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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Ekim Otucu, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

v.

Verra Mobility Corporation, David Roberts,
and Craig Conti,

Defendants.

Case No.:

**CLASS ACTION COMPLAINT
FOR VIOLATION OF THE
FEDERAL SECURITIES LAWS**

DEMAND FOR JURY TRIAL

1 Plaintiff Ekim Otucu (“Plaintiff”), individually and on behalf of all other persons
2 similarly situated, by his undersigned attorneys, alleges in this Complaint for violations
3 of the federal securities laws (the “Complaint”) the following based upon knowledge with
4 respect to his own acts, and upon facts obtained through an investigation conducted by his
5 counsel, which included, *inter alia*: (a) review and analysis of relevant filings made by
6 Verra Mobility Corporation (“Verra” or the “Company”) with the United States Securities
7 and Exchange Commission (the “SEC”); (b) review and analysis of Verra’s public
8 documents, conference calls, press releases, and stock chart; (c) review and analysis of
9 securities analysts’ reports and advisories concerning the Company; and (d) information
10 readily obtainable on the internet.

11 Plaintiff believes that further substantial evidentiary support will exist for the
12 allegations set forth herein after a reasonable opportunity for discovery. Most of the facts
13 supporting the allegations contained herein are known only to the defendants or are
14 exclusively within their control.

15 NATURE OF THE ACTION

16 1. This is a federal securities class action on behalf of all investors who
17 purchased or otherwise acquired Verra common stock between February 24, 2026, to
18 May 26, 2026, inclusive (the “Class Period”), seeking to recover damages caused by
19 Defendants’ violations of the federal securities. (the “Class”).

20 2. Defendants provided investors with material information concerning
21 Verra’s growth potential for the full-year 2026. Defendants’ statements included, among
22 other things, confidence in the Company’s projected revenue outlook and anticipated
23 growth of its Commercial Services segment, assurances of contract renewals with major
24 rent-a-car (“RAC”) customers, and growth in its rental car tolling business.

25 3. Defendants provided these overwhelmingly positive statements to
26 investors while, at the same time, disseminating materially false and misleading
27 statements and/or concealing material adverse facts concerning the true state of Verra’s
28 relationship with Avis Budget Group (“Avis”), and in particular obtaining a contract

1 extension with Avis. Further, the Company minimized concerns that major RACs could
2 replace Verra with in-house solutions or outsourced alternatives. Such statements absent
3 these material facts caused Plaintiff and other shareholders to purchase Verra's securities
4 at artificially inflated prices.

5 4. The truth emerged after the market closed on May 26, 2026 when Verra
6 issued a press release announcing a termination notice from Avis regarding its contract
7 and accordingly lowered its 2026 full-year financial outlook. Almost one week later on
8 June 1, 2026, the Company announced a sudden and surprising transition of its President
9 and Chief Executive Officer David Roberts.

10 5. Investors and analysts reacted immediately to Verra's revelation. The price
11 of Verra's common stock declined dramatically from a closing market price of \$13.08
12 per share on May 26, 2026, Verra's stock price fell to \$3.85 per share on May 27, 2026,
13 a decline of about 71%.

14 **JURISDICTION AND VENUE**

15 6. Plaintiff brings this action, on behalf of himself and other similarly situated
16 investors, to recover losses sustained in connection with Defendants' fraud.

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

20 8. This Court has jurisdiction over the subject matter of this action pursuant to
21 28 U.S.C. §§1331 and 1337, and Section 27 of the Exchange Act, 15 U.S.C. §78aa.

22 9. Venue is proper in this District pursuant to §27 of the Exchange Act and 28
23 U.S.C. §1391(b), as a significant portion of Defendant Verra's business, actions, and the
24 subsequent damages to Plaintiff and the Class, took place within this District.

25 10. In connection with the acts, conduct and other wrongs alleged in this
26 Complaint, Defendants, directly or indirectly, used the means and instrumentalities of
27 interstate commerce, including but not limited to, the United States mail, interstate
28 telephone communications and the facilities of the national securities exchange.

THE PARTIES

1
2 11. Plaintiff purchased Verra common stock at artificially inflated prices during
3 the Class Period and was damaged upon the revelation of the Defendants’ fraud. Plaintiff’s
4 certification evidencing his transaction(s) in Verra is attached hereto.

5 12. Verra Mobility Corporation is an Arizona corporation with its principal
6 executive offices located at 1150 North Alma School Road, Mesa, Arizona 85201. During
7 the Class Period, the Company’s common stock traded on the NASDAQ Stock Market
8 (the “NASDAQ”) under the symbol “VRRM.”

9 13. Defendant David Roberts (“Roberts”) was, at all relevant times, the
10 President, Chief Executive Officer and Director of Verra.

11 14. Defendant Craig Conti (“Conti”) was, at all relevant times, the Chief
12 Financial Officer of Verra.

13 15. Defendants Roberts and Conti are sometimes referred to herein as the
14 “Individual Defendants.” Verra together with the Individual Defendants are referred to
15 herein as the “Defendants.”

16 16. The Individual Defendants, because of their positions with the Company,
17 possessed the power and authority to control the contents of Verra’s reports to the SEC,
18 press releases, and presentations to securities analysts, money and portfolio managers, and
19 institutional investors, *i.e.*, the market. Each Individual Defendant was provided with
20 copies of the Company’s reports and press releases alleged herein to be misleading prior
21 to, or shortly after, their issuance and had the ability and opportunity to prevent their
22 issuance or cause them to be corrected. Because of their positions and access to material
23 non-public information available to them, each of these Individual Defendants knew that
24 the adverse facts specified herein had not been disclosed to, and were being concealed
25 from, the public, and that the positive representations which were being made were then
26 materially false and/or misleading. The Individual Defendants are liable for the false
27 statements pleaded herein, as those statements were each “group-published” information,
28 the result of the collective actions of the Individual Defendants.

1 17. Verra is liable for the acts of the Individual Defendants, and its employees
2 under the doctrine of respondeat superior and common law principles of agency as all the
3 wrongful acts complained of herein were carried out within the scope of their employment
4 with authorization.

