

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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 15, 2021

VERRA MOBILITY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-37979
(Commission
File Number)

81-3563824
(IRS Employer
Identification No.)

1150 N. Alma School Road
Mesa, Arizona
(Address of principal executive offices)

85201
(Zip Code)

(480) 443-7000
(Registrant's telephone number, including area code)

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

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

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

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

<i>(Title of each class)</i>	<i>(Trading symbol)</i>	<i>(Name of each exchange on which registered)</i>
Class A common stock, par value \$0.0001 per share	VRRM	Nasdaq Capital Market

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

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

Item 7.01 Regulation FD Disclosure.

In connection with the Offering (defined in Item 8.01 of this report), Verra Mobility Corporation (the “*Company*”) is providing investors with certain information that has not been previously publicly reported, including the following unaudited calculation of the non-GAAP measure of Free cash flow with the following table setting forth its reconciliation of Net cash provided from operating activities and Purchases of installation and service parts and property and equipment to Free cash flow for the year ended December 31:

(\$ in thousands)	2020	2019
Net cash provided by operating activities	\$ 46,909	\$ 133,802
Purchases of installation and service parts and property and equipment	(24,260)	(29,685)
Free cash flow	\$ 22,649	\$ 104,117

Free cash flow is not prepared in accordance with financial measures calculated in accordance with generally accepted accounting principles in the United States (“*GAAP*”). Non-GAAP financial measures have limitations as analytical tools. Because of these limitations, non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered in isolation or as a substitute for or superior to GAAP results. The Company’s definition of Free cash flow may not be comparable to similarly titled measures of other companies and may, therefore, have limitations as a comparative analytical tool.

The information furnished in this Item 7.01 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as may be expressly set forth by specific reference in such filing. The furnishing of this report is not intended to constitute a determination by the Company that the information is material or that dissemination of the information is required by Regulation FD.

Item 8.01 Other Events.*Private Note Offering*

On March 15, 2021, the Company issued a press release announcing its subsidiary, VM Consolidated, Inc., intends to privately offer (the “*Offering*”), subject to market and other conditions, \$350 million aggregate principal amount of senior notes due 2029 (the “*Notes*”). A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The Notes and related guarantees have not been and will not be registered under the Securities Act of 1933, as amended (the “*Securities Act*”), any state securities laws or the securities laws of any other jurisdiction. The Notes may not be offered or sold in the United States absent registration or pursuant to an exemption from, or in a transaction not subject to, registration. The Notes will be offered and sold only to persons reasonably believed to be “qualified institutional buyers” in accordance with Rule 144A under the Securities Act and to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Neither this Current Report on Form 8-K nor the press release constitute an offer to sell or a solicitation of an offer to purchase any securities of the Company.

Planned Amendment and Restatement Agreement to Credit Facility

As previously reported in the Company’s Current Report on Form 8-K filed on February 25, 2020, Greenlight Acquisition Corporation, VM Consolidated, Inc. (formerly known as ATS Consolidated, Inc.), American Traffic Solutions, Inc., and LaserCraft, Inc., as well as American Traffic Solutions, L.L.C., American Traffic Solutions Consolidated, L.L.C., ATS Processing Services, L.L.C., ATS Tolling LLC, Auto Tag of America LLC, Auto Titles of America LLC, Highway Toll Administration, LLC, Mulvihill Electrical Enterprises, Inc., Mulvihill ICS, Inc., PlatePass, L.L.C., Sunshine State Tag Agency LLC, Toll Buddy, LLC, and Violation Management Solutions, LLC, each a wholly-owned subsidiary of the Company (collectively, the “*Credit Party Subsidiaries*”), Bank of America, N.A. as Administrative Agent and lender, and the other lenders party thereto are parties to that certain First Lien Term Loan Credit Agreement dated as of March 1, 2018 (as amended, the “*Credit Facility*”). The Credit Facility provides for certain Term B-1 Loans which, as of December 31, 2020, had outstanding balance of \$865.6 million.

The Company currently expects to cause the Credit Party Subsidiaries to enter into an amendment and restatement agreement to the Credit Facility with the Administrative Agent and lenders, whereby among other things, the Company expects to extend the maturity of the Credit Facility to 2028, account for a reduction in principal in connection with the Offering and modify certain restrictive covenants.

