

**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): **November 19, 2019**

AEROVIRONMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-33261
(Commission File Number)

95-2705790
(I.R.S. Employer Identification No.)

900 Innovators Way
Simi Valley, California
(Address of Principal Executive Offices)

93065
(Zip Code)

Registrant's telephone number, including area code: **(805) 581-2187**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- 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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value	AVAV	The Nasdaq Stock Market LLC

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.

On November 21, 2019, AeroVironment, Inc. (the "Company") issued a press release announcing that it has entered into a Consent Agreement with the U.S. Department of State's Directorate of Defense Trade Controls Office of Defense Trade Controls Compliance ("DDTC") to resolve various alleged violations of the Armed Export Control Act (the "AECA") and the International Traffic in Arms Regulations ("ITAR"), which agreement is described in more detail below. A copy of the Company's press release is furnished with this Form 8-K and attached hereto as Exhibit 99.1.

The information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, 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 such section. Such information shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

On November 19, 2019, the Company entered into a Consent Agreement with the DDTC to resolve alleged AECA and ITAR violations occurring between June 2014 and December 2016. The Consent Agreement has a two-year term and provides for, among other things: (i) a civil penalty of \$1,000,000 payable in installments, \$500,000 of which is suspended on the condition that such amount is used for future remedial compliance costs over the term of the Consent Agreement and/or credited against prior compliance enhancement costs already expended by the Company; (ii) the appointment of an external Special Compliance Officer for a minimum of one year to oversee the Company's compliance with the Consent Agreement and ITAR; and (iii) one external audit of the Company's compliance with the Consent Agreement and ITAR. The Company expects that the \$500,000 suspension amount will be satisfied by the Company's past and future compliance program remediation efforts.

Through its review, the DDTC considered certain mitigation factors, including the Company's submission of certain voluntary disclosures acknowledging a portion of the charged conduct and other potential ITAR violations, the Company's prior implementation of compliance program improvements, and the lack of indication that the violations caused harm to U.S. national security.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit Number	Description
99.1	Press release issued by AeroVironment, Inc., dated November 21, 2019
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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

AEROVIRONMENT, INC.

Date: November 21, 2019

By: /s/ Wahid Nawabi
Wahid Nawabi
President and Chief Executive Officer



PROCEED
WITH
CERTAINTY

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Tel (805) 520.8350
www.avinc.com • NASDAQ: AVAV

PRESS RELEASE

**AeroVironment Settles with United States Department of State for
Voluntarily Reported Alleged Export Violations**

- The company voluntarily reported issues from the period June 5, 2014 to December 22, 2016
- U.S. Department of State cites the company's efforts to improve compliance and finds no cause for debarment

SIMI VALLEY, Calif., Nov 21, 2019 - AeroVironment (NASDAQ: AVAV), a global leader in unmanned aircraft systems (UAS), today announced it has reached a settlement with the United States Department of State for alleged export violations the company reported voluntarily for the period June 5, 2014 to December 22, 2016. AeroVironment has agreed to pay \$1,000,000 over a two-year period, \$500,000 of which is suspended and can be credited against investments already made or to be made to enhance export controls. AeroVironment will also hire an outside Special Compliance Officer (SCO) for a term of one year and conduct an external audit to assess and improve its compliance program during the Consent Agreement term.

“AeroVironment’s unmanned aircraft systems provide meaningful operational advantages to frontline troops of the United States and more than 45 allied nations,” said Melissa Brown, AeroVironment vice president and general counsel. “We understand the importance of protecting our technology while making it available to help protect our allies, and therefore take United States export regulations very seriously. We will continue to enhance our export controls and appreciate the Department of State’s acknowledgement of the corrective actions we have already taken.”

In reaching this settlement, the Department of State considered certain mitigation factors with respect to the alleged violations. An announcement from the Department of State included the following statement:

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“AeroVironment voluntarily disclosed to the Department the alleged AECA (Arms Export Control Act) and ITAR (International Traffic in Arms Regulations) violations, which are resolved under this settlement. AeroVironment also acknowledged the serious nature of the alleged violations, cooperated with the Department’s review, and instituted a number of compliance program improvements during the course of the Department’s review. For these reasons, the Department has determined that it is not appropriate to administratively debar AeroVironment at this time.”

About AeroVironment, Inc.

AeroVironment (NASDAQ: AVAV) provides customers with more actionable intelligence so they can proceed with certainty. Based in California, AeroVironment is a global leader in unmanned aircraft systems and tactical missile systems, and serves defense, government, and commercial customers. For more information visit www.avinc.com.

Safe Harbor Statement

Certain statements in this press release may constitute "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from those expressed or implied. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, our ability to perform under existing contracts and obtain additional contracts; changes in the regulatory environment; the activities of competitors; failure of the markets in which we operate to grow; failure to expand into new markets; failure to develop new products or integrate new technology with current products; and general economic and business conditions in the United States and elsewhere in the world. For a further list and description of such risks and uncertainties, see the reports we file with the Securities and Exchange Commission. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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For additional media and information, please follow us at:

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Contacts

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