5 18. The scienter of the Individual Defendants, and other employees and agents
6 of the Company are similarly imputed to Verra under respondeat superior and agency
7 principles.

8 **SUBSTANTIVE ALLEGATIONS**

9 **Company Background**

10 19. Verra Mobility Corporation provides smart mobility technology solutions
11 in the United States, Australia, Europe, and Canada. It operates through three segments:
12 Commercial Services, Government Solutions, and Parking Solutions. The Commercial
13 Services segment offers automated toll and violations management, and title and
14 registration solutions to rental car companies, direct commercial fleet owner-operators,
15 fleet management companies, and other fleet owners.

16 ***The Defendants Materially Misled Investors Concerning*** 17 ***Verra's Contract Renewal Negotiations With Avis*** 18 ***Budget While Reaffirming Guidance for the Full Year 2026***

19 ***February 24, 2026***

20 20. On February 24, 2026, Defendants published positive fourth quarter and
21 full year 2025 financial results, particularly in its Commercial Services segment. The
22 press release also announced the Company's 2026 Full Year Guidance, stating, in
23 relevant part:

24 **Fourth Quarter 2025 Financial Highlights**

25 **Revenue:** Total revenue for the fourth quarter of 2025 was \$257.9 million,
26 an increase of 16% compared to \$221.5 million for the fourth quarter of
27 2024. Service revenue growth was 14%, driven by 21% growth in our
Government Solutions segment and 10% growth in our Commercial
Services segment.

28 ...

1 **Fourth Quarter 2025 Segment Detail**

2 *The Commercial Services segment generated total revenue of \$108.1*
3 *million, a 10% increase compared to \$98.7 million in the same period in*
4 *2024.* Segment profit was \$69.1 million, a 7% increase from \$64.6
5 million in the prior year period. *The increases in revenue and segment*
6 *profit compared to the prior year period resulted from an increase in*
7 *product adoption, tolling activity, and our European operations,* partially
8 offset by lower revenue from our fleet management business due to prior
9 period customer churn. The segment profit margin was 64% for the fourth
10 quarter of 2025 and 65% for the fourth quarter of 2024.

11 ...

12 **Full Year 2025 Financial Highlights**

13 **Revenue:** *Total revenue for fiscal year 2025 was \$979.1 million, an*
14 *increase of 11% compared to \$879.2 million for fiscal year 2024.* Service
15 revenue growth was 9%, driven by 13% growth in our Government
16 Solutions segment and 7% growth in our Commercial Services segment.

17 (Emphasis added).

18 21. As part of the same press release, Defendant Roberts touted Verra's growth
19 and momentum while expressing confidence in the Company's 2026 outlook, stating, in
20 pertinent part:

21 We closed 2025 with strong execution and momentum across our three
22 business segments. Total revenue for the fourth quarter increased 16 percent
23 over the fourth quarter of 2024, exceeding our internal expectations while
24 Adjusted EBITDA and Adjusted Earnings Per Share were in-line with our
25 internal expectations. Looking ahead to 2026 and beyond, we are executing
26 against a focused value-creation strategy designed to strengthen our core,
27 enhance profitability and position Verra Mobility for durable long-term
28 growth.

29 22. During the accompanying earnings call, Defendant Roberts emphasized the
30 stability and growth prospects of Verra's Commercial Services segment, stating, in
31 pertinent part:

32 Moving on to Commercial Services. *Fourth quarter revenue and segment*
33 *profit increased about 10% and 7%, respectively, over the prior year*
34 *period. Rental car or RAC tolling increased 16% over the prior year*
35 *period, driven by increased travel volume and product adoption as well as*
36 *higher tolling activity compared to the fourth quarter of last year.* The

1 growth in RAC tolling was partially offset by a decline in fleet management
2 revenue of about 8% compared to the fourth quarter of 2024 due to the prior
3 period customer churn we had discussed in our second quarter earnings call.
4 ***Strategically, Commercial Services remains a durable cash-generative
5 business with clear competitive advantage, while the operating
6 environment is more normalized relative to recent years, we believe that
7 the fundamentals of the business remain solid.***

8 * * *

9 ***In Commercial Services, we are sharpening our execution, serving customers at
10 their highest point of need and reinforcing cost discipline and prioritizing
11 profitability and cash generation. We're positioning the business to deliver
12 consistent high-quality earnings over time.***

13 (Emphasis added).

14 23. On the same call, Defendant Conti reiterated the strength of the Commercial
15 Services segment primarily driven by rental-car tolling (RAC) growth and positive
16 expectations for 2026 revenue growth, stating, in relevant part:

17 ***CS year-over-year revenue growth was 10% in the fourth quarter. RAC
18 tolling revenue increased 16% or about \$10 million over the same period
19 last year, driven by increased product adoption and tolling activity, which
20 benefited from a 1% increase in U.S. travel volume over the prior year
21 quarter.*** Our FMC business declined 8% or about \$1.6 million year-over-
22 year, primarily driven by prior period customer churn. Additionally, our
23 European operations contributed just shy of \$1 billion of growth compared
24 to the fourth quarter of 2024.

25 ***Commercial Services segment profit increased 7% over the prior year,
26 representing a 64% segment profit margin.*** The margin decline compared
27 to the prior year quarter was largely driven by a modest increase in credit
28 loss expense and one-time selling, general and administrative costs. For the
full year, Commercial Services generated \$436 million of revenue or 7%
growth over last year. Segment Profit of \$283 million resulted in margins of
about 65%, an 85 basis point decline over the prior year, driven by ERP
implementation costs and modestly increased credit loss expense.

