IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No.:

[redacted] Individually and on Behalf of All Others Similarly Situated,

Plaintiff,

v.

THE SPECTRANETICS CORPORATION,
SCOTT DRAKE, and
GUY A. CHILDS,

Defendants.

CLASS ACTION COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS AND JURY TRIAL DEMAND

Plaintiff [redacted] ("Plaintiff"), by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff's information and belief is based upon, among other things, his counsel's investigation, which includes without limitation: (a) review and analysis of regulatory filings made by THE SPECTRANETICS CORPORATION ("Spectranetics" or the "Company"), with the United States ("U.S.") Securities and Exchange Commission ("SEC"); (b) review and analysis of press releases and media reports issued by and disseminated by Spectranetics; and (c) review of other publicly available information concerning Spectranetics.

NATURE OF THE ACTION AND OVERVIEW

1. This is a class action on behalf of purchasers of Spectranetics securities between February 19, 2015 and July 23, 2015, inclusive (the "Class Period"), seeking to pursue remedies under the Securities Exchange Act of 1934 (the "Exchange Act").

2. Spectranetics develops, manufactures, markets, and distributes medical devices used in minimally invasive procedures within the cardiovascular system. The Company's products are sold in over 65 countries and are used to cross, prepare, and treat arterial blockages in the legs and heart and to remove pacemaker and defibrillator cardiac leads. In 2014, the Company acquired AngioScore, a leading developer, manufacturer and marketer of cardiovascular, specialty balloon catheters and in January 2015, the Company acquired the Stellarex drug-coated balloon assets from Covidien LP.

3. On April 23, 2015, after the market closed, the Company reported disappointing earnings results and lowered its forecasts for the rest of the year. The Company attributed much of the lowered forecast to increased competition from other drug-coated balloon products.

4. On this news, shares of Spectranetics declined $8.18 per share, over 23%, to close on April 24, 2015, at $26.52 per share, on unusually heavy volume.

5. On July 23, 2015, after the market closed, the Company lowered revenue guidance for the remainder of 2015. According to the Company, competitive pressure from the rapid adoption of drug-coated balloons and ongoing sales force optimization efforts were causing its AngioSculpt franchise to perform below expectations.

6. On this news, shares of Spectranetics declined $8.53 per share, over 34%, to close on July 24, 2015, at $16.30 per share, on unusually heavy volume.

7. Throughout the Class Period, Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose: (1) the Company was being negatively impacted by increasing competition; (2) that the Company's sales force optimization efforts were inadequate; (3) that, as a result, the Company was performing below expectations; (4) that the Company lacked adequate internal controls; and (5) that, as a result of the foregoing, Defendants' statements about Spectranetics's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

8. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

9. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

10. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and Section 27 of the Exchange Act (15 U.S.C. §78aa).

11. Venue is proper in this Judicial District pursuant to 28 U.S.C. §1391(b) and Section 27 of the Exchange Act (15 U.S.C. §78aa(c)). Substantial acts in furtherance of the alleged fraud or the effects of the fraud have occurred in this Judicial District. Many of the acts charged herein, including the preparation and dissemination of materially false and/or misleading information, occurred in substantial part in this Judicial District. Additionally, Spectranetics's principal executive offices are located within this Judicial District.

12. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the United States mail, interstate telephone communications, and the facilities of a national securities exchange.

PARTIES

13. Plaintiff [redacted] as set forth in the accompanying certification, incorporated by reference herein, purchased Spectranetics common stock during the Class Period, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

14. Defendant Spectranetics is a Delaware corporation with its principal executive offices located at 9965 Federal Drive, Colorado Springs, Colorado 80921.

15. Defendant Scott Drake ("Drake") was, at all relevant times, Chief Executive Officer ("CEO") and a director of Spectranetics.

16. Defendant Guy A. Childs ("Childs") was, at all relevant times, Chief Financial Officer ("CFO") of Spectranetics.

17. Defendants Drake and Childs are collectively referred to hereinafter as the "Individual Defendants." The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Spectranetics's reports to the SEC, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.*, the market. Each defendant was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of these defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading. The Individual Defendants are liable for the false statements pleaded herein, as those statements were each "group-published" information, the result of the collective actions of the Individual Defendants.

