

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): November 2, 2022



Merit Medical Systems, Inc.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of
incorporation or organization)

0-18592
(Commission
File Number)

87-0447695
(I.R.S. Employer
Identification No.)

1600 West Merit Parkway
South Jordan, Utah
(Address of principal executive offices)

84095
(Zip Code)

(801) 253-1600
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	MMSI	NASDAQ Global Select Market System

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

In May of 2021, Steffen Maute (the “Plaintiff”), a purported stockholder of Merit Medical Systems, Inc. (the “Company”), filed a derivative action (the “Derivative Action”) in the United States District Court for the District of Utah (the “Court”) naming the Company, certain executives of the Company, and certain present and former members of the Company’s Board of Directors, as defendants (collectively, the “Defendants”). In the Derivative Action, it was alleged that the Defendants breached their fiduciary duties and/or otherwise enriched themselves in an unjust manner. The Defendants have denied, and continue to deny, that they committed any wrongdoing whatsoever.

In August of 2022, the parties reached an agreement in principle to resolve the Derivative Action (the “Settlement”). Among other things, the Settlement provides that the Company will institute and maintain certain corporate governance reforms and will contribute \$1 million toward the legal fees and costs incurred by the Plaintiff. Only those directors of the Company not named in the Derivative Action were permitted to vote on the Settlement. The Settlement does not include any admission of wrongdoing on the part of any of the Defendants.

Prior to issuing its final approval of the Settlement, the Court scheduled a settlement hearing to determine whether, among other things, the Settlement is fair, reasonable, and adequate and should be finally approved by the Court. The settlement hearing will be held before the Honorable Robert J. Shelby on February 16, 2023, at 3:30 p.m. in Courtroom 3.100 located at 351 South West Temple, Salt Lake City, UT, 84101. If the Court approves the Settlement, the Derivative Action will subsequently be dismissed, with prejudice, as to all claims alleged.

The Company today provided notice to its stockholders of the Settlement in the form of: (i) a Summary Notice to Current Merit Medical Systems, Inc. Stockholders attached hereto as Exhibit 99.1 and incorporated by reference herein (the “Notice”); and (ii) a press release attached hereto as Exhibit 99.2 and incorporated herein by reference. The terms and conditions of the Settlement are more fully set forth in the Notice and a certain Stipulation and Agreement of Settlement (the “Stipulation”) under review by the Court and referenced in the Notice. Any summary of the Settlement contained herein is qualified in its entirety by reference to the full text of the Notice and the Stipulation.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Summary Notice to Current Merit Medical Systems, Inc. Stockholders of Derivative Action and Settlement Hearing
99.2	Press Release issued by Merit Medical Systems, Inc. on November 2, 2022
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MERIT MEDICAL SYSTEMS, INC.

Date: November 2, 2022

By: /s/ Brian G. Lloyd
Brian G. Lloyd
Chief Legal Officer and Corporate Secretary

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH

STEFFEN MAUTE, derivatively on behalf of
MERIT MEDICAL SYSTEMS, INC.,

Plaintiff,

vs.

FRED P. LAMPROPOULOS; RAUL
PARRA; A. SCOTT ANDERSON; JILL D.
ANDERSON; THOMAS J. GUNDERSON;
F. ANN MILLNER; LYNNE N. WARD; and
JUSTIN F. LAMPROPOULOS,

Defendants,

– and –

MERIT MEDICAL SYSTEMS, INC., a Utah corporation,

Nominal Defendant.

**SUMMARY NOTICE TO CURRENT
MERIT MEDICAL SYSTEMS, INC.
STOCKHOLDERS OF DERIVATIVE
ACTION AND SETTLEMENT
HEARING**

Case No. 2:21-cv-00346-DBP

Chief Magistrate Judge Dustin B. Pead

**SUMMARY NOTICE TO CURRENT MERIT MEDICAL SYSTEMS, INC. STOCKHOLDERS OF DERIVATIVE ACTION AND SETTLEMENT
HEARING**

**TO: ALL OWNERS OF MERIT MEDICAL SYSTEMS, INC. (“MERIT” OR THE “COMPANY”) COMMON STOCK AS OF AUGUST
17, 2022 (“CURRENT MERIT STOCKHOLDERS”).**

YOU ARE HEREBY NOTIFIED that the parties to the above-captioned stockholder derivative action, *Maute v. Lampropoulos et al.*, Civ. Case No. 2:21-cv-00346-DBP (the “Action”), have reached a settlement (the “Settlement”) to resolve the issues raised in the Action. The Parties have entered into a Stipulation and Agreement of Settlement (the “Stipulation”) setting forth the terms of the Settlement. The Settlement, if approved by the Court, would fully, finally and forever resolve the Action on the terms set forth in the Stipulation.