9 * * *

10 ***In Commercial Services, we expect mid-single-digit revenue growth. We
11 are modeling TSA volume growing about 100 basis points for the full year.
12 In addition, we're expecting FMC revenue to grow mid-single digits over***

1 *the prior year, down high single digits in the first half of the year due to*
2 *the prior period churn and growing low double digits in the back half of*
3 *the year due to the easier comps.* For the combined CS business, we expect
4 the first quarter to be our lowest revenue-generating quarter, likely flat
5 compared to the first quarter of 2025, followed by sequential revenue
6 increases in the second and third quarters and then a modest sequential
7 revenue decline in the fourth. Adjusted EBITDA margins are expected to
8 follow the same cadence as sequential revenue.

9 (Emphasis added).

10 24. Also on February 24, 2026, Defendants filed a Form 10-K Annual Report
11 with the SEC for the year ending December 31, 2025. Notably, Defendants reported their
12 “long-standing relationships” with the three largest rental car agencies in the U.S.
13 including Avis Budget Group, stating, in pertinent part:

14 *Commercial Services*

15 *Our Commercial Services segment generated approximately \$435.8*
16 *million in revenue for 2025, or approximately 45% of our total revenue.*
17 *Commercial Services provides automated toll and violations management*
18 *and title and registration solutions to RACs, Direct Fleets, FMCs, and*
19 *other large fleet owners primarily in North America.* Our toll and
20 violations management solutions facilitate timely payment of tolls and
21 violations incurred by our customers’ vehicles, accurate transfer of liability
22 on our customers’ behalf, and billing of, and collections from, individual
23 drivers. We also manage regional toll transponder installation and vehicle
24 association—a critical and highly complex process for RAC, Direct Fleet,
25 and FMC customers—to ensure that transponders and corresponding toll
26 transactions are associated with the correct vehicle.

27 *We have long-standing relationships with, among others, the three largest*
28 *RACs in the United States, Avis Budget Group, Enterprise Mobility, and*
The Hertz Corporation. We also have relationships with key European
RACs and leading FMCs in the United States. Through our established
relationships with more than 50 individual tolling authorities throughout the
United States, we provide an automated and outsourced administrative
solution for our customers while also providing convenience for vehicle
drivers and benefits to tolling and issuing authorities. *Toll management*
solutions accounted for approximately 39% of our 2025 total revenues.

(Emphasis added).

1 March 3, 2026

2 25. On March 3, 2026, Defendants presented at the Morgan Stanley
3 Technology, Media & Telecom Conference and highlighted its Commercial Services
4 segment as a steady part of its business platform with strong customer relationships and
5 routine renewal discussions with major rental-car companies in the following exchanges:

6 <Q: James Eugene Faucette – Morgan Stanley – MD & Equity Analyst> So
7 let's delve in a little bit to the commercial segment that you just touched on.
8 So when you think about the key drivers of growth there, you mentioned
9 increased shift to cashless tolls, new toll roads, international expansion,
10 growth in travel generally. How should we generally rank order each of
11 those or any other factors as growth drivers for the commercial segment?

12 <A: Craig Conti> Let's go through the growth rubric. *So we've talked about*
13 *-- Commercial Services being a mid-single-digit grower over the next*
14 *couple of years. And the way I like to decouple that growth and talk about*
15 *the pieces are 1/3, 1/3, 1/3. So the first 1/3 is travel demand, right? So*
16 *Verra Mobility is a net taker of that. People come to the airport, go*
17 *through TSA and they rent a car. The second 1/3 of that or what we call*
18 *the secular tailwinds, which David just touched on a little bit, this is the*
19 *increasing penetration of cashless rows in the United States. So to give*
20 *you kind of an idea of that, just less than 3/4 of the roads in the United*
21 *States that are toll roads are fully cashless.*

22 *The minute that road goes from a cash pay option to a cashless option, the*
23 *uptake on our product goes up. So that's a tailwind to us. Also, every year,*
24 *we add new toll roads in the United States, right? So that's the second 1/3*
25 *of 1/3, 1/3, 1/3. And then the final piece are what I say are standard growth*
26 *initiatives. This is continuing to penetrate the fleet market, continuing*
27 *with new commercial offerings with our RAC customers and growth in*
28 *title and registration violations in Europe. So again, really high level, that*
mid-single-digit growth that we've talked about, 1/3, 1/3, 1/3; 1/3 of it in
travel, 1/3 of it secular tailwinds and 1/3 of it in growth initiatives.

<Q: James Eugene Faucette – Morgan Stanley – MD & Equity Analyst> My
impression is you guys already have very good representation among the car
rental companies as it is. Just kind of where do you have footprint there?
And then what kind of incremental fleets should we be thinking about, if
any, beyond car rental?

<A: David Roberts> *Yes. So we work with all the 3 major providers here*
in the U.S. plus a few of the others. When you think about additional

1 *fleets, think of what we call the FMC business. FMC business is large*
2 *corporations that have many vehicles under their purview and they use a*
3 *third party to both procure and manage many of the services associated*
4 *with that.*

5 *So we redistribute our products, which includes toll management,*
6 *includes violation management.* So when the owner of the vehicle and the
7 driver of the vehicle are not the same, that creates some friction that we
8 solve through our technology. And so for FMCs, we sell tolling, we sell
9 violations. We also do title and registration. So -- just think of license plate
10 stickers and the registration of the glove box. When those cars are moving
11 around, that actually becomes a relatively complicated thing, and we
12 provide solutions for our customers there.

13 <Q: James Eugene Faucette – Morgan Stanley – MD & Equity Analyst> So
14 back on the U.S. and commercial services, one of the key questions we often
15 get from investors is customer concentration risk within the segment. How
16 should investors think about the cadence of RAC renewals and competitive
17 dynamics for those programs?

18 <A: David Roberts> *Yes. I mean, look, I think historically, our business*
19 *has been the #1 provider of solutions to rental car companies around*
20 *tolling really since the inception of the industry. And so we've got long-*
21 *dated relationships with these customers. They -- relative to the cadence,*
22 *they do -- we're in a discussion now with Avis Budget Group, and we have*
23 *both Hertz and Enterprise would renew next year. And that's very*
24 *common. There tend to be 3 to 5 years, just depending on the moment of*
25 *time that we renew the contract.*

26 *And we've got, I think, what you would say is a pretty impeccable track*
27 *record of continuing to serve these customers, and we would imagine*
28 *doing that. As it relates to customer concentration, we recognize that,*
29 *that's a thing.* When you look at the 3 rental car companies plus New York
30 City, we have customer concentration. We have -- the best way to solve that
31 is through really thoughtful M&A, but we haven't found one that have met
32 our price threshold over the last several years. So we're just going to
33 continue to grow outside. We continue to diversify with other customer
34 types, and we'll settle that over time.