SUBSTANTIVE ALLEGATIONS

Background

18. Spectranetics develops, manufactures, markets, and distributes medical devices used in minimally invasive procedures within the cardiovascular system. The Company's products are sold in over 65 countries and are used to cross, prepare, and treat arterial blockages in the legs and heart and to remove pacemaker and defibrillator cardiac leads. In 2014, the

Company acquired AngioScore, a leading developer, manufacturer and marketer of cardiovascular, specialty balloon catheters and in January 2015, the Company acquired the Stellarex drug-coated balloon assets from Covidien LP.

Materially False and Misleading
Statements Issued During the Class Period

19. The Class Period begins on February 19, 2015. On this day, Spectranetics issued a press release entitled, "Spectranetics Achieves Fourth Quarter 2014 Revenue of $63.0 Million." Therein, the Company, in relevant part, stated:

> ***Stellarex DCB Acquisition Closed and Stellarex Launched in Europe***
>
> ***Updates 2015 Outlook***
>
> The Spectranetics Corporation (Nasdaq:SPNC) today reported financial results for the three months and year ended December 31, 2014. Highlights of the quarter, all compared with the three months ended December 31, 2013 include:
>
> - Revenue of $63.0 million, up 50% (51% constant currency1)
> - Vascular Intervention revenue of $39.1 million grew 90% (91% constant currency)
> - U.S. peripheral atherectomy revenue grew 30%
> - AngioSculpt™ revenue of $14.7 million achieved
> - Lead Management revenue of $18.5 million increased 14% (15% constant currency)
> - U.S. revenue grew 52% to $52.3 million; International revenue grew 43% (49% constant currency) to $10.6 million
> - Closed acquisition of Stellarex™ Drug Coated Balloon (DCB); Launched Stellarex in Europe in January 2015
>
> "The fourth quarter caps off a very productive year for our company. Our tactical execution and performance combined with strategic progress set us up well for future growth and operating leverage. Notably, we have early traction with ISR, our mechanical tools launch is ahead of schedule, the AngioScore integration is on track and, following our acquisition of the Stellarex platform in January, commercialization in Europe is underway. Our competitive position is stronger than ever and we believe it will continue to improve over time," said Scott Drake, President and Chief Executive Officer.
>
> * * *

2015 Financial Outlook

Spectranetics is updating its 2015 financial outlook to reflect the projected impact of Stellarex and adjustments for the weakening euro since the financial outlook provided in December 2014.

Spectranetics management continues to project revenue in the range of $258 million to $265 million, an increase of 26% to 29% over 2014. Management estimates the negative impact of a weakening euro at approximately $3 million. Projected sales from the Stellarex DCB products are anticipated to largely offset the foreign currency impact in 2015.

- Vascular Intervention revenue growth is anticipated to be in the range of 41% to 46%. This includes projected AngioSculpt revenue of $62 million to $66 million and projected ISR revenue of approximately $15 million to $20 million.
- Lead Management revenue growth is estimated in the range of 8% to 10%, which has been adjusted from the range of 11% to 12% provided previously, entirely due to the weaker euro.

Net loss for 2015 is projected to be in the range of $58.0 million to $62.0 million, or $1.36 to $1.46 per share. The net loss, excluding Stellarex, is projected to be $28.0 million to $32.0 million, or $0.66 to $0.75 per share. The net loss budgeted for Stellarex is approximately $30.0 million, or $0.71 per share. The Stellarex acquisition closed on January 27, 2015 and Spectranetics is in the early stages of integration. As integration proceeds, the budget will likely change. Also, the company has identified potential further applications of the technology that may enhance revenue and return metrics and entail additional investments.

Non-GAAP net loss for 2015 is projected to be in the range of $31.9 million to $35.9 million, or $0.75 to $0.84 per share. See "Reconciliation of non-GAAP Financial Measures" later in this release. Additional details supporting the 2015 outlook are provided below:

- Gross margin is expected to be in the range of 74.5% to 75.0%. This includes improvement of approximately 50 basis points within the current business, which is offset by the dilutive impact of approximately 50 to 100 basis points associated with establishing manufacturing operations for the Stellarex product line.
- Research, development and other technology expenses are expected to be approximately 25.5% to 26.0% of revenue, revised from 15.5% to 16.0% provided previously. The increase is entirely due to costs associated with the Stellarex program.