This Current Report on Form 8-K contains forward-looking statements within the meaning of federal securities laws. All statements contained in this Current Report on Form 8-K other than statements of historical fact, including statements regarding the

SIGNATURE

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

Dated: March 15, 2021

Verra Mobility Corporation

By: /s/ Patricia Chiodo

Name: Patricia Chiodo

Title: Chief Financial Officer



VERRA MOBILITY ANNOUNCES EXTENSION AND AMENDMENT OF EXISTING CREDIT AGREEMENT; LAUNCHES SENIOR NOTES OFFERING

MESA, Ariz., March 15, 2021 /PRNewswire/ -- Verra Mobility (NASDAQ: VRRM), a leading provider of smart mobility technology solutions, today announced its intention to extend and amend its existing 2020 credit agreement and issue new senior unsecured notes due 2029.

"We believe transitioning to a fixed and variable debt capital structure is timely and addresses our short-term capital needs and strengthens our balance sheet for the long-term. Our visibility into recurring revenue streams and strong cash flow generation potential effectively position us to service our debt and provide us the financial flexibility to invest for the future," stated Tricia Chiodo, Chief Financial Officer of Verra Mobility.

The timing of pricing and terms of the notes are subject to market conditions and other factors. Verra Mobility intends to use the net proceeds of the new \$650 million 7-year Term Loan B and \$350 million of new 8-year Senior Unsecured Notes (the "Notes") to repay the existing \$866 million Term Loan B due 2025, fund the purchase price for the announced acquisition of Redflex Holdings Limited, and for general corporate purposes.

This press release is for informational purposes only. It is neither an offer to sell nor a solicitation of an offer to buy the Notes or any other securities, nor shall there be any offer, solicitation, or sale of the Notes or any other securities in any jurisdiction in which such an offering, solicitation or sale would be unlawful prior to the registration or qualification thereof under the securities laws of any such jurisdiction. Any offers of the Notes will be made only by means of a private offering memorandum. The Notes are being offered only to persons reasonably believed to be qualified institutional buyers in a private placement offering exempt from registration in reliance on Rule 144A under the Securities Act of 1933, as amended

(the "Securities Act"), and to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act. The Notes and related guarantees have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States without registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable state securities laws. This press release is being issued pursuant to and in accordance with Rule 135c under the Securities Act.

About Verra Mobility

Verra Mobility is committed to developing and using the latest in technology and data intelligence to help make transportation safer and easier. As a global company, Verra Mobility sits at the center of the mobility ecosystem – one that brings together vehicles, devices, information, and people to solve complex challenges faced by our customers and the constituencies they serve.

Verra Mobility serves the world's largest commercial fleets and rental car companies to manage tolling transactions and violations for millions of vehicles. As a leading provider of connected systems, Verra Mobility processes millions of transactions each year through connectivity with more than 50 individual tolling authorities and more than 400 issuing authorities. Verra Mobility also fosters the development of safe cities, partnering with law enforcement agencies, transportation departments, and school districts across North America operating thousands of red-light, speed, bus lane, and school bus stop arm safety cameras. Arizona-based Verra Mobility operates in more than 15 countries. For more information, visit www.verramobility.com.

Forward-Looking Statements

This press release contains forward-looking statements which address the Company's expected future business and financial performance and may contain words such as "goal," "target," "future," "estimate," "expect," "anticipate," "intend," "plan," "believe," "seek," "project," "may," "should," "will" or similar expressions. Examples of forward-looking statements include, among others, statements regarding the benefits of the Company's strategic acquisitions, changes in the market for our products and services, expected operating results, such as revenue growth, expansion plans and opportunities, and earnings guidance related to 2021 financial and operational metrics. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those currently anticipated. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to: (1) the disruption to our business and results of operations as a result of the COVID-19 pandemic; (2) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (3) customer concentration in our Commercial Services and Government

Solutions segments; (4) decreases in the prevalence of automated photo enforcement or the use of tolling; (5) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (6) decreased interest in outsourcing from our customers; (7) our ability to properly perform under our contracts and otherwise satisfy our customers; (8) our ability to compete in a highly competitive and rapidly evolving market; (9) our ability to keep up with technological developments and changing customer preferences; (10) the success of our new products and changes to existing products and services; (11) our ability to successfully integrate our recent or future acquisitions; (12) failures in or breaches of our networks or systems, including as a result of cyber-attacks; and (13) other risks and uncertainties indicated from time to time in documents filed or to be filed with the Securities and Exchange Commission (the "SEC") by Verra Mobility. The forward-looking statements herein represent the judgment of the Company, as of the date of this release, and Verra Mobility disclaims any intent or obligation to update forward-looking statements. This press release should be read in conjunction with the information included in the Company's other press releases, reports, and other filings with the SEC. Understanding the information contained in these filings is important in order to fully understand the Company's reported financial results and our business outlook for future periods.

Investor Relations Contacts

Sajid Daudi
Investor Relations at Verra Mobility
480-596-2050

Marc P. Griffin
ICR, Inc., for Verra Mobility
646-277-1290

IR@verramobility.com