The Action and Settlement address claims alleging that certain current and former directors and officers of Merit (the “Individual Defendants”) breached their fiduciary duties by making a series of false and misleading statements relating to the integration of two acquisitions into Merit: (i) Cianna Medical, Inc. (“Cianna”) and (ii) the ClariVein assets of Vascular Insights, LLC. The Complaint alleged that these false and misleading statements included assertions that Merit had successfully integrated Cianna and maintained its sales force, and that sales of ClariVein products were driving Merit’s growth.

Merit has implemented or, to the extent Merit has not done so, will implement certain corporate governance reforms as specifically set forth at Exhibit A of the Stipulation.

The Individual Defendants have denied, and continue to deny, all allegations of wrongdoing and that they have any liability on the claims asserted in the Action. Merit also has denied and continues to deny the claims in the Action.

PLEASE BE FURTHER ADVISED that pursuant to an Order of the United States District Court for the District of Utah (the “Court”), a hearing (the “Settlement Hearing”) will be held before the Honorable Robert J. Shelby on February 16, 2023 at 3:30pm in Courtroom 3.100 located at 351 South West Temple, Salt Lake City, UT, 84101 (i) to determine whether the terms and conditions of the Settlement are fair, reasonable, adequate, and in the best interests of Merit and Current Merit Stockholders; (ii) to determine whether the Judgment should be entered dismissing the Action with prejudice, releasing the Released Claims, and enjoining and/or barring prosecution of any and all Released Claims; (iii) to determine whether the \$1.0 million Fee and Expense Award for Plaintiff’s Counsel should be approved; (iv) to determine whether the \$2,500.00 Incentive Award for Plaintiff should be approved; and (v) to consider such other matters as may properly come before the Court. The Settlement Hearing may be continued by the Court at the Settlement Hearing, or at any adjourned session thereof without further notice to Current Merit Stockholders.

A detailed Notice to Current Merit Stockholders (the "Notice") describing in greater detail the Action, the proposed Settlement, and the rights of Current Merit Stockholders with regard to the Settlement is available on Merit's website at <https://www.merit.com/wp-content/uploads/2022/11/Notice-To-MeritMedicalSystem-Stockholders-110122.pdf>. The full terms of the Stipulation may be inspected at the Office of the Clerk of the United States District Court for the District of Utah located at 351 South West Temple, Salt Lake City, UT, 84101, during regular business hours of each business day.

If you are a Current Merit Stockholder, your rights to pursue certain derivative claims on behalf of Merit may be affected by the Settlement. A Current Merit Stockholder wishing to assert an objection to the Settlement must, at least fourteen (14) days prior to the Settlement Hearing, (1) file with the Clerk of the Court a written objection to the Settlement setting forth: (a) the nature of the objection; (b) proof of ownership of Merit common stock through the date of the Settlement Hearing, including the number of shares of Merit common stock held by the shareholder and the date(s) of purchase; and (c) any documentation in support of such objection; and (2) if a Current Merit Stockholder intends to appear and requests to be heard at the Settlement Hearing, such shareholder must have, in addition to the requirements of (1) above, filed with the Clerk of Court: (a) a written notice of such shareholder's intention to appear; (b) a statement that indicates the basis for such appearance; and (c) a statement identifying any exhibits the shareholder intends to introduce and any witnesses the shareholder intends to call at the Settlement Hearing (including a statement as to the subjects of their testimony). Copies of any such filings must also simultaneously be served (either by hand delivery or by first-class mail) on the Parties' counsel of record as set forth in the Notice posted on Merit's website.

Current Merit Stockholders have the right to object to the Settlement in the manner provided herein, and failure to object in the manner provided in the Notice at least fourteen (14) days prior to the Settlement Hearing will be deemed a waiver of all objections. Any Current Merit Stockholder who fails to properly object will be bound by the Judgment to be entered and the releases to be given, unless otherwise ordered by the Court.

Any inquiries regarding the Settlement or the Action should be directed to Plaintiff's Counsel:

Rusty E. Glenn
SHUMAN, GLENN & STECKER
600 17th Street, Ste. 2800 South,
Denver, CO 80202

**PLEASE DO NOT TELEPHONE THE COURT OR
MERIT REGARDING THIS NOTICE.**



PRESS RELEASE

+1 801.253.1600
www.merit.com1600 West Merit Parkway,
South Jordan, Utah 84095**Summary Notice to Current Merit Medical Systems, Inc. Stockholders of Derivative Action and Settlement Hearing****TO: ALL OWNERS OF MERIT MEDICAL SYSTEMS, INC. (“MERIT” OR THE “COMPANY”) COMMON STOCK AS OF AUGUST 17, 2022 (“CURRENT MERIT STOCKHOLDERS”)**

YOU ARE HEREBY NOTIFIED that the parties to the above-captioned stockholder derivative action, Maute v. Lampropoulos et al., Civ. Case No. 2:21-cv-00346-DBP (the “Action”), have reached a settlement (the “Settlement”) to resolve the issues raised in the Action. The Parties have entered into a Stipulation and Agreement of Settlement (the “Stipulation”) setting forth the terms of the Settlement. The Settlement, if approved by the Court, would fully, finally and forever resolve the Action on the terms set forth in the Stipulation.