35 <Q: James Eugene Faucette – Morgan Stanley – MD & Equity Analyst>
36 And then back on some of these renewals, -- how do you think about like
37 the risk of in-sourcing from those customers and managing that? Or what
38 are the things that you typically need to do either from a product or
39 capability or even pricing standpoint to make sure you keep that business?

1
2 <A: David Roberts> ***Yes. I don't think of in-sourcing as much of an issue***
3 ***as I would -- and we have competitors. We have competitors in the fleet***
4 ***management companies that we go up against. So I would say that's***
5 ***probably a more likely to manage against from our standpoint because it's***
6 ***a very -- what we do is very complex. It sounds quite easy on the face of it,***
but tolling is highly -- there's 54 different toll authorities that all have
different types of standards and they're not one place to plug in. You have
to set up accounts with all them.

7 So there's a lot of complexity there. So we rely on our commitment to our
8 customers and the ability to do what we do. But we also need to -- I think
9 your last point is continue to invest in the platform, how do we make it faster
10 and easier? How do we make this a more seamless experience for the renter,
11 how do we optimize the experience for both our customer and their
12 customer.

13 (Emphasis added).

14 March 17, 2026

15 26. On March 17, 2026, Defendants presented at the JPMorgan Industrial
16 Conference and reiterated that the Commercial Services segment was a solid part of
17 Verra's business. Notably, Defendant Conti downplayed concerns that major RACs
18 could replace Verra with in-house solutions as they upgrade their tech platforms, and
19 highlighted the Company's longstanding customer relationships and specialized
20 expertise in the following exchanges:

21 <A: Craig Conti> ***So Verra Mobility, if we look at 2025, just south of \$1***
22 ***billion, 94% service revenue, which is basically all recurring revenue.***
23 ***We'll talk about that as we get a little deeper today. Adjusted EBITDA,***
north of \$400 million, 42% margins across the enterprise and free cash
flow generation of about \$137 million for the trailing 12 months ending
2025.

24 * * *

25 ***Let me tell you what we do. I think Tomo gave a pretty nice intro already.***
26 ***The Commercial Services business, which is about 45% of our***
27 ***consolidated revenue in this business, we're the market leader in toll and***
violation management for commercial fleets. The way that typically shows
up is rental cars, although we also do large and medium corporate fleets.

28 We do toll services, violation processing and title and registration on behalf
of our customers. This is a mid-single-digit organic grower over the next

1 couple of years, if you heard, we talked about that in our earnings call. And
2 this is a business that operates in the mid-60s in terms of the EBITDA
3 margin.

4 <Q: Tomohiko Sano – JPMorgan Chase & Co. – Managing Director> And
5 then, Craig, if you could talk about the rental car, one of your biggest, like
6 4 big companies, when they think about the -- digitalize their older platform,
7 and then, how you actually ensure your operating -- your Verra operating
8 business model like to help them versus be replaced by their like in-house
9 capabilities?

10 <A: Craig Conti> Yes. *This is -- we've worked with each of the rental car*
11 *companies for 10-plus years. We're very closely integrated with the teams.*
12 *You can imagine, we're actually integrated with their operating systems*
13 *because the problem that Verra Mobility solves is when the owner and the*
14 *driver of the car are different.* So think about that in a tolling transaction,
15 right? So if you're in a rental car and you go underneath a cashless toll
16 gantry, how is -- how does that tolling authority know that the person driving
17 the car is not the rental car company? They don't, right? So that's where we
18 come in.

19 *And I think because of the fact that we need to be so real-time, we're*
20 *always with the customer, and we have very deep relationships to make*
21 *sure that we -- I go back to the whole reason we exist. We make*
22 *transportation smarter, safer and more connected, and we serve our*
23 *customers at their highest point of need. Serving the customer at the*
24 *highest point of need make sure I'm creating value for that customer every*
25 *day.*

26 (Emphasis added).

27 May 6, 2026

28 27. On May 6, 2026, Defendants published their first quarter 2026 financial
results and notably reaffirmed the Company's fiscal year 2026 guidance, stating, in
relevant part:

Based on our first quarter 2026 results and our outlook for the remainder of
the year, we are reaffirming 2026 full year guidance for all financial
measures.

Total Revenue of \$1,020 million to \$1,030 million
Adjusted EBITDA of \$405 million to \$415 million
Adjusted EPS of \$1.32 to \$1.38
Free Cash Flow of \$150 million to \$160 million

1
2 28. As part of the same press release, Defendant Roberts noted the Company’s
3 solid Q1 performance and expressed confidence in Verra’s growth trajectory and strong
4 bookings momentum, stating, in relevant part:

5 We are pleased with our first quarter performance, which reflects a solid start to
6 2026. We delivered top-line results in line with expectations, with upside in
7 profitability, while continuing to build momentum across our key growth areas.
8 We also saw strong bookings in Government Solutions, reinforcing the long-term
9 value and visibility of that segment. As we look ahead, we are well-positioned for
10 continued growth, supported by a robust pipeline and disciplined execution.

