

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-Q

(Mark one)

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

For the quarterly period ended December 31, 2021

OR

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

For the transition period from _____ to _____

Commission file number: 001-36827

Anterix Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

33-0745043
(I.R.S. Employer
Identification No.)

**3 Garret Mountain Plaza
Suite 401
Woodland Park, New Jersey**
(Address of principal executive offices)

07424
(Zip Code)

(973) 771-0300
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At January 31, 2022, 18,374,938 shares of the registrant's common stock were outstanding.

Anterix Inc.
FORM 10-Q
For the quarterly period ended December 31, 2021

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (the “Quarterly Report”) includes statements of our expectations, intentions, plans, and beliefs that constitute “forward-looking statements.” These forward-looking statements are principally, but not solely, contained in the section captioned “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These statements include, but are not limited to, statements about our strategies, plans, objectives, expectations, intentions, expenditures and assumptions and other statements contained herein that are not historical facts. Our forward-looking statements are generally, but not always, accompanied by words such as, but not limited to, “aim,” “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “expect,” “goal,” “intend” “may,” “might,” “ongoing,” “plan,” “possible,” “project,” “predict,” “potential,” “seek,” “should,” “strategy,” “target,” “will,” “would” and similar expressions or phrases, or the negative of those expressions or phrases, or other words that convey the uncertainty of future events or outcomes, which are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We have based these forward-looking statements on our current expectations and projections and related assumptions, about future events and financial trends. The matters discussed in these forward-looking statements are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those projected, anticipated or implied in the forward-looking statements. Many of these risks, uncertainties and other factors are beyond our ability to control, influence, or predict. The most significant of these risks, uncertainties and other factors are described in “Item 1A—Risk Factors” in Part II of this Quarterly Report and in our Annual Report on Form 10-K for the year ended March 31, 2021, filed with the SEC on June 15, 2021. As a result, investors are urged not to place undue reliance on any forward-looking statements. These forward-looking statements reflect our views and assumptions only as of the date such forward-looking statements were made. Except to the limited extent required by applicable law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

Item 1: Consolidated Financial Statements

Anterix Inc.
Consolidated Balance Sheets
(in thousands, except share data)

	<u>December 31, 2021</u>	<u>March 31, 2021</u>
	<u>(Unaudited)</u>	
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 127,764	\$ 117,538
Accounts receivable	—	4
Prepaid expenses and other current assets	7,269	3,508
Total current assets	135,033	121,050
Property and equipment, net	2,640	3,574
Right of use assets, net	4,256	5,100
Intangible assets	144,449	122,117
Other assets	1,675	1,214
Total assets	\$ 288,053	\$ 253,055
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 6,784	\$ 6,256
Due to related parties	160	152
Operating lease liabilities	1,450	1,470
Deferred revenue	1,478	737
Total current liabilities	9,872	8,615
Noncurrent liabilities		
Operating lease liabilities	4,534	5,601
Contingent liability	20,000	20,000
Deferred revenue	53,535	2,246
Deferred income tax	3,919	3,209
Other liabilities	569	876
Total liabilities	92,429	40,547
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.0001 par value per share, 10,000,000 shares authorized and no shares outstanding at December 31, 2021 and March 31, 2021	—	—
Common stock, \$0.0001 par value per share, 100,000,000 shares authorized and 18,364,688 shares issued and outstanding at December 31, 2021 and 17,669,905 shares issued and outstanding at March 31, 2021	2	2
Additional paid-in capital	495,465	472,854
Accumulated deficit	(299,843)	(260,348)
Total stockholders' equity	195,624	212,508
Total liabilities and stockholders' equity	\$ 288,053	\$ 253,055

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statements of Operations
(in thousands, except share and per share data)
(Unaudited)

