarur, Ph.D., the Company’s CEO and President prior to the Merger, and certain other members of the GreenLight management team.”

G. Events Following the Merger and Privatization

260. In or around October 2023, the EPA opened the public comment period, the next step in its proposal to register pesticide products containing Ledprona for three years.

261. On December 21, 2023, the EPA published its Registration Decision for the New Active Ingredient Ledprona (the “EPA Registration Decision”), which announced that:

the U.S. Environmental Protection Agency (EPA) completed its evaluation of the new foliar applied insecticide active ingredient Ledprona (*Leptinotarsa decemlineata*-specific recombinant double-stranded interfering Oligonucleotide GS2) in GS2 Formulation (hereafter referred to by the brand name: Calantha) and GS2 Technical (hereafter referred to by the brand name: Ledprona Technical) and concluded that it meets the regulatory and safety standards under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), the Federal Food, Drug, and Cosmetic Act (FFDCA), and the Endangered Species Act (ESA).

* * *

After reviewing the submitted and publicly available data and information for Ledprona, EPA concludes that there is a reasonable certainty of no harm from residues of this new active ingredient and that its use will not cause unreasonable adverse effects to human health or the environment.

262. On January 4, 2024, now-private GreenLight Biosciences announced that it had “been granted registration by the [EPA] and several states for its groundbreaking Calantha™ product, designed to target and control the highly destructive Colorado potato beetle.” The press release described the Company’s long-awaited milestone as “[a]n industry first” and “an historic stride forward in diversifying options for farmers and reducing reliance on conventional chemical

pesticides, which can harm both the environment and human health,” and further added that “the company ha[d] now successfully sold and shipped its first order.”

263. Zarur commented:

“The registration of Calantha marks not just a milestone for our company, but a quantum leap for farmers, our food system and security, and people. This is a new day for farmers seeking to balance pest management with biodiversity protection and environmental health. Calantha embodies the promise of such a future, along with the dozens of other innovations in our product pipeline. We are thrilled to witness the impending impact of this commercial chapter of our company in creating a more sustainable future.”

264. GreenLight’s press release also observed that “Calantha offers growers an additional cost-effective option to address the impacts of the mounting chemical pesticide resistance problem,” a problem which is “estimated to cost the U.S. agricultural sector at least \$10 billion each year.”

265. After the Transaction, GreenLight commercialized its Calantha™ product, which is now available for sale.

266. In a S2G-hosted interview³⁸, published April 4, 2024, Zarur stated:

It’s one of those wonderful stories where we dramatically underestimated what the demand for this product was going to be in the market . . . by week one, we had orders that basically

³⁸ S2G Ventures, *From Need Identification to a Novel Product with Andrey Zarur of GreenLight Biosciences* (Apr. 4, 2024), https://www.s2gventures.com/podcasts/ceo-andrey-zarur?utm_source=linkedin.com&utm_medium=social&utm_campaign=s2gpodcast_AndreyZarur.

took our entire inventory . . . the rollout went much better than we anticipated, the demand for the product was probably three of four times higher than we thought it was going to be . . .

II. THE MERGER WAS A CONTROLLER TRANSACTION THAT DID NOT SATISFY THE MFW CONDITIONS

267. As discussed above, Fall Line formed (a) the controlling Buyer Consortium of the Company's largest shareholders, collectively representing approximately 42.9% of the Company's outstanding shares, and (b) the Buyer Consortium, which included Rollover Stockholders collectively representing approximately 79.5% of the Company's outstanding shares. Accordingly, at all relevant times herein, the Fall Line Group and Buyer Consortium exercised effective – and eventually, actual – control over the events that culminated in the Offer.

268. As also discussed above, in the midst of the process and price negotiations, the Special Committee became aware of the formation of the control group and its control over the Company's sales process. *See, e.g., supra* ¶101 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

269. The Fall Line Group exercised transaction-specific control through, *inter alia*, (i) beneficial ownership of more than a majority of GreenLight shares, (ii) shared special interests with directors Walker, Kishore, and O'Brien, and Zarur's dependence, (iii) negotiating as the agent of the Rollover Investors against the Special Committee, (iv) the Special Committee's utter failure to engage in meaningful negotiation, including after Roth updated its fairness opinion, and (v) timing the Merger for its own benefit.

