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

IN RE MERIT MEDICAL SYSTEMS,
INC., SECURITIES LITIGATION

No. 8:19-cv-02326-DOC-ADS

**JUDGMENT APPROVING
CLASS ACTION
SETTLEMENT**

1 WHEREAS, a securities class action is pending in this Court entitled *In re Merit*
2 *Medical Systems, Inc. Securities Litigation*, No. 8:19-cv-02326-DOC-ADS (the
3 “Action”);

4 WHEREAS, (a) Lead Plaintiffs City of Atlanta Police Officers’ Pension Fund,
5 City of Atlanta Firefighters’ Pension Fund, and Employees’ Retirement System of the
6 City of Baton Rouge and Parish of East Baton Rouge (collectively, “Lead Plaintiffs”),
7 on behalf of themselves and the Settlement Class; and (b) Defendants Merit Medical
8 Systems, Inc. (“Merit” or the “Company”), Fred P. Lampropoulos, and Raul Parra
9 (collectively, “Defendants”) have entered into a Stipulation and Agreement of
10 Settlement dated December 21, 2021 (the “Stipulation”), that provides for a complete
11 dismissal with prejudice of the claims asserted in the Action on the terms and
12 conditions set forth in the Stipulation, subject to the approval of this Court (the
13 “Settlement”);

14 WHEREAS, unless otherwise defined in this Judgment, the capitalized terms
15 herein shall have the same meaning as they have in the Stipulation;

16 WHEREAS, by Order dated January 3, 2022 (the “Preliminary Approval
17 Order”), this Court: (a) found, pursuant to Rule 23(e)(1)(B), that (i) the Court would
18 likely be able to approve the Settlement as fair, reasonable, and adequate under Rule
19 23(e)(2) and (ii) the Court would likely be able to certify the Settlement Class for
20 purposes of the Settlement; (b) ordered that notice of the proposed Settlement be
21 provided to potential Settlement Class Members; (c) provided Settlement Class
22 Members with the opportunity either to exclude themselves from the Settlement Class
23 or to object to the proposed Settlement; and (d) scheduled a hearing regarding final
24 approval of the Settlement;

25 WHEREAS, due and adequate notice has been given to the Settlement Class;

26 WHEREAS, the Court conducted a hearing on April 13, 2022 (the “Settlement
27 Hearing”) to consider, among other things, (a) whether the terms and conditions of the
28 Settlement are fair, reasonable, and adequate to the Settlement Class, and should

1 therefore be approved; and (b) whether a judgment should be entered dismissing the
2 Action with prejudice as against the Defendants; and

3 WHEREAS, the Court having reviewed and considered the Stipulation, all
4 papers filed and proceedings held herein in connection with the Settlement, all oral
5 and written comments received regarding the Settlement, and the record in the Action,
6 and good cause appearing therefor;

7 IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

8 1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the
9 Action, and all matters relating to the Settlement, as well as personal jurisdiction over
10 all of the Parties and each of the Settlement Class Members.

11 2. **Incorporation of Settlement Documents** – This Judgment incorporates
12 and makes a part hereof: (a) the Stipulation filed with the Court on December 22, 2021;
13 and (b) the Notice and the Summary Notice, both of which were filed with the Court
14 on December 22, 2021.

15 3. **Class Certification for Settlement Purposes** – The Court hereby
16 certifies for the purposes of the Settlement only, the Action as a class action pursuant
17 to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of the
18 Settlement Class consisting of all persons who purchased Merit common stock from
19 February 26, 2019 through October 30, 2019, inclusive (the “Class Period”), and who
20 were damaged thereby. Excluded from the Settlement Class are Defendants, the
21 Officers and directors of Merit at all relevant times, and all such excluded persons’
22 Immediate Family Members, legal representatives, heirs, agents, affiliates,
23 predecessors, successors, and assigns, and any entity in which any excluded person
24 has or had a controlling interest. Also excluded from the Settlement Class is the person
25 listed on Exhibit 1 hereto who is excluded from the Settlement Class pursuant to her
26 request.

27 4. **Settlement Class Findings** – For purposes of the Settlement only, the
28 Court finds that each element required for certification of the Settlement Class

1 pursuant to Rule 23 of the Federal Rules of Civil Procedure has been met: (a) the
2 members of the Settlement Class are so numerous that their joinder in the Action
3 would be impracticable; (b) there are questions of law and fact common to the
4 Settlement Class which predominate over any individual questions; (c) the claims of
5 Lead Plaintiffs in the Action are typical of the claims of the Settlement Class; (d) Lead
6 Plaintiffs and Lead Counsel have and will fairly and adequately represent and protect
7 the interests of the Settlement Class; and (e) a class action is superior to other available
8 methods for the fair and efficient adjudication of the Action.

9 5. **Adequacy of Representation** – Pursuant to Rule 23 of the Federal Rules
10 of Civil Procedure, and for the purposes of the Settlement only, the Court hereby
11 appoints Lead Plaintiffs as Class Representatives for the Settlement Class and appoints
12 Lead Counsel as Class Counsel for the Settlement Class. Lead Plaintiffs and Lead
13 Counsel have fairly and adequately represented the Settlement Class both in terms of
14 litigating the Action and for purposes of entering into and implementing the Settlement
15 and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and
16 23(g), respectively.