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
Operating revenues				
Service revenue	\$ —	\$ 53	\$ —	\$ 193
Spectrum revenue	385	183	749	547
Total operating revenues	385	236	749	740
Operating expenses				
Direct cost of revenue (exclusive of depreciation and amortization)	5	543	5	1,606
General and administrative	10,219	8,806	29,774	30,326
Sales and support	1,263	676	3,311	2,070
Product development	893	1,244	2,826	3,033
Depreciation and amortization	323	1,020	996	3,418
Impairment of long-lived assets	—	11	—	40
Total operating expenses	12,703	12,300	36,912	40,493
(Gain)/loss from disposal of intangible assets, net	—	—	(10,230)	3,849
Loss/(gain) from disposal of long-lived assets, net	57	—	111	(6)
Loss from operations	(12,375)	(12,064)	(26,044)	(43,596)
Interest income	9	27	55	99
Other income	63	110	197	332
Loss on equity method investment	—	(7)	—	(23)
Loss before income taxes	(12,303)	(11,934)	(25,792)	(43,188)
Income tax expense	412	155	710	311
Net loss	\$ (12,715)	\$ (12,089)	\$ (26,502)	\$ (43,499)
Net loss per common share basic and diluted	\$ (0.69)	\$ (0.69)	\$ (1.47)	\$ (2.51)
Weighted-average common shares used to compute basic and diluted net loss per share	18,313,193	17,492,539	18,072,904	17,350,671

See accompanying notes to consolidated financial statements.

Anterix Inc.
 Consolidated Statement of Stockholders' Equity
 (in thousands)
 (Unaudited)

	<u>Number of Shares</u>				
	<u>Common stock</u>	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Total</u>
Balance at September 30, 2021	18,334	\$ 2	\$ 488,366	\$ (275,135)	\$ 213,233
Equity based compensation*	22	—	3,631	—	3,631
Stock option exercises	211	—	3,618	—	3,618
Shares withheld for taxes	(2)	—	(150)	—	(150)
Retirement of common stock	(200)	—	—	(11,993)	(11,993)
Net loss	—	—	—	(12,715)	(12,715)
Balance at December 31, 2021	<u>18,365</u>	<u>\$ 2</u>	<u>\$ 495,465</u>	<u>\$ (299,843)</u>	<u>\$ 195,624</u>
Balance at March 31, 2021	17,670	\$ 2	\$ 472,854	\$ (260,348)	\$ 212,508
Equity based compensation*	207	—	10,147	—	10,147
Stock option exercises	732	—	13,922	—	13,922
Shares withheld for taxes	(24)	—	(1,458)	—	(1,458)
Retirement of common stock	(220)	—	—	(12,993)	(12,993)
Net loss	—	—	—	(26,502)	(26,502)
Balance at December 31, 2021	<u>18,365</u>	<u>\$ 2</u>	<u>\$ 495,465</u>	<u>\$ (299,843)</u>	<u>\$ 195,624</u>

* includes restricted shares issued.

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statement of Stockholders' Equity
(in thousands)
(Unaudited)

	<u>Number of Shares</u>				
	<u>Common stock</u>	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Total</u>
Balance at September 30, 2020	17,487	\$ 2	\$ 464,620	\$ (237,324)	\$ 227,298
Equity based compensation*	23	—	2,672	—	2,672
Equity payment of prior year accrued employee related expenses	4	—	—	—	—
Stock option exercises	70	—	1,286	—	1,286
Net loss	—	—	—	(12,089)	(12,089)
Balance at December 31, 2020	<u>17,584</u>	<u>\$ 2</u>	<u>\$ 468,578</u>	<u>\$ (249,413)</u>	<u>\$ 219,167</u>
Balance at March 31, 2020	17,185	\$ 2	\$ 450,978	\$ (205,914)	\$ 245,066
Equity based compensation*	229	—	13,245	—	13,245
Equity payment of prior year accrued employee related expenses	28	—	1,537	—	1,537
Stock option exercises	142	—	2,818	—	2,818
Net loss	—	—	—	(43,499)	(43,499)
Balance at December 31, 2020	<u>17,584</u>	<u>\$ 2</u>	<u>\$ 468,578</u>	<u>\$ (249,413)</u>	<u>\$ 219,167</u>

* includes restricted shares issued.