20. On February 27, 2015, Spectranetics filed its Annual Report with the SEC on Form 10-K for the 2014 fiscal year. The Company's Form 10-K was signed by Defendants Drake and Childs, and reaffirmed the Company's statements previously announced on February 19, 2015. The Form 10-K also contained required Sarbanes-Oxley certifications, signed by Defendants Drake and Childs, who certified:

> 1. I have reviewed this annual report on Form 10-K of The Spectranetics Corporation;
>
> 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
>
> 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
>
> 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
>
> a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
>
> b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
>
> c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about

the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

21. The statements contained in ¶¶19-20 were materially false and/or misleading when made because defendants failed to disclose or indicate the following: (1) the Company was being negatively impacted by increasing competition; (2) that the Company's sales force optimization efforts were inadequate; (3) that, as a result, the Company was performing below expectations; (4) that the Company lacked adequate internal controls; and (5) that, as a result of the foregoing, Defendants' statements about Spectranetics's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

22. On April 23, 2015, after the market closed, Spectranetics issued a press release entitled, "Spectranetics Achieves First Quarter 2015 Revenue of $57.4 Million." Therein, the Company, in relevant part, stated:

Expands Stellarex™ Program to Below the Knee Market

Updates 2015 Outlook

The Spectranetics Corporation (Nasdaq:SPNC) today reported financial results for the three months ended March 31, 2015. Highlights of the quarter, all compared with the three months ended March 31, 2014 include:

- Revenue of $57.4 million, up 45% (47% constant currency1)
- Vascular Intervention revenue of $36.5 million grew 82% (84% constant currency)
  - U.S. peripheral atherectomy revenue grew 16%
  - AngioSculpt® revenue of $14.0 million achieved
- Lead Management revenue of $16.4 million increased 14% (16% constant currency)
- U.S. revenue grew 53% to $48.6 million; International revenue grew 12% (24% constant currency) to $8.8 million
- Record placements of 54 laser systems
- Stellarex program expands to below the knee (BTK) market; Investigational Device Exemption (IDE) discussions underway with FDA; Stellarex BTK European launch planned in late 2016
- CE submission on Drug-Coated Coronary AngioSculpt®; targeting mid-2016 European launch

"Solid execution across commercial, clinical and new product development is evident," said Scott Drake, President and Chief Executive Officer. "Our Lead Management and International businesses continue with solid double-digit growth. Our Vascular Intervention portfolio is profoundly strengthening, especially in our drug-coated balloon (DCB) platform, and record laser placements bode well for future growth. Vascular performance is generally on track, yet scoring balloons in the United States are feeling the effect of recent competitive DCB launches. Given recent launches, it is difficult to predict long-term impact, therefore we are guiding investors to the low end of our previously provided outlook."

Net loss for the three months ended March 31, 2015 was $27.3 million, or $0.65 per share, compared with net loss of $5.7 million, or $0.14 per share, for the three months ended March 31, 2014. Non-GAAP net loss1, which primarily excludes acquisition-related items, for the three months ended March 31, 2015 was $12.5 million, or $0.30 per share, compared with non-GAAP net loss of $5.2 million, or $0.13 per share, for the three months ended March 31, 2014.

2015 Financial Outlook

Spectranetics management continues to project revenue in the range of $258 million to $265 million, an increase of 26% to 29% over 2014, but is guiding to