17 6. **Notice** – The Court finds that the dissemination of the Notice and the
18 publication of the Summary Notice: (a) were implemented in accordance with the
19 Preliminary Approval Order; (b) constituted the best notice practicable under the
20 circumstances; (c) constituted notice that was reasonably calculated, under the
21 circumstances, to apprise Settlement Class Members of (i) the pendency of the Action;
22 (ii) the effect of the proposed Settlement (including the Releases to be provided
23 thereunder); (iii) Lead Counsel’s motion for attorneys’ fees and Litigation Expenses;
24 (iv) their right to object to any aspect of the Settlement, the Plan of Allocation and/or
25 Lead Counsel’s motion for attorneys’ fees and Litigation Expenses; (v) their right to
26 exclude themselves from the Settlement Class; and (vi) their right to appear at the
27 Settlement Hearing; (d) constituted due, adequate, and sufficient notice to all persons
28 and entities entitled to receive notice of the proposed Settlement; and (e) satisfied the

1 requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States
2 Constitution (including the Due Process Clause), the Private Securities Litigation
3 Reform Act of 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable laws and
4 rules. The Court further finds that the notice requirements set forth in the Class Action
5 Fairness Act of 2005, 28 U.S.C. § 1715, have been satisfied.

6 7. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and
7 in accordance with, Rule 23(e)(2) of the Federal Rules of Civil Procedure, this Court
8 hereby fully and finally approves the Settlement set forth in the Stipulation in all
9 respects (including, without limitation, the amount of the Settlement, the Releases
10 provided for therein, and the dismissal with prejudice of the claims asserted against
11 Defendants in the Action), and finds that the Settlement is, in all respects, fair,
12 reasonable and adequate to the Settlement Class. Specifically, the Court finds that (a)
13 Lead Plaintiffs and Lead Counsel have adequately represented the Settlement Class;
14 (b) the Settlement was negotiated by the Parties at arm’s length; (c) the relief provided
15 under the Settlement is adequate taking into account the costs, risks, and delay of trial
16 and appeal, the proposed means of distributing the Settlement Fund to the Settlement
17 Class, and the proposed attorneys’ fee award; and (d) the Settlement treats members
18 of the Settlement Class equitably relative to each other. The Parties are directed to
19 implement, perform, and consummate the Settlement in accordance with the terms and
20 provisions contained in the Stipulation.

21 8. The Action and all of the claims asserted against Defendants in the Action
22 by Lead Plaintiffs and the other Settlement Class Members are hereby dismissed with
23 prejudice as to all Defendants. The Parties shall bear their own costs and expenses,
24 except as otherwise expressly provided in the Stipulation.

25 9. **Binding Effect** – The terms of the Stipulation and of this Judgment shall
26 be forever binding on Defendants, Lead Plaintiffs, and all other Settlement Class
27 Members (regardless of whether or not any individual Settlement Class Member
28 submits a Claim Form or seeks or obtains a distribution from the Net Settlement Fund),

1 as well as their respective successors and assigns. The person listed on Exhibit 1
2 hereto is excluded from the Settlement Class pursuant to her request and is not bound
3 by the terms of the Stipulation or this Judgment.

4 10. **Releases** – The Releases set forth in paragraphs 5 and 6 of the Stipulation,
5 together with the definitions contained in paragraph 1 of the Stipulation relating
6 thereto, are expressly incorporated herein in all respects. The Releases are effective
7 as of the Effective Date. Accordingly, this Court orders that:

8 (a) Without further action by anyone, and subject to paragraph 11
9 below, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other
10 Settlement Class Members, on behalf of themselves, and their respective heirs,
11 executors, administrators, predecessors, successors, and assigns, in their capacities as
12 such, shall be deemed to have, and by operation of law and of this Judgment shall
13 have, fully, finally, and forever compromised, settled, released, resolved, relinquished,
14 waived, and discharged each and every Released Plaintiffs' Claim against Defendants
15 and the other Defendants' Releasees, and shall forever be barred and enjoined from
16 prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendants'
17 Releasees.

18 (b) Without further action by anyone, and subject to paragraph 11
19 below, upon the Effective Date of the Settlement, Defendants, on behalf of themselves,
20 and their respective heirs, executors, administrators, predecessors, successors, and
21 assigns, in their capacities as such, shall be deemed to have, and by operation of law
22 and of this Judgment shall have, fully, finally, and forever compromised, settled,
23 released, resolved, relinquished, waived, and discharged each and every Released
24 Defendants' Claim against Lead Plaintiffs and the other Plaintiffs' Releasees, and shall
25 forever be barred and enjoined from prosecuting any or all of the Released Defendants'
26 Claims against any of the Plaintiffs' Releasees. This Release shall not apply to the
27 person listed on Exhibit 1 hereto.
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1 11. Notwithstanding paragraphs 10(a) – (b) above, nothing in this Judgment
2 shall bar any action by any of the Parties to enforce or effectuate the terms of the
3 Stipulation or this Judgment.