270. Moreover, as also outlined above, the Buyer Consortium, which included the Fall Line Group, exerted actual control over the Transaction process:

- a. The Buyer Consortium owned approximately 42.9% of the Company's outstanding common stock;
- b. The Buyer Consortium included entities affiliated with at least two members of the Board (O'Brien of Fall Line and Walker of S2G), and only O'Brien recused himself during process discussions;
- c. The Buyer Consortium worked intimately with Zarur, a co-founder and the CEO of the Company, and other members of the management team to recruit the Major Investors and Rollover Stockholders;³⁹
- d. Zarur and his team simultaneously controlled the process, including third-party outreach, the "heavy handed" recruitment of rollover investors, the negotiation of the interim financing, and the negotiation of the Merger Agreement;
- e. Once the Buyer Consortium and Zarur secured a controlling stake and certain unique benefits for themselves via the Term Sheet and related

³⁹ For example, Ortega Valle, the Company's other co-founder, and a member of the executive team, participated in the Transaction as a Rollover Stockholder. Moreover, Zarur and Ortega Valle have prior and current (respectively) ties to Kodiak Venture Partners, one of the Company's largest shareholders, which also participated in the Transaction as a Rollover Stockholder.

financing documents and Investor Rights Agreement, they lowered the Offer Price and Merger Consideration to be received by non-rollover shareholders;

- f. And Zarur remained CEO of GreenLight and serves on its three-member board of directors alongside O'Brien and Walker, and Ortega Valle remains an executive of the now-private Company.⁴⁰

271. Moreover, in connection with the execution of the Merger Agreement, the Rollover Stockholders – including members of the Buyer Consortium – each entered or committed to enter into a Contribution and Exchange Agreement with Fall Line's affiliate (collectively, the "Contribution and Exchange Agreements") before the execution of the Merger Agreement.⁴¹ Pursuant to the Contribution and Exchange Agreements, the Rollover Stockholders agreed to contribute an aggregate of 120,521,038 shares of GreenLight common stock (the "Rollover Shares") and \$0.40 per share in exchange for shares of Series A-2 Preferred Stock of the post-Transaction GreenLight. Such Rollover Shares constituted approximately 79.46%

⁴⁰ Thayer, the Company's General Counsel, who participated in the process and often participated in Special Committee meetings on behalf of the management team, likewise remained in her role following the Merger.

⁴¹ The Contribution and Exchange Agreement required "each Stockholder [] to vote, or cause to be voted, all Shares" in favor of "[t]he CEO Director [to] initially be Andrey Zarur[.]"

of the total issued and outstanding shares of GreenLight common stock as of the date thereof.

272. The Buyer Consortium acted as a group through, *inter alia*, the Contribution and Exchange Agreements, by agreeing not to, *inter alia*; (i) tender any Rollover Shares into the Transaction or vote any Rollover Shares in favor of any Takeover Proposal (as defined in the Merger Agreement); (ii) vote in favor of any corporate action or proposal which could impede, interfere with, prevent or delay the consummation of the Transaction; and (iii) solicit, initiate, or knowingly facilitate or encourage any inquiry, proposal or offer regarding, or the making of any proposal or offer that constitutes, or could reasonably be expected to lead to, a Takeover Proposal.

273. Moreover, the Offer documents stated that the Fall Line Group, namely “each of Parent, Purchaser, Fall Line, Fall Line GP and Messrs. Mitchell and O’Brien[,] may be deemed to beneficially own shares of common stock of GreenLight held by the other Rollover Investors”, including the following:

<u>Filing Person</u>	<u>Number</u>	<u>Percent</u>	<u>Days</u>
S2G Ventures Fund I, L.P.	2,087,043 ⁽¹⁾	1.38%	None
S2G Ventures Fund II, L.P.	8,582,284 ⁽¹⁾	5.66%	None
S2G Builders Food & Agriculture Fund III, L.P.	11,551,245 ⁽¹⁾	7.62%	None
Builders GRNA Holdings, LLC	127,551 ⁽¹⁾	*	None
Morningside Venture Investments Ltd.	16,919,155 ⁽²⁾	11.15%	None
MVIL, LLC	1,000,000 ⁽²⁾	*	None
Fall Line Endurance Fund, LP	11,452,834 ⁽³⁾	7.55%	None
Kodiak Venture Partners III, L.P.	9,573,157 ⁽⁴⁾	6.31%	None
Kodiak III Entrepreneurs Fund, L.P.	236,741 ⁽⁴⁾	*	None
MLS Capital Fund II, L.P.	5,818,575 ⁽⁵⁾	3.84%	None
Neglected Climate Opportunities, LLC	4,041,280 ⁽⁶⁾	2.66%	None
Prelude Ventures LLC	3,189,151 ⁽⁷⁾	2.10%	None
Insud Pharma, S.L.	2,551,020 ⁽⁸⁾	1.68%	None
Tao Invest V LLC	1,836,847 ⁽⁹⁾	1.21%	None
Tao Invest III LLC	834,817 ⁽⁹⁾	*	None
Lewis & Clark Plant Sciences Fund I, LP	1,816,746 ⁽¹⁰⁾	1.20%	None
Lewis & Clark Ventures I, LP	557,632 ⁽¹⁰⁾	*	None
Xeraya Cove Ltd.	1,734,277 ⁽¹¹⁾	1.14%	None
The Board of Trustees of the Leland Stanford Junior University	1,687,374 ⁽¹²⁾	1.11%	None
CG Investments Inc. VI	1,552,500 ⁽¹³⁾	1.02%	None
Boscolo Interinvest Limited	1,520,408 ⁽¹⁴⁾	1.00%	None
New Stuff LLC	500,000 ⁽¹⁵⁾	*	None
New Stuff Deux LLC	306,122 ⁽¹⁵⁾	*	None
Michael Steinberg	91,842 ⁽¹⁶⁾	*	None
Rosemary Sagar (BlueIO investor)	208,704 ⁽¹⁷⁾	*	None
Lorenzo Aulisa	2,697 ⁽¹⁸⁾	*	None
Himanshu Hemant Dhamankar	27,255 ⁽¹⁹⁾	*	None
Serum Institute	1,000,000 ⁽²⁰⁾	*	None
Nicholas J. Skizim	26,965 ⁽²¹⁾	*	None
Jason M. Gillian	28,732 ⁽²²⁾	*	None
Ifeyinwa Iwuchukwu	14,886 ⁽²³⁾	*	None
Karthikeyan Ramachandriya	47,000 ⁽²⁴⁾	*	None
Macro Continental, Inc.	1,416,895 ⁽²⁵⁾	*	None
Malacca Jitra PTE Inc.	1,368,301 ⁽²⁵⁾	*	None
Rivas Ventures LLC	3,515,333 ⁽²⁵⁾	2.32%	None
Anna Senczuk	9,984 ⁽²⁶⁾	*	None
Alfa Holdings, Inc.	100,000 ⁽²⁷⁾	*	None
Ricardo A. Segrera	220,663 ⁽²⁷⁾	*	(27)
Sweta Gupta	2,329 ⁽²⁸⁾	*	None
Caitlin Macadino	28,821 ⁽²⁹⁾	*	None
Marta Ortega-Valle	29,798 ⁽³⁰⁾	*	None
Roger Richard	69,888 ⁽³¹⁾	*	None
Alexandria Venture Investments, LLC	1,609,909 ⁽³²⁾	1.06%	None
Michael Ruetters Revocable Trust as amended and restated	206,629 ⁽³³⁾	*	None
Cormorant Global Healthcare Master Fund, LP	4,751,020 ⁽³⁴⁾	3.13%	None
Cormorant Private Healthcare Fund II, LP	4,437,639 ⁽³⁴⁾	2.93%	None
Continental Grain Company	2,387,044 ⁽³⁵⁾	1.57%	None
Conti Greenlight Investors, LP	4,102,198 ⁽³⁵⁾	2.70%	None

Filing Person	Securities Ownership		Securities
	Number	Percent	Transactions for the Past 60 Days
Cummings Foundation, Inc.	1,275,510**	*	None
Grupo Ferrer Internacional, S.A.	1,094,248**	*	None
Sage Hill Investors	1,000,000**	*	None
Series GreenLight 2, a separate series of BlueIO Growth LLC	569,423**	*	None
Series Greenlight, a separate series of BlueIO Growth LLC	500,890**	*	None
Lupa Investment Holdings, LP	367,369**	*	None
RPB Ventures, LLC	300,000**	*	None
Velocity Financial Group	292,186**	*	None
David Brewster	172,500**	*	None
Furneaux Capital Holdco, LLC	188,134**	*	None
Deval Patrick	172,500**	*	None
Samambaia Investments Limited	159,493**	*	None
Carole S. Furneaux	150,000**	*	None
Rodrigo Aguilar	85,330**	*	(36)
Matthew Walker	63,775**(37)	*	None
Dennis Clarke	25,510**	*	None
Eric Anderson	25,510**	*	None
Riverroad Capital Partners	12,010**	*	None
Steve Naugler	8,157**	*	None
Maria Lurantos	4,015**	*	None

274. In other words, the Offer to Purchase demonstrated that the Transaction was a controller transaction because the Fall Line Group and/or the Buyer Consortium, through the Rollover Stockholders, had beneficial ownership of more than 50% of GreenLight stock. **In fact, the Offer to Purchase even admitted that, “as of the date of this Offer to Purchase, the Rollover [Stockholders] may be deemed to control the Company.”**

275. In addition, GreenLight filed the Offer to Purchase before the Special Committee reconvened in July to discuss Roth’s error. Thus, before the Special Committee decided that it was not necessary to alter its previous recommendation (despite the Merger Consideration now falling just within the absolute bottom of the

fairness range), the Special Committee knew that the Fall Line Group and/or Buyer Consortium was formed and consisted of more than 50% of GreenLight's shares.

276. Nevertheless, the Fall Line Group and Buyer Consortium failed even to attempt to satisfy, much less actually satisfy, the factors enunciated in *Kahn v. M&F Worldwide Corp.* (“MFW”). Specifically, the Fall Line Group and Buyer Consortium failed to irrevocably condition the transaction on approval by a majority-of-the-minority stockholder vote before economic negotiations, and the Transaction was never irrevocably conditioned on approval by a majority of the minority; indeed, it was a *waivable* condition. Instead, the Fall Line Group and Buyer Consortium (and Rollover Stockholders) effectively coerced the minority into the Transaction at an unfair price. All minority stockholders who opposed the Transaction had no choice but to be cashed out for just \$0.30 per share.