> the low end of the range. The revision reflects the potential impact of DCB products recently launched by competitors on the U.S. AngioSculpt business. As a result, Vascular Intervention revenue is anticipated to be at the low end of the previously provided 41% to 46% range. More specifically, AngioSculpt revenue is projected in the range of $59 million to $66 million, compared with previous outlook of $62 million to $66 million. The remainder of our revenue outlook is unchanged, including ISR revenue of $15 million to $20 million, and Lead Management revenue of 8% - 10% growth compared with last year.
>
> Net loss for 2015 is projected to be within a range of $78.0 million to $82.0 million, or $1.84 to $1.93 per share, compared with $58.0 million to $62.0 million, or $1.36 to $1.46 previously provided. The increased net loss consists of approximately $14 million of incremental spending associated with the Stellarex program and $6 million of increased costs related to litigation with TriReme Medical, Inc.
>
> The projected net loss from the Stellarex program has been increased from approximately $30 million, or $0.71 per share, to approximately $44 million or $1.04 per share. The increased costs are primarily due to accelerating the BTK program, and non-recurring integration costs. Management estimates launch of the Stellarex BTK product in Europe in late 2016 and has submitted a pre-IDE application to the Food and Drug Administration to support a randomized clinical trial in the U.S.
>
> Non-GAAP net loss for 2015 is projected to be within a range of $41.3 million to $45.3 million, or $0.97 to $1.07 per share, compared with $31.9 million to $35.9 million, or $0.75 to $0.84 per share previously provided. See "Reconciliation of non-GAAP Financial Measures" later in this release. Additional details supporting the 2015 outlook are provided below:
>
> - Gross margin is unchanged and expected to be within a range of 74.5% to 75.0%. This includes improvement of approximately 50 basis points within the current business, which is offset by the dilutive impact of approximately 50 to 100 basis points associated with establishing manufacturing operations for the Stellarex product line.
>
> - Research, development and other technology expenses are expected to be approximately 27.0% to 28.0% of revenue, revised from 25.5% to 26.0% provided previously. The increase is entirely due to costs associated with the Stellarex program.

23. On this news, shares of Spectranetics declined $8.18 per share, over 23%, to close on April 24, 2015, at $26.52 per share, on unusually heavy volume.

24. On May 8, 2015, Spectranetics filed its Quarterly Report with the SEC on Form 10-Q for the 2015 fiscal first quarter. The Company's Form 10-Q was signed by Defendants Drake and Childs, and reaffirmed the Company's statements previously announced on April 23, 2015. The Form 10-Q also contained required Sarbanes-Oxley certifications, signed by Defendants Drake and Childs, substantially similar to those contained in ¶20.

25. The statements contained in ¶22 and ¶24 were materially false and/or misleading when made because defendants failed to disclose or indicate the following: (1) the Company was being negatively impacted by increasing competition; (2) that the Company's sales force optimization efforts were inadequate; (3) that, as a result, the Company was performing below expectations; (4) that the Company lacked adequate internal controls; and (5) that, as a result of the foregoing, Defendants' statements about Spectranetics's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

Disclosures at the End of the Class Period

26. On July 23, 2015, after the market closed, Spectranetics issued a press release entitled, "Spectranetics Reports Second Quarter Financial Results." Therein, the Company, in relevant part, stated:

> **Revises 2015 Outlook**
>
> The Spectranetics Corporation (NASDAQ:SPNC) today reported financial results for the three and six months ended June 30, 2015. Highlights of the quarter, all compared with the three months ended June 30, 2014 include:
>
> - Revenue of $61.7 million increased 42% (45% constant currency1); 9% (12% constant currency) excluding AngioSculpt®
> - Vascular Intervention revenue of $26.4 million, excluding AngioSculpt, increased 17% (19% constant currency)
>   - U.S. peripheral atherectomy revenue grew 21%
>   - AngioSculpt revenue of $14.2 million
> - Lead Management revenue of $17.3 million increased 7% (11% constant currency)

- Laser, service and other revenue of $3.8 million decreased 23% (21% constant currency)

"We are adjusting our 2015 outlook based on first-half results that fell short of plan and tempered expectations for the second half. Performance of our AngioSculpt franchise was below expectations due to relatively rapid adoption of competitive drug-coated balloons and our ongoing sales force optimization efforts. Significant actions are underway to augment and improve sales performance, optimize the potential for our Stellarex™ drug-coated balloon platform, and adjust expenses to offset the revenue shortfall," said Scott Drake, President and Chief Executive Officer. "While we are disappointed with these mixed results, we are focused on driving our key initiatives today and also look forward to the headwinds of drug-coated balloons becoming tailwinds in the not too distant future."

