

In re Boston Scientific Corporation Securities Litigation

COURT: United States District Court for the District of Massachusetts
CASE NUMBER: No. 1:20-cv-12225-DPW
CLASS PERIOD: 09/16/2020 - 11/16/2020
CASE LEADERS: Salvatore J. Graziano, Michael D. Blatchley
CASE TEAM: Emily A. Tu, Aasiya Glover

This is a securities class action that asserted claims on behalf of all persons and entities who purchased or otherwise acquired shares of Boston Scientific Corporation (“Boston Scientific” or the “Company”) common stock from September 16, 2020 through November 16, 2020, inclusive (the “Class Period”). The action was brought against Boston Scientific and certain of the Company’s senior executives and asserted claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934.

Lead Plaintiff Has Settled the Action for \$38.5 Million

Lead Plaintiff Union Asset Management Holding AG, on behalf of itself and the Settlement Class, has settled the Action for **\$38,500,000** in cash (the “Settlement”).

On April 23, 2024, the Court held a hearing to consider final approval of the Settlement and other matters. The same day, the Court entered a final Judgment approving the Settlement, an order approving the Plan of Allocation, and an order approving Lead Counsel’s motion for attorney’s fees and litigation expenses.

If you are a member of the Settlement Class, your rights will be affected and you may be eligible for a payment from the Settlement. The Settlement Class consists of:

all persons or entities who purchased or otherwise acquired Boston Scientific common stock during the period from September 16, 2020 through November 16, 2020, inclusive, and were damaged thereby.

Certain persons and entities are excluded from the Settlement Class by definition (see paragraph 27 of the Notice) or by request.

Please read the Notice to fully understand your rights and options. The Notice can be found in the **Case Documents** list on the right of this page. You may also visit the case website, www.BostonScientificSecuritiesLitigation.com, for more information about the Settlement.

The deadline for submission of a Claim Form to participate in the Settlement was May 28, 2024. The claims administration concluded in February 2025. On February 14, 2025, Lead Plaintiff filed a Motion for Approval of Distribution Plan seeking the Court’s permission to distribute the net settlement fund to eligible claimants. On February 26, 2025, the Court approved that motion. The initial distribution of the net settlement fund occurred in April 2025.

Background and History of the Litigation

Boston Scientific manufactures medical devices and is one of the largest medical device manufacturers in the world. The action against Boston Scientific arises out of the Company’s representations concerning one such device, the

LOTUS Edge, a transcatheter aortic valve replacement—or “TAVR”—device used to treat patients with heart disease.

Throughout the Class Period, Boston Scientific touted the LOTUS Edge’s superior “ease of use” as the only re-deployable and repositionable TAVR device on the market—meaning that, unlike other TAVR devices, the LOTUS Edge could be repositioned and “recaptured” once deployed. According to Boston Scientific, this increased level of control over the delivery and deployment of the device ensured optimal patient outcomes, and represented a significant advantage over the two primary TAVR devices already on the market. Following the FDA’s approval of the LOTUS Edge in April 2019, Boston Scientific and its senior executives made numerous statements touting the device’s purportedly successful commercial launch, its adoption by heart surgeons, and the device’s advantages over its competitors. For example, the Company told investors that the “Lotus Edge launch is going extremely well,” that many surgical centers were signing up for the device, and that the Company had already met its goal to open 150 accounts in the United States.

Lead Plaintiff alleges that the LOTUS Edge delivery system—the feature that supposedly separated the device from competitors—was severely flawed and, as a result, the launch of the device never got off the ground, and that investors learned the truth about the LOTUS Edge when, on November 17, 2020, Boston Scientific abruptly announced the recall of the device and shut down the LOTUS business entirely. In response to this disclosure, Boston Shares declined dramatically and in a statistically significant manner, causing substantial damage to investors.

On March 30, 2021, the Honorable Douglas P. Woodlock appointed BLB&G client Union Asset Management Holding AG as Lead Plaintiff and BLB&G as Lead Counsel for the class.

Lead Plaintiff filed the Amended Complaint on June 4, 2021. Defendants’ motion to dismiss was fully briefed on September 20, 2021, and the Court heard oral argument on the motion on November 19, 2021. On December 20, 2022, the Court denied Defendants’ motion to dismiss in part. The parties have been engaged in discovery, and on April 18, 2023, the Court held a status conference which addressed several discovery disputes. Lead Plaintiff filed its motion for class certification on April 21, 2023. Following the transfer of the action to the Honorable Allison D. Burroughs on June 28, 2023, the Court heard oral argument on the class certification motion on July 27, 2023. On October 23, 2023, the parties notified the Court that the parties’ mediated settlement process resulted in an agreement in principle to settle the action.

On December 14, 2023, the Parties entered into a Stipulation and Agreement of Settlement setting forth the terms of their agreement to settle the Action in exchange for \$38.5 million, subject to Court approval. On December 27, 2023, the Court preliminarily approved the Settlement, authorized notice of the Settlement to be provided to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement for April 23, 2024.

Following the hearing on April 23, 2024, the Court entered a final Judgment approving the Settlement, an order approving the Plan of Allocation, and an order approving Lead Counsel’s motion for attorney’s fees and litigation expenses.

Case Documents

- Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys Fees and Litigation Expenses (Notice)
- February 26, 2025 - Order Approving Distribution Plan
- February 14, 2025 - Lead Plaintiff's Unopposed Motion for Approval of Distribution Plan
- April 23, 2024 - Judgment Approving Class Action Settlement
- April 23, 2024 - Order Approving Plan of Allocation of Net Settlement Fund
- April 23, 2024 - Order Awarding Attorneys' Fees and Litigation Expenses
- April 16, 2024 - Reply Memorandum of Law in Further Support of (A) Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation and (B) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- March 19, 2024 - Declaration of Salvatore J. Graziano in Support of (I) Motion for Final Approval of Settlement and Plan of Allocation, and (II) Motion for Attorneys' Fees and Litigation Expenses
- March 19, 2024 - Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation
- March 19, 2024 - Memorandum of Law in Support of Lead Plaintiffs' Motion for Final Approval of Settlement and Plan of Allocation
- March 19, 2024 - Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- March 19, 2024 - Memorandum of Law in Support of Lead Counsel's Motion for Attorneys' Fees and Expenses
- December 27, 2023 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- December 14, 2023 - Stipulation and Agreement of Settlement
- June 4, 2021 - Amended Consolidated Class Action Complaint