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Nine months ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (26,502)	\$ (43,499)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and amortization	996	3,418
Non-cash compensation expense attributable to stock awards	10,047	13,245
Deferred income taxes	710	311
(Gain)/loss from disposal of intangible assets	(10,230)	3,849
Loss/(gain) on disposal of long-lived assets, net	111	(6)
Impairment of long-lived assets	—	40
Loss on equity method investment	—	23
Changes in operating assets and liabilities		
Accounts receivable	4	42
Prepaid expenses and other assets	(115)	(639)
Right of use assets	844	1,102
Accounts payable and accrued expenses	528	3,838
Due to related parties	8	11
Restructuring reserve	—	(600)
Operating lease liabilities	(1,087)	(1,289)
Deferred revenue	52,030	(551)
Other liabilities	(307)	36
Net cash provided by (used in) operating activities	<u>27,037</u>	<u>(20,669)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of intangible assets, including refundable deposits	(16,030)	(10,882)
Purchases of equipment	(252)	(234)
Net cash used in investing activities	<u>(16,282)</u>	<u>(11,116)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from stock option exercises	12,922	2,818
Repurchase of common stock	(11,993)	—
Payments of withholding tax on net issuance of restricted stock	(1,458)	—
Net cash (used in) provided by financing activities	<u>(529)</u>	<u>2,818</u>
Net change in cash and cash equivalents	10,226	(28,967)
CASH AND CASH EQUIVALENTS		
Beginning of the period	117,538	137,453
End of the period	<u>\$ 127,764</u>	<u>\$ 108,486</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period:		
Taxes paid	\$ 7	\$ 36
Non-cash investing activity:		
Network equipment provided in exchange for wireless licenses	\$ 79	\$ 23
Non-cash financing activities:		
Shares surrendered from stock option exercises	\$ 1,000	\$ —
Equity payment of prior year accrued employee related expenses	—	1,537

See accompanying notes to consolidated financial statements.

Anterix Inc.
Notes to Consolidated Financial Statements
(Unaudited)

1. Nature of Operations and Basis of Presentation

Anterix Inc. (the “Company”) is a wireless communications company focused on commercializing its spectrum assets to enable its targeted utility and critical infrastructure customers to deploy private broadband networks, technologies and solutions. The Company is the largest holder of licensed spectrum in the 900 MHz band (896-901/935-940 MHz) with nationwide coverage throughout the contiguous United States, Hawaii, Alaska and Puerto Rico. On May 13, 2020, the Federal Communications Commission (the “FCC”) approved the Report and Order to modernize and realign the 900 MHz band to increase its usability and capacity by allowing it to be utilized for the deployment of broadband networks, technologies and solutions (the “Report and Order”). The Report and Order was published in the Federal Register on July 16, 2020 and became effective on August 17, 2020. The Company is now engaged in qualifying for and securing broadband licenses from the FCC. At the same time, the Company is pursuing opportunities to lease the spectrum for which broadband licenses are secured to its targeted utility and critical infrastructure customers.

The Company was originally incorporated in California in 1997 and reincorporated in Delaware in 2014. In November 2015, the Company changed its name from Pacific DataVision, Inc. to pdvWireless, Inc. In August 2019, the Company changed its name from pdvWireless, Inc. to Anterix Inc. The Company maintains offices in Woodland Park, New Jersey and McLean, Virginia.

Business Developments

In December 2020, the Company entered into its first long-term lease agreement of 900 MHz spectrum authorized for broadband use (“900 MHz Broadband Spectrum”), with Ameren Corporation (“Ameren”), (the “Ameren Agreements”). The Ameren Agreements will enable Ameren to deploy a private LTE network in its service territories in Missouri and Illinois, covering approximately 7.5 million people. Each Ameren Agreement is for a term of up to 40 years, consisting of an initial term of 30 years, with a 10-year renewal option for an additional payment. The scheduled prepayments for the 30-year initial terms of the Ameren Agreements total \$47.7 million, of which \$0.3 million was received by the Company in February 2021, \$5.4 million in September 2021 and \$17.2 million in October 2021. See Note 2 **Revenue** for further discussion on the Ameren Agreements.

In September 2021, the Company entered into a long-term lease agreement of 900 MHz Broadband Spectrum with Evergy Services, Inc. (“Evergy”), (the “Evergy Agreement”). The Evergy service territories covered by the Evergy Agreement are in Kansas and Missouri with a population of approximately 3.9 million people. The Evergy Agreement is for a term of up to 40 years, comprised of an initial term of 20 years with two 10-year renewal options for additional payments. Prepayment in full of the \$30.2 million for the 20-year initial term, which was due and payable within thirty (30) days after execution of the Evergy Agreement, was received by the Company in October 2021. See Note 2 **Revenue** for further discussion on the Evergy Agreement.

Basis of Presentation and Use of Estimates

The unaudited consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information. Pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”), certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted.