4 12. **Rule 11 Findings** – The Court finds and concludes that the Parties and
5 their respective counsel have complied in all respects with the requirements of Rule
6 11 of the Federal Rules of Civil Procedure in connection with the institution,
7 prosecution, defense, and settlement of the Action.

8 13. **No Admissions** – Neither this Judgment, the Stipulation, including the
9 exhibits thereto and the Plan of Allocation contained therein (or any other plan of
10 allocation that may be approved by the Court), the negotiations leading to the
11 execution of the Stipulation, nor any proceedings taken pursuant to or in connection
12 with the Stipulation, or the approval of the Settlement (including any arguments
13 proffered in connection therewith):

14 (a) shall be offered against any of the Defendants’ Releasees as
15 evidence of, or construed as, or deemed to be evidence of any presumption,
16 concession, or admission by any of the Defendants’ Releasees with respect to
17 the truth of any fact alleged by Lead Plaintiffs or the validity of any claim that
18 was, could have been, or could in the future be asserted or the deficiency of any
19 defense that has been, could have been, or could in the future be asserted in this
20 Action or in any other litigation, or of any liability, negligence, fault, or other
21 wrongdoing of any kind of any of the Defendants’ Releasees or in any way
22 referred to for any other reason as against any of the Defendants’ Releasees, in
23 any civil, criminal, arbitration, or administrative action or proceeding, other
24 than such proceedings as may be necessary to effectuate the provisions of the
25 Stipulation;

26 (b) shall be offered against any of the Plaintiffs’ Releasees, as
27 evidence of, or construed as, or deemed to be evidence of any presumption,
28 concession, or admission by any of the Plaintiffs’ Releasees that any of their

1 claims are without merit, that any of the Defendants' Releasees had meritorious
2 defenses, or that damages recoverable under the Complaint would not have
3 exceeded the Settlement Amount or with respect to any liability, negligence,
4 fault, or wrongdoing of any kind, or in any way referred to for any other reason
5 as against any of the Plaintiffs' Releasees, in any civil, criminal, arbitration, or
6 administrative action or proceeding, other than such proceedings as may be
7 necessary to effectuate the provisions of this Stipulation; or

8 (c) shall be construed against any of the Releasees as an admission,
9 concession, or presumption that the consideration to be given hereunder
10 represents the amount which could be or would have been recovered after trial;
11 *provided, however*, that the Parties and the Releasees and their respective counsel may
12 refer to this Judgment and the Stipulation to effectuate the protections from liability
13 granted hereunder and thereunder or otherwise to enforce the terms of the Settlement.

14 14. **Retention of Jurisdiction** – Without affecting the finality of this
15 Judgment in any way, this Court retains continuing and exclusive jurisdiction over:
16 (a) the Parties for purposes of the administration, interpretation, implementation, and
17 enforcement of the Settlement, including enforcement of the permanent injunctions
18 included therein; (b) the disposition of the Settlement Fund; (c) any motion for an
19 award of attorneys' fees and/or Litigation Expenses by Lead Counsel in the Action
20 that will be paid from the Settlement Fund; (d) any motion to approve the Plan of
21 Allocation; (e) any motion to approve the Class Distribution Order; and (f) the
22 Settlement Class Members for all matters relating to the Action.

23 15. Separate orders shall be entered regarding approval of a plan of allocation
24 and the motion of Lead Counsel for attorneys' fees and Litigation Expenses. Such
25 orders shall in no way affect or delay the finality of this Judgment and shall not affect
26 or delay the Effective Date of the Settlement.

27 16. **Modification of the Agreement of Settlement** – Without further
28 approval from the Court, Lead Plaintiffs and Defendants are hereby authorized to

1 agree to and adopt such amendments or modifications of the Stipulation or any exhibits
2 attached thereto to effectuate the Settlement that: (a) are not materially inconsistent
3 with this Judgment; and (b) do not materially limit the rights of Settlement Class
4 Members in connection with the Settlement. Without further order of the Court, Lead
5 Plaintiffs and Defendants may agree to reasonable extensions of time to carry out any
6 provisions of the Settlement.

7 17. **Termination of Settlement** – If the Settlement is terminated as provided
8 in the Stipulation or the Effective Date of the Settlement otherwise fails to occur, this
9 Judgment shall be vacated, rendered null and void, and be of no further force and
10 effect, except as otherwise provided by the Stipulation, and this Judgment shall be
11 without prejudice to the rights of Lead Plaintiffs, the other Settlement Class Members,
12 and Defendants, and the Parties shall revert to their respective positions in the Action
13 as of November 16, 2021, as provided in the Stipulation.

14 18. **Entry of Final Judgment** – There is no just reason to delay the entry of
15 this Judgment as a final judgment in this Action. Accordingly, the Clerk of the Court
16 is expressly directed to immediately enter this final judgment in this Action.

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SO ORDERED this 18th day of April, 2022.



Hon. David O. Carter
United States District Judge

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Exhibit 1

List of Persons Excluded from the Settlement Class

Pursuant to Request

Sally C. Peterson
Gainesville, VA