III. THE SPECIAL COMMITTEE BREACHED ITS DUTY OF CARE

277. The Special Committee was not well-functioning and failed to satisfy its duty of care. For example, as discussed herein, the Special Committee repeatedly failed to put appropriate safeguards in place to protect minority shareholders, including by appropriately supervising conflicted management and insiders who stood on both sides of the transaction and were negotiating the terms of the Merger.

278. [REDACTED]

279. Finally, the Special Committee abandoned its duties and did not require that these shareholder protections be included in the Merger Agreement.

IV. SHAREHOLDERS WERE NOT FULLY INFORMED

280. The Transaction and Offer were not fully informed. [REDACTED]

thus preventing them from making a fully informed decision as to whether to tender their shares for \$0.30.

281. Neither the Tender Offer Statement nor the Board's Recommendation Statement disclosed the EPA Ruling. Indeed, none of the Transaction Disclosures disclosed the EPA Ruling. A reasonable stockholder would find it important that the EPA issued a positive ruling concerning the highly anticipated commercialization of the Company's groundbreaking Ledprona product.

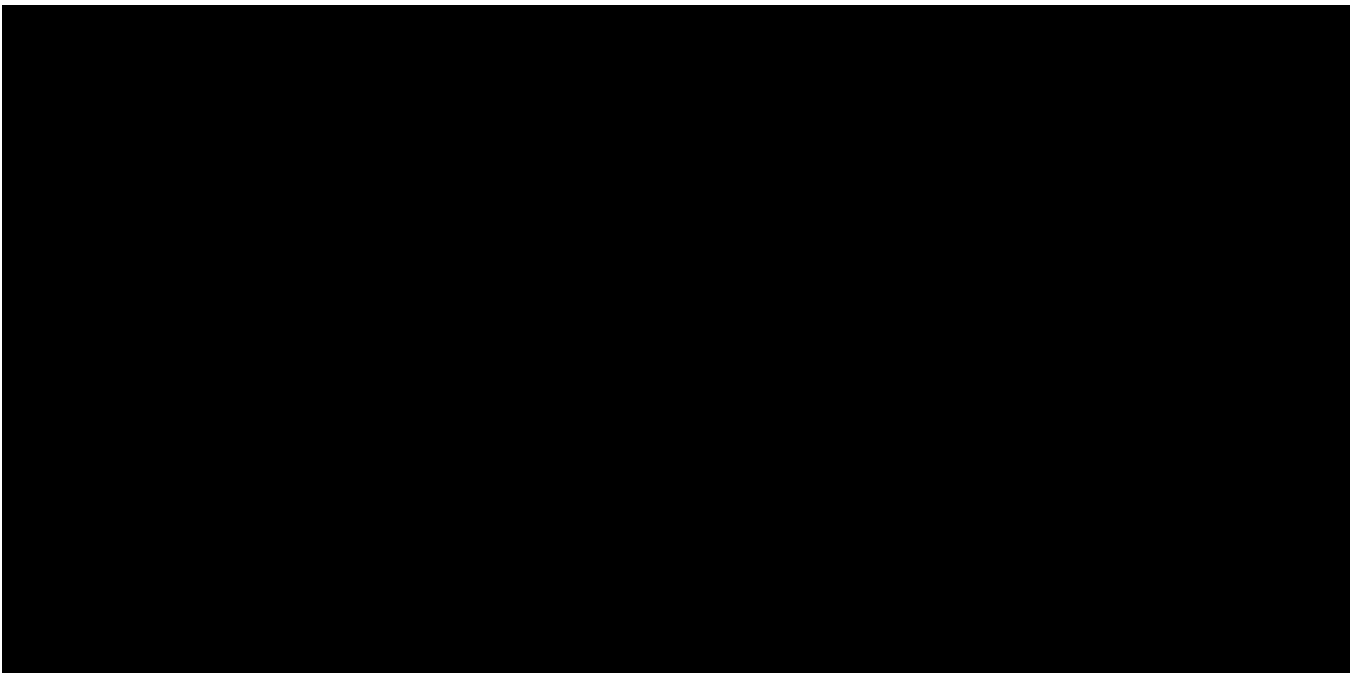
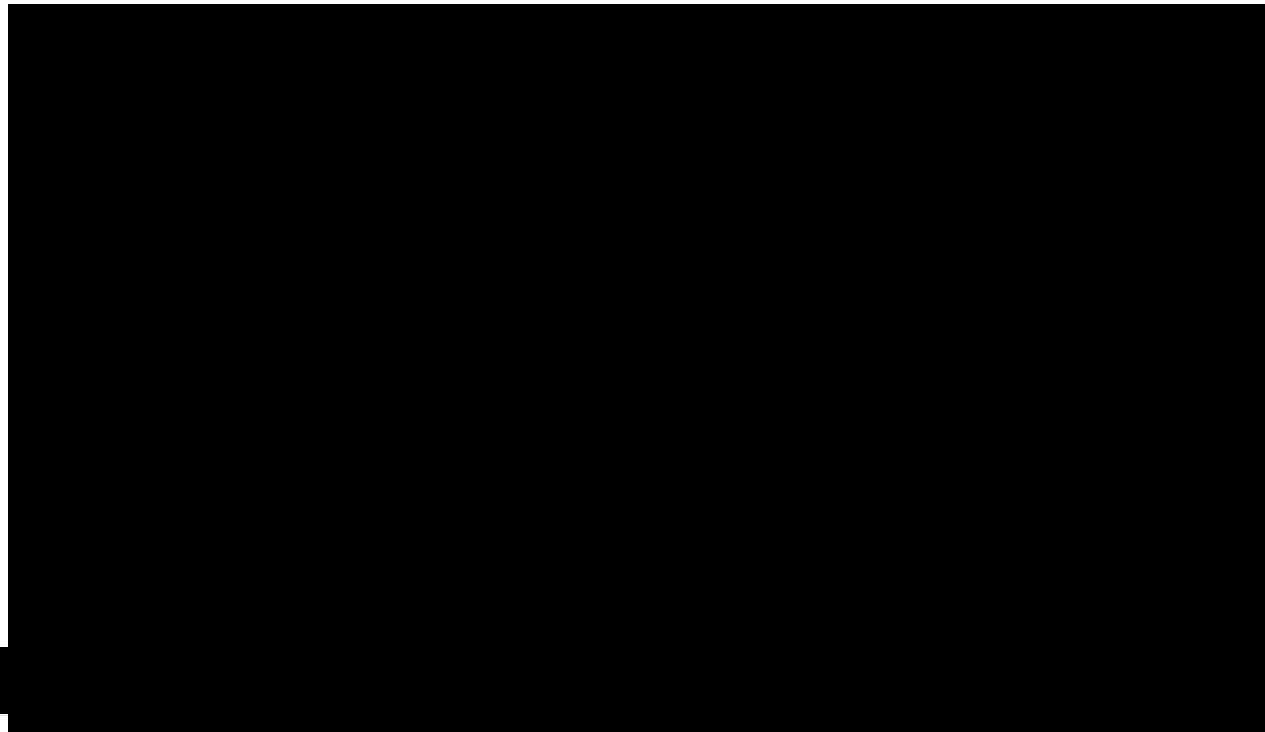
282. Indeed, the Offer to Purchase, which was attached to the Tender Offer Statement, stated that Calantha™ had “been submitted to the Environmental Protection Agency (EPA) for approval” **without disclosing that the EPA had already made positive findings about Calantha’s active ingredient.** Despite all of this, none of the SEC filings in connection with the Merger ever disclosed the EPA Ruling. [REDACTED]⁴² [REDACTED]