Net loss for the three months ended June 30, 2015 was $7.2 million, or $0.17 per share, compared with net loss of $5.3 million, or $0.13 per share, for the three months ended June 30, 2014. Non-GAAP net loss1 for the three months ended June 30, 2015 was $9.2 million, or $0.22 per share, compared with non-GAAP net loss of $2.4 million, or $0.06 per share, for the three months ended June 30, 2014.

Year-To-Date Financial Results

Revenue for the six months ended June 30, 2015 rose 43% (46% constant currency) to $119.1 million, from $83.2 million for the six months ended June 30, 2014. Excluding AngioSculpt, revenue increased 9% (12% constant currency). Vascular Intervention revenue, excluding AngioSculpt, increased 15% (17% constant currency) to $48.9 million, AngioSculpt revenue was $28.3 million, Lead Management revenue increased 10% (13% constant currency) to $33.7 million, and laser system, service and other revenue decreased 18% (15% constant currency) to $8.3 million.

Net loss during the six months ended June 30, 2015 was $34.5 million, or $0.82 per share, compared with net loss of $11.0 million, or $0.26 per share, for the six months ended June 30, 2014. Non-GAAP net loss during the six months ended June 30, 2015 was $21.7 million, or $0.51 per share, compared with non-GAAP net loss of $7.6 million, or $0.18 per share, for the six months ended June 30, 2014.

2015 Financial Outlook

Spectranetics is revising its 2015 outlook. All references to previous revenue guidance, including the guidance of $258 million for 2015, are to the guidance provided in a Current Report on Form 8-K filed on April 29, 2015. All references to previous guidance for net loss, gross margin, and research, development and other technology expenses are to the guidance provided in the Company's press release issued on April 23, 2015.

Spectranetics now expects 2015 revenue to be within a range of $240 million to $250 million. Compared with 2014, this range represents an increase of 17% to 22%. The following table provides a comparison of the revised 2015 outlook with the outlook previously provided.

	Previous	Revised Outlook		Growth vs. 2014	
(in millions)	Outlook	Low	High	Low	High
Vascular Intervention, excluding AngioSculpt	$107.6	$103	$107	16%	21%
AngioSculpt	$59.0	$55	$58	86%	96%
Total Vascular Intervention	$166.6	$158	$165	34%	40%
Lead Management	$72.6	$67	$69	1%	4%
Laser Service and Other	$18.8	$15	$16	-25%	-20%
Total Revenue	$258.0	$240	$250	17%	22%
Total Revenue, excluding AngioSculpt	$199.0	$185	$192	6%	10%

Includes $5.0 -- $5.5 million of negative currency impact, which represents 2% - 3% of 2014 revenue.

Results for 2014 include six months of AngioSculpt revenue because the acquisition closed on June 30, 2014.

- The revised Vascular Intervention guidance reflects the impact of competitive drug-coated balloon launches on AngioSculpt revenue and ongoing sales team optimization.

- Projected Lead Management revenue reflects expectations for procedural softness and a reduction in market development spending in the second half of 2015.

- The reduction of projected laser, service & other revenue is primarily due to increased focus on laser placements versus sales.

Net loss for 2015 is now projected to be within a range of $65 million to $69 million, or $1.53 to $1.62 per share, compared with $78 to $82 million, or $1.84 to $1.93 previously projected. Non-GAAP net loss for 2015 is projected to be within a range of $41 million to $45 million, or $0.96 to $1.07 per share, and is essentially unchanged from previous guidance as a result of cost management initiatives implemented to offset the reduced projected revenue. See "Reconciliation of non-GAAP Financial Measures" later in this release. Additional details supporting the 2015 outlook are provided below:

- Gross margin is expected to be within a range of 73.5% to 74.0%, approximately 100 basis points less than previously projected, primarily due to lower projected revenue associated with higher margin products.

- Research, development and other technology expenses are expected to be approximately 26.5% to 27.5% of revenue, revised from 27% to 28% previously projected.

27. On this news, shares of Spectranetics declined $8.53 per share, over 34%, to close on July 24, 2015, at $16.30 per share, on unusually heavy volume.