Because certain information and footnote disclosures have been condensed or omitted, these unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes in the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021, filed with the SEC on June 15, 2021 (the “2021 Annual Report”). In the Company’s opinion all normal and recurring adjustments considered necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented have been included. The Company believes that the disclosures made in the unaudited consolidated interim financial statements are adequate to make the information not misleading. The results of operations for the interim periods presented are not necessarily indicative of the results for the year. The Company is also required to make certain estimates and assumptions that affect the report amounts. These estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the applicable period. Accordingly, actual results could materially differ from those estimates.

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries, including PDV Spectrum Holding Company, LLC formed in April 2014. All significant intercompany accounts and transactions have been eliminated in consolidation.

Summary of Significant Accounting Policies

Retirement of common stock

From time to time, the Company may acquire its common stock through share repurchases or option exercise swaps and return these shares to authorized and unissued. If the Company elects to retire these shares, the Company's policy is to allocate a portion of the repurchase price to par value of common stock with the excess over par value allocated to accumulated deficit.

Correction of Immaterial Errors

Stock-based compensation

In connection with preparing its financial statements for the year ended March 31, 2021, the Company determined that it incorrectly presented stock-based compensation in its Consolidated Statement of Operations for the three and nine months ended December 31, 2020.

The Company previously reported stock compensation expense as a separate line item in the Consolidated Statement of Operations. Stock compensation expense should have been included in the same income statement line or lines as the cash compensation paid to the individuals receiving the stock-based awards such as general and administrative costs, product development and sales and support.

The following table is a comparison of the reported results of operations for the three and nine months ended December 31, 2020, as a result of the correction of immaterial errors (in thousands):

Consolidated Statement of Operations	For the Three months ended December 31, 2020		
	As Originally Reported	Impact of Prior Period Errors	As Revised
General and administrative*	\$ 6,344	\$ 2,462	\$ 8,806
Product development	1,098	146	1,244
Sales and support	612	64	676
Stock compensation expense	2,672	(2,672)	—
	For the Nine months ended December 31, 2020		
	As Originally Reported	Impact of Prior Period Errors	As Revised
General and administrative*	\$ 17,685	\$ 12,641	\$ 30,326
Product development	2,595	438	3,033
Sales and support	1,904	166	2,070
Stock compensation expense	13,245	(13,245)	—

* General and administrative expense includes the reclassification of restructuring costs. Refer to *Reclassifications* below for further details.

Depreciation, disposals and impairments

In connection with preparing its financial statements for the quarter ended December 31, 2021, the Company determined that it understated depreciation and overstated loss on disposal of long-lived assets in its Consolidated Statement of Operations for the nine months ended December 31, 2021.

In March 2021, the Company classified idled assets as Held for Future Use and suspended the depreciation for these assets. The depreciation should have been recognized evenly over the life of the asset without regard to whether the assets have been placed in service or is in use. Additionally, the Company reported disposals of assets that were in-use and misclassified certain disposals as impairments in the Consolidated Statement of Operations for the nine months ended December 31, 2021.

The following table is a comparison of the results of operations for the nine months ended December 31, 2021, as a result of the correction of immaterial errors (in thousands):

	<u>For the Nine months ended December 31, 2021</u>	<u>Impact of Prior Period Errors</u>
Consolidated Statement of Operations		
Depreciation and amortization	\$	138
Impairment of long-lived assets		(127)
Loss/(gain) from disposal of long-lived assets		35
Net loss		46
Net loss per common share basic and diluted		—

Share retirement

In connection with preparing its financial statements for the quarter ended December 31, 2021, the Company determined that it incorrectly presented additional paid-in capital and accumulated deficit in its Consolidated Balance Sheets and Consolidated Statement of Stockholders' Equity for the period ended June 30, 2021.

The Company previously reported the retirement of shares from a May 2021 option exercise as a reduction to additional paid-in capital. The retirement of shares should have been reported as an increase to accumulated deficit. This transaction was presented in the stock option exercises line within the Consolidated Statement of Stockholders' Equity. However, the Company should have reported this transaction in a separate line, retirement of common stock, along with the retirement of shares from the Company's share repurchase program (refer to Note 7 *Stockholders' Equity* for further discussion on the Company's share repurchase program). Additionally, as a result of this error, the Company incorrectly omitted the shares surrendered from stock option exercises non-cash disclosure.