[REDACTED]
[REDACTED]⁴³

283. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

⁴² [REDACTED]
[REDACTED]

⁴³ Indeed, as noted above, on April 13, 2023, [REDACTED]
[REDACTED]
[REDACTED]



284. [REDACTED]

[REDACTED]

[REDACTED]

285. Importantly, though, the Special Committee and management

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

286. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

287. Further, as described in depth above, the Recommendation Statement failed to disclose “troubling facts regarding director [mis]behavior...that would have been material to a voting stockholder.”⁴⁴

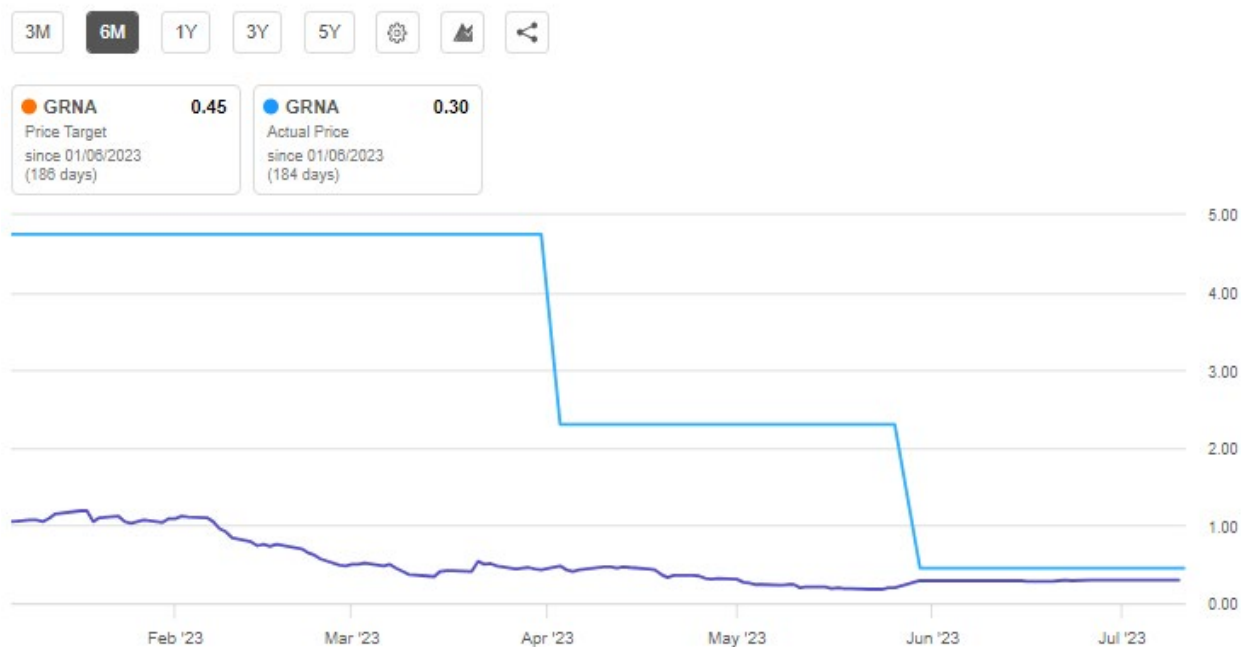
V. THE MERGER CONSIDERATION WAS UNFAIR

288. First, the Merger Consideration fell far below Wall Street’s target prices for GreenLight stock. Before the Board entered into the Merger Agreement, Wall Street’s consensus price target for GreenLight stock was \$2.30⁴⁵:

⁴⁴ *Morrison v. Berry*, 191 A.3d 268, 275 (Del. 2018).

⁴⁵ SEEKINGALPHA, *GreenLight Biosciences Holdings* (last accessed July 11, 2023) (<https://seekingalpha.com/symbol/GRNA/ratings/sell-side-ratings>).

Price Target vs Actual Price



289. Second, the Offer was premised on an artificially depressed trading price of GreenLight stock. For example, Company insiders – including certain Defendants – withheld the positive EPA Ruling, which determined that there is “reasonable certainty that no harm will result to the U.S. population, including infants and children, from aggregate exposure to residues of Ledprona in or on potatoes.”

290. Indeed, the Prospectus had represented that Ledprona, GreenLight’s potato beetle product, would address a problem that “decimates plants in the nightshade family and accounts for more than \$500 million in crop loss annually.”

Thus, the EPA Ruling positioned GreenLight towards finalizing its product addressing a problem that costs billions of dollars over the span of multiple years.

291. Third, after the Merger Agreement was executed for \$0.30 per share, Roth found an error in its discounted cash flow analysis. After accounting for the error, the implied value per GreenLight share was \$.48 in its discounted cash flow analysis, which, even without a control premium, is at least 50% more than the Merger Consideration.

292. Fourth, [REDACTED]

[REDACTED]

[REDACTED]

293. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CLASS ACTION ALLEGATIONS

294. Plaintiffs bring this action individually and pursuant to Court of Chancery Rule 23 on behalf of similarly situated stockholders and beneficial stockholders who were cashed out through the Transaction (the “Class”).

295. This action is properly maintainable as a class action.

296. A class action is superior to other available methods of fair and efficient adjudication of this controversy.

297. The Class is so numerous that joinder of all members is impracticable. According to documents filed with the SEC, Fall Line Group and/or Buyer Consortium paid approximately \$9.3 million to acquire the minority shares for \$0.30 per share. Thus, on information and belief, the Class here potentially covers hundreds, if not thousands, of individuals and entities.⁴⁶

298. There are separate questions of fact and law which are common to all Class members, including, without limitation:

- a. Whether the Board was disinterested and independent with respect to the Transaction;
- b. Whether the Fall Line Group, Buyer Consortium, and/or the Conflicted Board Defendants controlled GreenLight and/or the events that culminated in the Transaction;
- c. Whether the Transaction was entirely fair to GreenLight stockholders;

⁴⁶ In connection with the Offer, a total of 18,736,159 shares of Company Common Stock were tendered pursuant to the Offer based on the misleading Recommendation Statement, representing approximately 60.2% of the outstanding shares of Company Common Stock other than Rollover Shares. Upon information and belief, approximately 12.2 million shares did not tender in favor of the Offer.

- d. Whether Defendants breached their fiduciary duties to Plaintiffs and the Class;
- e. The existence and extent of any injury to the Class caused by the breach; and
- f. The proper measure of the Class's damages.

299. Plaintiffs' claims are typical of the claims of other Class members, and Plaintiffs have no interests antagonistic or adverse to the interests of other Class members. Plaintiffs will fairly and adequately protect the interests of the Class.

300. Plaintiffs are committed to prosecuting this action and have retained competent counsel experienced in litigation of this nature.

301. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class, which would establish incompatible standards of conduct for Defendants; or adjudications with respect to individual members of the Class would, as a practical matter, be dispositive of the interests of other members or substantially impair or impede their ability to protect their interests.

302. Defendants have acted in a manner that affects Plaintiffs and all members of the Class alike, thereby making appropriate injunctive relief and/or corresponding declaratory relief with respect to the Class as a whole.

303. Questions of law or fact common to members of the Class predominate over any questions affecting only individual members.