CLASS ACTION ALLEGATIONS

28. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all those who purchased Spectranetics's securities between February 19, 2015 and July 23, 2015, inclusive (the "Class Period") and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

29. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Spectranetics's securities were actively traded on the Nasdaq Stock Market (the "NASDAQ"). While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Millions of Spectranetics shares were traded publicly during the Class Period on the NASDAQ. As of July 23, 2015, Spectranetics had 42,498,112 shares of common stock outstanding. Record owners and other members of the Class may be identified from records maintained by

Spectranetics or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

30. Plaintiff’s claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants’ wrongful conduct in violation of federal law that is complained of herein.

31. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

32. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants’ acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Spectranetics; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

33. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

34. The market for Spectranetics's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Spectranetics's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Spectranetics's securities relying upon the integrity of the market price of the Company's securities and market information relating to Spectranetics, and have been damaged thereby.

35. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Spectranetics's securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. Said statements and omissions were materially false and/or misleading in that they failed to disclose material adverse information and/or misrepresented the truth about Spectranetics's business, operations, and prospects as alleged herein.

36. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Spectranetics's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or misleading statements during the Class Period

resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

LOSS CAUSATION

37. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

38. During the Class Period, Plaintiff and the Class purchased Spectranetics's securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

SCIENTER ALLEGATIONS

39. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Spectranetics, his/her control over, and/or receipt and/or modification of Spectranetics's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Spectranetics, participated in the fraudulent scheme alleged herein.

APPLICABILITY OF PRESUMPTION OF RELIANCE
(FRAUD-ON-THE-MARKET DOCTRINE)

40. The market for Spectranetics's securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Spectranetics's securities traded at artificially inflated prices during the Class Period. On March 18, 2015, the Company's stock closed at a Class Period high of $36.44 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Spectranetics's securities and market information relating to Spectranetics, and have been damaged thereby.

41. During the Class Period, the artificial inflation of Spectranetics's stock was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Spectranetics's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of Spectranetics and its business, operations, and prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company stock. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

42. At all relevant times, the market for Spectranetics's securities was an efficient market for the following reasons, among others:

(a) Spectranetics stock met the requirements for listing, and was listed and actively traded on the NASDAQ, a highly efficient and automated market;

(b) As a regulated issuer, Spectranetics filed periodic public reports with the SEC and/or the NASDAQ;

(c) Spectranetics regularly communicated with public investors *via* established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Spectranetics was followed by securities analysts employed by brokerage firms who wrote reports about the Company, and these reports were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

43. As a result of the foregoing, the market for Spectranetics's securities promptly digested current information regarding Spectranetics from all publicly available sources and reflected such information in Spectranetics's stock price. Under these circumstances, all purchasers of Spectranetics's securities during the Class Period suffered similar injury through their purchase of Spectranetics's securities at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

44. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and

conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as "forward-looking statements" when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Spectranetics who knew that the statement was false when made.

FIRST CLAIM
Violation of Section 10(b) of The Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants

45. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

46. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Spectranetics's securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

47. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which

operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Spectranetics's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

48. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about Spectranetics's financial well-being and prospects, as specified herein.

49. These defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Spectranetics's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Spectranetics and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

50. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of their responsibilities and activities as a senior officer and/or director of the Company, was privy to and

participated in the creation, development and reporting of the Company's internal budgets, plans, projections and/or reports; (iii) each of these defendants enjoyed significant personal contact and familiarity with the other defendants and was advised of, and had access to, other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public which they knew and/or recklessly disregarded was materially false and misleading.

51. The defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Spectranetics's financial well-being and prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and/or misstatements of the Company's business, operations, financial well-being, and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

52. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Spectranetics's securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of

the market in which the securities trades, and/or in the absence of material adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Spectranetics's securities during the Class Period at artificially high prices and were damaged thereby.

53. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Spectranetics was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Spectranetics securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

54. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

55. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM
Violation of Section 20(a) of
The Exchange Act Against the Individual Defendants

56. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

57. The Individual Defendants acted as controlling persons of Spectranetics within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the

Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

58. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

59. As set forth above, Spectranetics and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

(b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

DATED: 8/27/2015