11 29. During the corresponding earnings call, Defendants reiterated the health of
12 the Commercial Services segment reporting an increase in RAC revenue of 1% year-
13 over-year. Significantly, Defendant Roberts noted that continuing negotiations with a
14 “significant customer” toward a long-term renewal were “ongoing and constructive,”
15 stating, in pertinent part:

16 *Moving on to Commercial Services revenue declined 4% compared to the*
17 *first quarter of 2025 due primarily to prior period churn in our fleet*
18 *management business.* Looking at the remainder of the year, while the price
19 of fuel and events in the Middle East could weigh on travel, household
20 budgets and consumer assessment, we are cautiously optimistic about travel
21 trends. Consumers and business traveler demand for domestic travel
22 continues to be resilient so far, and we remain hopeful that airfare pricing
23 remains affordable and travel volumes remain consistent with the
24 performance year-to-date. *As a reminder, significant customer*
25 *relationship which represents over 10% of our revenue is currently*
26 *operating under a short-term contract extension. This contract extension*
27 *enables us to continue to serve the customer without interruption while we*
28 *continue to negotiate a long-term renewal. These discussions are ongoing*
and constructive.

(Emphasis added).

29 30. Defendant Conti added more concrete financial details to the results and
30 reaffirmed full year 2026 guidance, stating, in pertinent part:

31 *CS year-over-year revenue declined 4% in the first quarter. RAC tolling*
32 *revenue increased 1% over the same period last year, driven by increased*

1 *product adoption and tolling activity, which benefited from a 1.5%*
 2 *increase in U.S. travel volume over the prior year quarter.* The core rent
 3 tolling growth was offset by about \$2 million related to the nonrecurring
 4 true-up that I discussed earlier. Our FMC business declined 19% or about
 5 \$3.6 million year-over-year, primarily driven by the prior period customer
 6 churn we have discussed historically. Adjusting for both the prior period
 7 FMC churn and the nonrecurring true-up, revenue growth would have been
 8 mid-single digits for the quarter.

9 * * *

10 *Based on our first quarter results and our outlook for the remainder of*
 11 *the year, we are reaffirming all guidance measures. As a reminder, the*
 12 *full year 2026 guidance ranges provided on our fourth quarter 2021*
 13 *earnings call were as follows: we expect total revenue in the range of \$1.02*
 14 *billion to \$1.03 billion, representing approximately 5% growth at the*
 15 *midpoint of guidance over 2025. We expect adjusted EBITDA in the range*
 16 *of \$405 million to \$415 million or adjusted EBITDA margin of about 40%,*
 17 *representing a 250 basis point decline compared to 2025.*

18 (Emphasis added).

19 31. During the question-and-answer segment, Defendants reiterated that
 20 Commercial Services remained on track to meet full-year expectations in the following
 21 exchange:

22 <Q: Daniel Joseph Moore – CJS Securities, Inc. – Director of Research>
 23 You mentioned, obviously, no change to the full year outlook for
 24 Commercial Services. You did say that it was based on a successful outcome
 25 of the renegotiation. Is there sort of a timing that you have in mind as it
 26 relates to kind of low and high end of the guidance range there?

27 <A: David Roberts> I would say, obviously, we're very careful when we
 28 talk about those things. We're continue to work under our contract. So we
 wouldn't put a place of timing on that right now, Dan.

<Q: Tomohiko Sano – JPMorgan Chase & Co. – Managing Director> Could
 you talk about the CS business, the revenue impact from FMC customer
 churn has bottomed in Q1? And if you could talk about the main drivers for
 the revenue recovery and the key factors behind the margin improvement
 and then sustainabilities into -- throughout the year, please?

<A: Craig Conti> So if we think about the CS business, it's down 3.5%.
 That's the actual total quarter year-over-year in the first quarter. And there's
 4 pieces to that bridge. The first piece is the FMC churn, which we've been
 talking about for a year now. This is the last -- it will impact us in the second

1 quarter as well, but this is the most material impact that will have. That was
2 just under \$5 million. If I forget about the churn, look at the FMC business
3 that actually grew, right? ***So we grew over \$1 million outside of the churn***
4 ***in the quarter. Travel was somewhere between \$1.5 million to \$2 million***
5 ***positive. And then we had the accounting true-up.***

* * *

6 ***So that's how I think about how that looks for the rest of the year, Tomo.***
7 ***And I would lay on top of that where travel is maybe more than you***
8 ***wanted, but I'll just give you the full answer. So it's -- we closed the quarter***
9 ***with 101% or 1.5% growth travel year-over-year. As we sit here as of last***
10 ***night, I think we're about at 101%, which is exactly what we told you we***
11 ***modeled for the rest of the year.*** If I listen to the airlines, they sound
12 cautiously optimistic, I think, is how I would characterize it. ***In terms of***
13 ***domestic demand. So you kind of mix all that up and say, if I take the one-***
14 ***timers out of the first quarter, I -- are already seeing that mid-single-digit***
15 ***growth. If I go forward, it feels like travel is hanging in there. So I feel***
16 ***comfortable with the mid-single-digit growth as we look out to the balance***
17 ***of the year.***

(Emphasis added).

18 32. The above statements in Paragraphs 20 to 31 were false and/or materially
19 misleading. Defendants created the false impression that they possessed reliable
20 information pertaining to the Company's projected revenue outlook and anticipated
21 growth of its Commercial Services segment, assurances of contract renewals with major
22 RAC customers, growth in its rental car tolling business and repeatedly affirmed Verra's
23 2026 full year guidance. In truth, Verra's optimistic plan for continued growth in its
24 Commercial Services business was dependent on its relationship with Avis, and in
25 particular obtaining a contract extension with Avis Budget. Further, the Company
26 minimized concerns that major RACs could replace Verra with in-house solutions or
27 outsourced alternatives, making Verra's 2026 full year guidance increasingly unlikely to
28 be met. Defendants misled investors by providing the public with materially flawed
statements of confidence and growth projections which did not account for these
variables.