COUNT I

Breach of Fiduciary Duty On Behalf of the Class (Against the Buyer Consortium as Controllers)

304. Plaintiffs repeat and reallege all foregoing paragraphs as if fully set forth herein.

305. The Buyer Consortium, including the Fall Line Group, Cormorant, Morningside, and/or S2G Ventures, controlled GreenLight at all relevant times.

306. As controlling stockholders, the Buyer Consortium owed Plaintiffs and the Class the utmost fiduciary duties of care and loyalty. These duties required the Buyer Consortium, *inter alia*, to place the interests of GreenLight stockholders above their own unique interests.

307. The Buyer Consortium exercised their control to secure a Merger that would benefit themselves even though it was unfair to unaffiliated GreenLight stockholders.

308. The Transaction Disclosures also made materially false statements, omitted material facts, and made partial disclosures that were materially misleading.

309. The Transaction was unfair, reflecting an unfair price and unfair

process.

310. Through the events and actions described herein, the Buyer Consortium breached their fiduciary duties to Plaintiffs and the Class by agreeing to, entering into, and causing the Transaction without ensuring that it was entirely fair.

311. The members of the Buyer Consortium were connected in a legally significant way through, *inter alia*, their prior co-investing history in Legacy GreenLight, sharing the same lead negotiator(s) for the Merger without separately submitting bids, the Contribution and Exchange Agreement, co-purchase of GreenLight, the Term Sheet, and continued ownership of GreenLight stock.

312. Through the Contribution and Exchange Agreement, each member of the Buyer Consortium, *inter alia*, (i) exchanged its GreenLight common stock for an interest in the post-Merger entity, (ii) waived its rights to tender its GreenLight shares, (iii) waived its right to receive the Merger Consideration, (iv) waived its right to vote against takeover proposals that would interfere with the Merger, (v) waived its appraisal rights, and (vi) agreed to the post-Merger Certificate of Incorporation, Investors' Rights Agreement, Right of First Refusal and Co-Sale Agreement, and Voting Agreement.

313. As a result, Plaintiffs and the Class were harmed by these breaches of fiduciary duty, including by being cashed out for only \$.30 per share when each

share was actually worth much more.

COUNT II

Breach of Fiduciary Duty On Behalf of the Class (Against the Conflicted Board Members)

314. Plaintiffs repeat and reallege all foregoing paragraphs as if fully set forth herein.

315. More than half of the Board members were conflicted, interested, not independent, and/or failed to act in good faith with regard to the Transaction:

- a. Zarur, *inter alia*, depended on his GreenLight job for his livelihood, was not an independent director, failed to act in good faith, steered the process away from strategic bidders for his employment, and steered the Transaction process to favor the Buyer Consortium for his employment;
- b. O'Brien, *inter alia*, stood on both sides of the Transaction;
- c. Walker, *inter alia*, rolled 63,775 shares into the post-Transaction Company, continued as a director of the now-private GreenLight, and was the Managing Director at Builders Vision, LLC, an impact platform that includes several "S2G" titled funds, which was part of the Buyer Consortium and collectively rolled over more than 20 million

shares into the now-private GreenLight; and

- d. Kishore, *inter alia*, was a Co-Manager of MLSCF II (GP) (Labuan), LLP, the General Partner of MLS Capital Fund II, which rolled more than 5.8 million shares into the now-private GreenLight.

316. As conflicted GreenLight directors who occupied half the Board, the Conflicted Board Defendants owed Plaintiffs and the Class the utmost fiduciary duties of care and loyalty. These duties required the Conflicted Board Defendants, *inter alia*, to place the interests of GreenLight stockholders above their own unique interests.

317. The Conflicted Board Defendants exercised their control to secure a Merger that would benefit themselves even though it was unfair to unaffiliated GreenLight stockholders.

318. The Transaction Disclosures also made materially false statements, omitted material facts, and made partial disclosures that were materially misleading.

319. The Transaction was unfair, reflecting an unfair price and unfair process.

320. Through the events and actions described herein, the conflicted Board members breached their fiduciary duties to Plaintiffs and the Class by agreeing to, entering into, and causing the Transaction without ensuring that it was entirely fair.

321. As a result, Plaintiffs and the Class were harmed by these breaches of fiduciary duty, including by being cashed out for only \$.30 per share when each share was actually worth much more.

COUNT III

Breach of Fiduciary Duty On Behalf of the Class (Against the Fall Line Group as Controllers)

322. Plaintiffs repeat and reallege all foregoing paragraphs as if fully set forth herein.

323. This Count is pled in the alternative to Count I.

324. The Fall Line Group controlled GreenLight at all relevant times through, *inter alia*, a majority beneficial ownership of GreenLight stock and transaction-specific control.

325. The Fall Line Group exercised transaction-specific control through, *inter alia*, (i) beneficial ownership of more than a majority of GreenLight shares, (ii) shared special interests with directors Walker, Kishore, and O'Brien and Zarur's dependence, (iii) negotiating as the agent of the Rollover Investors against the Special Committee and Zarur, (iv) the Special Committee's utter failure to engage in meaningful negotiation, including after Roth updated its fairness opinion, and (v) timing the Merger for its own benefit.

