

City Pension Fund for Firefighters and Police Officers in the City of Miami Beach v. AeroVironment, Inc.

COURT: United States District Court for the District of Delaware
CASE NUMBER: 26-cv-00875
CLASS PERIOD: 06/24/2025 - 06/18/2026
CASE LEADERS: Hannah Ross, Scott R. Foglietta

On July 17, 2026, Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a class action in the U.S. District Court for the District of Delaware alleging violations of the federal securities laws by AeroVironment, Inc. (“AeroVironment” or the “Company”) and certain of the Company’s current senior executives (collectively, “Defendants”). The action is brought on behalf of all investors who purchased or otherwise acquired AeroVironment common stock beginning at 4:30 PM ET on June 24, 2025, through June 18, 2026, inclusive (the “Class Period”). This case is related to a previously filed securities class action pending against AeroVironment captioned *Norrell v. AeroVironment, Inc.*, No. 1:26-cv-1429 (E.D. Va. filed May 26, 2026) (“*Norrell*”).

BLB&G filed this action on behalf of its client, City Pension Fund for Firefighters and Police Officers in the City of Miami Beach, and the case is captioned *City Pension Fund for Firefighters and Police Officers in the City of Miami Beach v. AeroVironment, Inc.*, No. 26-cv-00875 (D. Del.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. To view the complaint, see the Case Documents section of this page.

AeroVironment’s Alleged Fraud

AeroVironment is a defense technology provider across air, land, sea, space, and cyber. Shortly before the Class Period, AeroVironment acquired BlueHalo, LLC (“BlueHalo”), another defense technology company with a leading role in the U.S. Department of Defense’s (“DoD”) Satellite Communications Augmentation Resource (“SCAR”) program. Through SCAR, BlueHalo had been awarded a contract valued at approximately \$1.7 billion to develop military satellite command and control stations known as Broad Area Deployable Ground Terminal Enabling Resilient Communications (“BADGERs”).

The claims against AeroVironment and certain of its executives arise from misrepresentations relating to the SCAR contract. Throughout the Class Period, Defendants repeatedly touted the SCAR program as central to AeroVironment’s growth prospects. Defendants told investors that the Company had “won” the SCAR contract, that it was “locked in,” that the customer was “asking for more,” and that the Company was “very much on track” to ramp revenue and improve margins as more BADGER systems moved into production. In truth, AeroVironment’s agreement with the U.S. DoD to produce BADGERs for the SCAR program was not secure, as AeroVironment was facing a significant threat of competition from other vendors for the work it was performing under that agreement, and there was a material risk that the Company would not continue to deliver products for the SCAR program, or would do so only on a significantly reduced basis.

The truth began to emerge on January 20, 2026, when AeroVironment announced that the U.S. Government had issued a stop work order on the SCAR contract. As a result of this disclosure, the price of AeroVironment common stock declined by \$61.97 per share, or 16%. Then, on March 2, 2026, industry publication *Space News* reported that

the U.S. DoD was reopening the SCAR program and soliciting proposals from vendors other than AeroVironment because the Space Force was “reassessing how to move forward.” That news caused the price of AeroVironment common stock to decline by \$43.93 per share, or 17%.

On March 10, 2026, AeroVironment revealed that the U.S. Government intended to terminate the SCAR agreement, while allowing AeroVironment to compete for future work under the program. The Company also reported a \$151.3 million goodwill impairment charge in the Space reporting unit triggered by the SCAR stop work order. These disclosures caused the price of AeroVironment common stock to decline by \$13.84 per share, or 6%. Then, on June 22, 2026, AeroVironment disclosed that its previously issued financial statements should no longer be relied upon because the Company had understated the goodwill impairment charge by \$89.4 million, or 59%. AeroVironment further disclosed that the restatement resulted from a newly identified material weakness in internal control over financial reporting and that its disclosure controls and procedures as of January 31, 2026, were ineffective. As a result of these disclosures, the price of AeroVironment common stock declined by \$18.28 per share, or 11%.

The filing of this action does not alter the previously established deadline to seek appointment as Lead Plaintiff. Pursuant to the May 27, 2026, notice published in connection with the *Norrell* action, under the Private Securities Litigation Reform Act of 1995, investors who purchased AeroVironment common stock during the Class Period may, no later than July 27, 2026, seek to be appointed as Lead Plaintiff for the Class. Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at scott.foglietta@blbglaw.com.

Case Documents

- July 17, 2026 - Initial Complaint
- July 17, 2026 - PSLRA Notice