1 **The Truth Emerges**

2 May 26, 2026

3 33. On May 26, 2026, Defendants issued a press release announcing that the
4 Company received a termination notice from Avis Budget Group regarding its contract,
5 effective September 2026. Accordingly, management lowered its full year 2026 financial
6 outlook as follows:

7 **Revised 2026 Full-Year Guidance**

8 Based on the Company's year-to-date 2026 results and outlook for the
9 remainder of the year including the aforementioned termination
10 notice, Verra Mobility is revising its 2026 full-year financial outlook to the
11 following:

12 Total Revenue of \$985 million to \$995 million
13 Adjusted EBITDA of \$380 million to \$385 million
14 Adjusted EPS of \$1.19 to \$1.25
15 Free Cash Flow of \$140 million to \$150 million

16 34. Defendant Roberts was quoted in the same press release, stating, in relevant
17 part:

18 *We were surprised and disappointed to receive this notice from Avis
19 Budget Group given our longstanding partnership and the significant
20 time invested by both parties in ongoing extension negotiations. We are
21 now moving decisively to reduce costs, adapt our operations, and position
22 the business for continued growth and future opportunities.*

23 We are proud of the value our Commercial Services platform delivers by
24 simplifying complex operational processes for fleet operators and enabling
25 customers to focus on their core business. We remain confident in the
26 strength of our platform, our ability to continue innovating, and our capacity
27 to meet customers' evolving needs while mitigating the impact of this
28 development.

Verra Mobility intends to protect its contractual rights, intellectual property,
and business interests. Accordingly, the company is reviewing matters
related to the parties' negotiations, the handling of confidential information,
and the parties' respective rights and obligations under their agreements.

(Emphasis added).

1 35. The aforementioned press releases and statements made by the Individual
2 Defendants are in direct contrast to statements they made during the February 24, 2026
3 and May 6, 2026 earnings and shareholder calls, March 3, 2026 Morgan Stanley
4 Technology, Media & Telecom Conference call and March 17, 2026 JPMorgan
5 Industrials Conference call. On those calls, Defendants continually touted the Company’s
6 continued revenue growth of its Commercial Services segment, assurances of contract
7 renewals with major RAC customers and growth in its rental car tolling business and
8 repeatedly affirmed Verra’s 2026 full year guidance, while minimizing concerns that
9 major RACs could replace Verra with in-house solutions or outsourced alternatives.

10 36. Investors and analysts reacted immediately to Verra’s revelation. The price
11 of Verra’s common stock declined dramatically. From a closing market price of \$13.08
12 per share on May 26, 2026, Verra’s stock price fell to \$3.85 per share on May 27, 2026, a
13 decline of about 71%.

14 37. A number of well-known analysts who had been following Verra lowered
15 their price targets in response to Verra’ disclosures. For example, Baird Equity Research
16 dropped their price target 60% commenting, “[w]e previously thought the probability of
17 losing a large Commercial Services client was very low given VRRM’s scale advantage
18 allows it to absorb costs that would be difficult for RACs to individually absorb and
19 operate profitably. But this premise is now in question, and the loss of either of the other
20 two large RAC clients (each ~10-12% of total revenue) could put the viability of the
21 business in question.”

22 38. Similarly, UBS global research dropped their price target 83% and
23 downgraded to neutral noting, “[a]fter months of negotiation on its contract renewal, Verra
24 Mobility received a termination of agreement notice from Avis Budget (effective the first
25 day of the second week of September), a customer of nearly two decades...we downgrade
26 Verra Mobility on the material reduction in its revenue and profit outlook...along with
27 uncertainty around other major renewals in the Commercial Services segment in 2027.”
28

1 initiatives to reach its full-year 2026 fiscal targets. Defendants further repeatedly claimed
2 contract negotiations with a “significant customer” toward a long-term renewal were
3 “ongoing and constructive” and minimized concerns that major RACs could replace Verra
4 with in-house solutions as they upgrade their tech platforms and highlighted the
5 Company’s longstanding customer relationships and specialized expertise.

6 44. Defendants’ scienter was further evidenced by their repeated claims of
7 confidence that Verra would sustain its growth trajectory in its Commercial Services
8 segment and achieve its stated full year 2026 guidance, including assurances of contract
9 renewals with major RAC customers and growth in its rental car tolling business, despite
10 ultimately disclosing the Avis Budget contract termination and withdrawing its full-year
11 2026 guidance.

12 45. Defendants’ scienter further evidenced by the abrupt and surprise departure
13 of Defendant Roberts from the roles of Verra’s President and Chief Executive Officer
14 following the setback. In retrospect, it appears that the Avis relationship was critical to
15 Verra’s Commercial Services business and, in particular, the Avis contract extension was
16 necessary in order for Defendant Roberts to maintain his position at the Company.

17 **Loss Causation and Economic Loss**

18 46. During the Class Period, as detailed herein, Defendants made materially
19 false and misleading statements and engaged in a scheme to deceive the market and a
20 course of conduct that artificially inflated the price of Verra’s common stock and
21 operated as a fraud or deceit on Class Period purchasers of Verra’s common stock by
22 materially misleading the investing public. Later, Defendants’ prior misrepresentations
23 and fraudulent conduct became apparent to the market, the price of Verra’s common
24 stock materially declined, as the prior artificial inflation came out of the price over time.
25 As a result of their purchases of Verra’s common stock during the Class Period, Plaintiff
26 and other members of the Class suffered economic loss, *i.e.*, damages under federal
27 securities laws.

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1 47. Verra's stock price fell in response to the corrective events, as alleged *supra*.
2 On these dates, Defendants disclosed information that was directly related to their prior
3 misrepresentations and material omissions concerning Verra's Commercial Services
4 business, key customer relationships and growth outlook.

5 48. In particular, on May 26, 2026, Verra announced a termination notice from
6 Avis Budget Group regarding its contract and lowered its full-year 2026 financial
7 outlook.

8 **Presumption of Reliance; Fraud-On-The-Market**

9 49. At all relevant times, the market for Verra's common stock was an efficient
10 market for the following reasons, among others:

11 (a) Verra's common stock met the requirements for listing and was listed and
12 actively traded on the NASDAQ during the Class Period, a highly efficient and automated
13 market;

14 (b) Verra communicated with public investors via established market
15 communication mechanisms, including disseminations of press releases on the national
16 circuits of major newswire services and other wide-ranging public disclosures, such as
17 communications with the financial press and other similar reporting services;

18 (c) Verra was followed by several securities analysts employed by major
19 brokerage firms who wrote reports that were distributed to the sales force and certain
20 customers of their respective brokerage firms during the Class Period. Each of these
21 reports was publicly available and entered the public marketplace; and

22 (d) Unexpected material news about Verra was reflected in and incorporated
23 into the Company's stock price during the Class Period.