The Action and Settlement address claims alleging that certain current and former directors and officers of Merit (the “Individual Defendants”) breached their fiduciary duties by making a series of false and misleading statements relating to the integration of two acquisitions into Merit: (i) Cianna Medical, Inc. (“Cianna”) and (ii) the ClariVein assets of Vascular Insights, LLC. The Complaint alleged that these false and misleading statements included assertions that Merit had successfully integrated Cianna and maintained its sales force, and that sales of ClariVein products were driving Merit’s growth.

Merit has implemented or, to the extent Merit has not done so, will implement certain corporate governance reforms as specifically set forth at Exhibit A of the Stipulation.

The Individual Defendants have denied, and continue to deny, all allegations of wrongdoing and that they have any liability on the claims asserted in the Action. Merit also has denied and continues to deny the claims in the Action.

PLEASE BE FURTHER ADVISED that pursuant to an Order of the United States District Court for the District of Utah (the “Court”), a hearing (the “Settlement Hearing”) will be held before the Honorable Robert J. Shelby on February 16, 2023 at 3:30 p.m. in Courtroom 3.100 located at 351 South West Temple, Salt Lake City, UT, 84101 (i) to determine whether the terms and conditions of the Settlement are fair, reasonable, adequate, and in the best interests of Merit and Current Merit Stockholders; (ii) to determine whether the Judgment should be entered dismissing the Action with prejudice, releasing the Released Claims, and enjoining and/or barring prosecution of any and all Released Claims; (iii) to determine whether the \$1.0 million Fee and Expense Award for Plaintiff’s Counsel should be approved; (iv) to determine whether the \$2,500.00 Incentive Award for Plaintiff should be approved; and (v) to consider such other matters as may properly come before the Court. The Settlement Hearing may be continued by the Court at the Settlement Hearing, or at any adjourned session thereof without further notice to Current Merit Stockholders.

A detailed Notice to Current Merit Stockholders (the “Notice”) describing in greater detail the Action, the proposed Settlement, and the rights of Current Merit Stockholders with regard to the Settlement is available on Merit’s website at <https://www.merit.com/wp-content/uploads/2022/11/Notice-To-MeritMedicalSystem-Stockholders-110122.pdf>. The full terms of the Stipulation may be inspected at the Office of the Clerk of the United States District Court for the District of Utah located at 351 South West Temple, Salt Lake City, UT, 84101, during regular business hours of each business day.

If you are a Current Merit Stockholder, your rights to pursue certain derivative claims on behalf of Merit may be affected by the Settlement. A Current Merit Stockholder wishing to assert an objection to the Settlement must, at least fourteen (14) days prior to the Settlement Hearing, (1) file with the Clerk of the Court a written objection to the Settlement setting forth: (a) the nature of the objection; (b) proof of ownership of Merit common stock through the date of the Settlement Hearing, including the number of shares of Merit common stock held by the shareholder and the date(s) of purchase; and (c) any documentation in support of such objection; and (2) if a Current Merit Stockholder intends to appear and requests to be heard at the Settlement Hearing, such shareholder must have, in addition to the requirements of (1) above, filed with the Clerk of Court: (a) a written notice of such shareholder’s intention to appear; (b) a statement that indicates the basis for such appearance; and (c) a statement identifying any exhibits the shareholder intends to introduce and any witnesses the shareholder intends to call at the Settlement Hearing (including a statement as to the subjects of their testimony). Copies of any such filings must also simultaneously be served (either by hand delivery or by first-class mail) on the Parties’ counsel of record as set forth in the Notice posted on Merit’s website.

Current Merit Stockholders have the right to object to the Settlement in the manner provided herein, and failure to object in the manner provided in the Notice at least fourteen (14) days prior to the Settlement Hearing will be deemed a waiver of all objections. Any Current Merit Stockholder who fails to properly object will be bound by the Judgment to be entered and the releases to be given, unless otherwise ordered by the Court.

Any inquiries regarding the Settlement or the Action should be directed to Plaintiff’s Counsel: Rusty E. Glenn, Shuman, Glenn & Stecker, 600 17th Street, Suite 2800 South, Denver, CO 80202

PLEASE DO NOT TELEPHONE THE COURT OR MERIT REGARDING THIS NOTICE.

CONTACTS:

PR/Media Inquiries

Sarah Comstock

Merit Medical

+1-801-432-2864 | sarah.comstock@merit.com

Investor Inquiries

Mike Piccinino, CFA, IRC

Westwicke - ICR

+1-443-213-0509 | mike.piccinino@westwicke.com