326. As controlling stockholders, the Fall Line Group owed Plaintiffs and the Class the utmost fiduciary duties of care and loyalty. These duties required the Fall Line Group, *inter alia*, to place the interests of GreenLight stockholders above their own unique interests.

327. The Fall Line Group exercised their control to secure a Merger that would benefit themselves even though it was unfair to unaffiliated GreenLight stockholders.

328. The Transaction Disclosures also made materially false statements, omitted material facts, and made partial disclosures that were materially misleading.

329. The Transaction was unfair, reflecting an unfair price and unfair process.

330. Through the events and actions described herein, the Fall Line Group breached their fiduciary duties to Plaintiffs and the Class by agreeing to, entering into, and causing the Transaction without ensuring that it was entirely fair.

331. As a result, Plaintiffs and the Class were harmed by these breaches of fiduciary duty, including by being cashed out for only \$.30 per share when each share was actually worth much more.

COUNT IV

**Breach of Fiduciary Duty
On Behalf of the Class
(Against Zarur as an Officer)**

332. Plaintiffs repeat and reallege all foregoing paragraphs as if fully set forth herein.

333. As President and CEO of GreenLight, Zarur owed fiduciary duties to GreenLight and its stockholders. Zarur's fiduciary duties required him to be candid with his fellow corporate fiduciaries, including the Special Committee.

334. As outlined above, Zarur took actions throughout the sales process in his capacity as CEO that favored himself and his management team and harmed shareholders, including by working with Fall Line toward a Fall Line-led privatization to the exclusion of other potentially superior offers.

335. Upon information and belief, Zarur's employment was in jeopardy absent a sale to the Fall Line Group and/or Buyer Consortium and/or in connection with a sale to a strategic bidder.

336. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Zarur was motivated to conceal material information, including the positive EPA Ruling, from GreenLight's

stockholders to benefit his post-Transaction employer and job prospects. Indeed, Zarur is still the CEO of GreenLight as of this writing.

337. [REDACTED]

[REDACTED]

[REDACTED]

338. Zarur also breached his duty of candor by causing or allowing the materially deficient and misleading Recommendation Statement to be disseminated to stockholders. As set forth above, Zarur was one of the officers tasked with the preparation of the Recommendation Statement and solicitation materials. Moreover, the Recommendation Statement references Zarur by name 21 times, including in connection with describing his conduct during the sale process. Zarur thus had a duty to carefully review the Recommendation Statement and ensure that it did not omit material information. Zarur breached this duty, as the Recommendation Statement omitted the material facts and information discussed above.

339. The Merger was unfair, reflecting an unfair price and unfair process.

340. As a result, Plaintiffs and the Class were harmed by these breaches of fiduciary duty, including by being cashed out for only \$.30 per share even though each share was actually worth much more.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment and relief in their favor and in favor of the Class, and against Defendants, as follows:

- a. Declaring that this action is properly maintainable as a class action;
- b. Certifying the proposed Class;
- c. Declaring or otherwise finding that the Buyer Consortium, the Conflicted Board Defendants, Fall Line Group, O'Brien, and/or Zarur breached their fiduciary duties to GreenLight stockholders;
- d. Awarding Plaintiffs and other members of the Class damages in an amount which may be proved at trial, together with interest thereon;
- e. Awarding Plaintiffs and other members of the Class rescissory damages;
- f. Awarding Plaintiffs and the members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' and expert witness fees and other costs; and
- g. Granting such other and further relief as the Court deems just and proper.

Of Counsel:

KAHN SWICK & FOTI, LLC

Michael J. Palestina
Brian C. Mears
Gina M. Palermo
1100 Poydras Street, Suite 960
New Orleans, LA 70163
(504) 455-1400

**MONTEVERDE & ASSOCIATES
PC**

Juan E. Monteverde
Miles D. Schreiner
The Empire State Building
350 Fifth Avenue, Suite 4740
New York, NY 10118
(212) 971-1341

LEVI & KORSINSKY, LLP

Donald J. Enright
(pro hac vice motion forthcoming)
Noah R. Gemma
(pro hac vice motion forthcoming)
1101 Vermont Ave. N.W., Suite 800
Washington, DC 20005
(202) 524-4290

Co-Lead Counsel for Plaintiffs

KAHN SWICK & FOTI, LLC

/s/ Christopher P. Quinn

Christopher P. Quinn (#5823)
112 French Street, Ste 201
Wilmington, DE 19801
(302) 336-7200
Chris.Quinn@ksfcounsel.com

Delaware Counsel for Plaintiffs

ASHBY & GEDDES, P.A.

/s/ Tiffany Geyer Lydon

Stephen E. Jenkins (#2152)
Tiffany Geyer Lydon (# 3950)
500 Delaware Avenue, 8th Floor
P.O. Box 1150
Wilmington, DE 19899
(302) 654-1888

Delaware Counsel for Plaintiffs

Dated: May 2, 2025