24 50. As a result of the foregoing, the market for Verra's common stock promptly
25 digested current information regarding the Company from all publicly available sources
26 and reflected such information in Verra's stock price. Under these circumstances, all
27 purchasers of Verra's common stock during the Class Period suffered similar injury
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1 through their purchase of Verra’s common stock at artificially inflated prices, and a
2 presumption of reliance applies

3 51. Alternatively, reliance need not be proven in this action because the action
4 involves omissions and deficient disclosures. Positive proof of reliance is not a
5 prerequisite to recovery pursuant to ruling of the United States Supreme Court in
6 *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972). All that is necessary
7 is that the facts withheld be material in the sense that a reasonable investor might have
8 considered the omitted information important in deciding whether to buy or sell the
9 subject security.

10 **No Safe Harbor; Inapplicability of Bespeaks Caution Doctrine**

11 52. The statutory safe harbor provided for forward-looking statements under
12 certain circumstances does not apply to any of the material misrepresentations and
13 omissions alleged in this Complaint. As alleged above, Defendants’ liability stems from
14 the fact that they provided investors with materially misleading statements about its
15 financial growth and stability while at the same time omitting then existing material
16 adverse information concerning the Company’s advertising practices. Defendants
17 provided the public with information about their operations that failed to account for
18 negative realities concerning their undisclosed conduct.

19 53. To the extent certain of the statements alleged to be misleading or
20 inaccurate may be characterized as forward looking, they were not identified as “forward-
21 looking statements” when made and there were no meaningful cautionary statements
22 identifying important factors that could cause actual results to differ materially from those
23 in the purportedly forward-looking statements.

24 54. Defendants are also liable for any false or misleading “forward-looking
25 statements” pleaded because, at the time each “forward-looking statement” was made,
26 the speaker knew the “forward-looking statement” was false or misleading and the
27 “forward-looking statement” was authorized and/or approved by an executive officer of
28 Verra who knew that the “forward-looking statement” was false. Alternatively, none of

1 the historic or present-tense statements made by Defendants were assumptions
2 underlying or relating to any plan, projection, or statement of future economic
3 performance, as they were not stated to be such assumptions underlying or relating to any
4 projection or statement of future economic performance when made, nor were any of the
5 projections or forecasts made by the defendants expressly related to or stated to be
6 dependent on those historic or present-tense statements when made.

7 **CLASS ACTION ALLEGATIONS**

8 55. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil
9 Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or
10 otherwise acquired Verra’s common stock during the Class Period (the “Class”); and
11 were damaged upon the revelation of the alleged corrective disclosure. Excluded from
12 the Class are defendants herein, the officers and directors of the Company, at all relevant
13 times, members of their immediate families and their legal representatives, heirs,
14 successors or assigns and any entity in which defendants have or had a controlling
15 interest.

16 56. The members of the Class are so numerous that joinder of all members is
17 impracticable. Throughout the Class Period, Verra’s common stock were actively traded
18 on the NASDAQ. While the exact number of Class members is unknown to Plaintiff at
19 this time and can be ascertained only through appropriate discovery, Plaintiff believes
20 that there are hundreds or thousands of members in the proposed Class. Record owners
21 and other members of the Class may be identified from records maintained by Verra or
22 its transfer agent and may be notified of the pendency of this action by mail, using the
23 form of notice similar to that customarily used in securities class actions. As of May 1,
24 2026, there were 151 million shares of the Company’s common stock outstanding. Upon
25 information and belief, these shares are held by thousands, if not millions, of individuals
26 located throughout the country and possibly the world. Joinder would be highly
27 impracticable.

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1 57. Plaintiff's claims are typical of the claims of the members of the Class as
2 all members of the Class are similarly affected by Defendants' wrongful conduct in
3 violation of federal law that is complained of herein.

4 58. Plaintiff will fairly and adequately protect the interests of the members of
5 the Class and has retained counsel competent and experienced in class and securities
6 litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

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

- 10 (a) whether the federal securities laws were violated by Defendants' acts as
11 alleged herein;
- 12 (b) whether statements made by Defendants to the investing public during the
13 Class Period misrepresented material facts about the business, operations
14 and management of Verra;
- 15 (c) whether the Individual Defendants caused Verra to issue false and
16 misleading financial statements during the Class Period;
- 17 (d) whether Defendants acted knowingly or recklessly in issuing false and
18 misleading financial statements;
- 19 (e) whether the prices of Verra's common stock during the Class Period were
20 artificially inflated because of the Defendants' conduct complained of
21 herein; and
- 22 (f) whether the members of the Class have sustained damages and, if so, what
23 is the proper measure of damages.

24 60. A class action is superior to all other available methods for the fair and
25 efficient adjudication of this controversy since joinder of all members is impracticable.
26 Furthermore, as the damages suffered by individual Class members may be relatively
27 small, the expense and burden of individual litigation make it impossible for members of
28

1 the Class to individually redress the wrongs done to them. There will be no difficulty in
2 the management of this action as a class action.

3 **COUNT I**

4 ***Against All Defendants for Violations of***
5 **Section 10(b) and Rule 10b-5 Promulgated Thereunder**

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

8 62. This Count is asserted against defendants and is based upon Section 10(b)
9 of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the
10 SEC.

11 63. During the Class Period, Defendants engaged in a plan, scheme, conspiracy
12 and course of conduct, pursuant to which they knowingly or recklessly engaged in acts,
13 transactions, practices and courses of business which operated as a fraud and deceit upon
14 Plaintiff and the other members of the Class; made various untrue statements of material
15 facts and omitted to state material facts necessary in order to make the statements made,
16 in light of the circumstances under which they were made, not misleading; and employed
17 devices, schemes and artifices to defraud in connection with the purchase and sale of
18 securities. Such scheme was intended to, and, throughout the Class Period, did: (i)
19 deceive the investing public, including Plaintiff and other Class members, as alleged
20 herein; (ii) artificially inflate and maintain the market price of Verra common stock; and
21 (iii) cause Plaintiff and other members of the Class to purchase or otherwise acquire
22 Verra's securities at artificially inflated prices. In furtherance of this unlawful scheme,
23 plan and course of conduct, Defendants, and each of them, took the actions set forth
24 herein.

25 64. Pursuant to the above plan, scheme, conspiracy and course of conduct, each
26 of the defendants participated directly or indirectly in the preparation and/or issuance of
27 the quarterly and annual reports, SEC filings, press releases and other statements and
28 documents described above, including statements made to securities analysts and the

1 media that were designed to influence the market for Verra’s securities. Such reports,
2 filings, releases and statements were materially false and misleading in that they failed to
3 disclose material adverse information and misrepresented the truth about the Company.

4 65. By virtue of their positions at the Company, Defendants had actual
5 knowledge of the materially false and misleading statements and material omissions
6 alleged herein and intended thereby to deceive Plaintiff and the other members of the
7 Class, or, in the alternative, Defendants acted with reckless disregard for the truth in that
8 they failed or refused to ascertain and disclose such facts as would reveal the materially
9 false and misleading nature of the statements made, although such facts were readily
10 available to Defendants. Said acts and omissions of defendants were committed willfully
11 or with reckless disregard for the truth. In addition, each defendant knew or recklessly
12 disregarded that material facts were being misrepresented or omitted as described above.

13 66. Information showing that Defendants acted knowingly or with reckless
14 disregard for the truth is peculiarly within defendants’ knowledge and control. As the
15 senior manager and/or director of the Company, the Individual Defendant had knowledge
16 of the details of Verra’s internal affairs.

17 67. The Individual Defendant is liable both directly and indirectly for the
18 wrongs complained of herein. Because of his position of control and authority, the
19 Individual Defendant was able to and did, directly or indirectly, control the content of the
20 statements of the Company. As officer and/or director of a publicly-held company, the
21 Individual Defendant had a duty to disseminate timely, accurate, and truthful information
22 with respect to Verra’s businesses, operations, future financial condition and future
23 prospects. As a result of the dissemination of the aforementioned false and misleading
24 reports, releases and public statements, the market price of Verra’s common stock was
25 artificially inflated throughout the Class Period. In ignorance of the adverse facts
26 concerning the Company which were concealed by Defendants, Plaintiff and the other
27 members of the Class purchased or otherwise acquired Verra’s common stock at
28 artificially inflated prices and relied upon the price of the common stock, the integrity of

1 the market for the common stock and/or upon statements disseminated by Defendants,
2 and were damaged thereby.

3 68. During the Class Period, Verra's common stock was traded on an active
4 and efficient market. Plaintiff and the other members of the Class, relying on the
5 materially false and misleading statements described herein, which the Defendants made,
6 issued or caused to be disseminated, or relying upon the integrity of the market, purchased
7 or otherwise acquired shares of Verra's common stock at prices artificially inflated by
8 Defendants' wrongful conduct. Had Plaintiff and the other members of the Class known
9 the truth, they would not have purchased or otherwise acquired said common stock, or
10 would not have purchased or otherwise acquired them at the inflated prices that were
11 paid. At the time of the purchases and/or acquisitions by Plaintiff and the Class, the true
12 value of Verra's common stock was substantially lower than the prices paid by Plaintiff
13 and the other members of the Class. The market price of Verra's common stock declined
14 sharply upon public disclosure of the facts alleged herein to the injury of Plaintiff and
15 Class members.

16 69. By reason of the conduct alleged herein, Defendants knowingly or
17 recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and
18 Rule 10b-5 promulgated thereunder.

19 70. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff
20 and the other members of the Class suffered damages in connection with their respective
21 purchases, acquisitions and sales of the Company's common stock during the Class
22 Period, upon the disclosure that the Company had been disseminating misrepresented
23 financial statements to the investing public.

24 COUNT II

25 *Against the Individual Defendants*

26 *for Violations of Section 20(a) of the Exchange Act*

27 71. Plaintiff repeats and realleges each and every allegation contained in the
28 foregoing paragraphs as if fully set forth herein.

1 72. During the Class Period, the Individual Defendant participated in the
2 operation and management of the Company, and conducted and participated, directly and
3 indirectly, in the conduct of the Company’s business affairs. Because of his senior
4 position, he knew the adverse non-public information about Verra’s misstatements.

5 73. As officer and/or director of a publicly owned company, the Individual
6 Defendant had a duty to disseminate accurate and truthful information, and to correct
7 promptly any public statements issued by Verra which had become materially false or
8 misleading.

9 74. Because of his positions of control and authority as senior officer, the
10 Individual Defendant was able to, and did, control the contents of the various reports,
11 press releases and public filings which Verra disseminated in the marketplace during the
12 Class Period concerning the misrepresentations. Throughout the Class Period, the
13 Individual Defendant exercised his power and authority to cause Verra to engage in the
14 wrongful acts complained of herein. The Individual Defendant therefore, was a
15 “controlling person” of the Company within the meaning of Section 20(a) of the
16 Exchange Act. In this capacity, he participated in the unlawful conduct alleged which
17 artificially inflated the market price of Verra’s common stock.

18 75. The Individual Defendant, therefore, acted as a controlling person of the
19 Company. By reason of his senior management positions and/or being director of the
20 Company, the Individual Defendant had the power to direct the actions of, and exercised
21 the same to cause, Verra to engage in the unlawful acts and conduct complained of herein.
22 The Individual Defendant exercised control over the general operations of the Company
23 and possessed the power to control the specific activities which comprise the primary
24 violations about which Plaintiff and the other members of the Class complain.

25 76. By reason of the above conduct, the Individual Defendant and/or Verra are
26 liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the
27 Company.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiff demand judgment against defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representatives;
- B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;
- C. Awarding Plaintiff and the other members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys’ fees, expert fees and other costs; and
- D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.