The following table is a comparison of the reported financial position, changes to stockholders' equity and cash flows as of December 31, 2021, as a result of the correction of immaterial errors (in thousands):

	<u>For the period ended December 31, 2021</u>	<u>Impact of Prior Period Errors</u>
Consolidated Balance Sheets		
Additional paid-in capital	\$	1,000
Accumulated deficit		(1,000)

	<u>For the period ended December 31, 2021</u>		
	<u>Impact of Prior Period Errors</u>		
	<u>Number of Shares Common Stock</u>	<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>
Consolidated Statement of Stockholders' Equity			
Stock option exercises	20	\$ 1,000	\$ —
Retirement of common stock	(20)	—	(1,000)

Reclassifications

Certain amounts previously reported in the Company's Consolidated Statement of Operations for prior periods have been reclassified to conform to the presentation within this Quarterly Report on Form 10-Q. The reclassification includes the consolidation of the restructuring costs line into the general and administrative line within the Company's Consolidated Statement of Operations.

Recently Adopted Accounting Guidance

In December 2019, the Financial Accounting Standard Board ("FASB") issued Accounting Standard Updated ("ASU") 2019-12, *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), which simplifies the accounting for income taxes by removing certain exceptions and improving the application of existing guidance. The new guidance is effective for annual and interim periods beginning after December 15, 2020. The adoption of ASU 2019-12 on April 1, 2021 did not have a material effect on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, and has subsequently modified several areas of Accounting Standards Codification 326, *Financial Instruments – Credit Losses* ("ASC 326"), in order to provide additional clarity and improvements. The new standard requires entities to use a Current Expected Credit Loss impairment model based on expected losses rather than incurred losses. Under this model, an entity would recognize an impairment allowance equal to its current estimate of all contractual cash flows that the entity does not expect to collect from financial assets measured at amortized cost within the scope of the standard. The entity's estimate would consider relevant information about past events, current conditions and reasonable and supportable forecasts, which will result in recognition of lifetime expected credit losses. As a smaller reporting company, the standard updates will be effective for the Company's fiscal year beginning April 2023, including interim reporting periods within that fiscal year, although early adoption is permitted. The Company is evaluating the potential impact that ASC 326 and subsequent modifications may have on its consolidated financial statements.

Other accounting standards that have been issued or proposed by the FASB or other standard-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's consolidated financial statements upon adoption.

2. Revenue

Long-Term Leases of 900 MHz Broadband Spectrum. In December 2020, the Company entered into its first long-term lease agreement of 900 MHz Broadband Spectrum with Ameren. The Ameren Agreements will enable Ameren to deploy a private LTE network in its service territories in Missouri and Illinois, covering approximately 7.5 million people. Each Ameren Agreement is for a term of up to 40 years, consisting of an initial term of 30 years, with a 10-year renewal option for an additional payment. The scheduled prepayments for the 30-year initial terms of the Ameren Agreements total \$47.7 million, of which \$0.3 million was received by the Company in February 2021, \$5.4 million in September 2021 and \$17.2 million in October 2021. The prepayments received to date encompass the initial upfront payment(s) due upon signing of the Ameren Agreements and payments for delivery of the relevant 1.4 x 1.4 cleared spectrum in several metropolitan counties throughout Missouri and Illinois, in accordance with the terms of the Ameren Agreements. The remaining prepayments for the 30-year initial term are due by mid-2026, per the terms of the Ameren Agreements and as the Company delivers the relevant cleared 900 MHz Broadband Spectrum and the associated broadband licenses. The Company is working with incumbents to clear the 900 MHz Broadband Spectrum allocation in Ameren's service territory. In August 2021, the FCC granted the first 900 MHz broadband licenses to the Company for several counties in Ameren's service territory, for which the Ameren Agreements were also subsequently approved by the FCC. In accordance with ASC 606, the payments of prepaid fees under the Ameren Agreements will be accounted for as deferred revenue on the Company's Consolidated Balance Sheets and will be recognized ratably as cleared 900 MHz Broadband Spectrum and the associated broadband licenses are delivered by county over the contractual term of approximately 30-years. The Company's Board approved the Ameren Agreements on April 23, 2021, and Ameren's board of directors approved the Ameren Agreements on May 6, 2021. The revenue recognized for the three and nine months ended December 31, 2021 was approximately \$202,000.

In September 2021, the Company entered into a long-term lease agreement of 900 MHz Broadband Spectrum with Evergy. The Evergy service territories covered by the Evergy Agreement are in Kansas and Missouri with a population of approximately 3.9 million people. The Evergy Agreement is for a term of up to 40 years, comprised of an initial term of 20 years with two 10-year renewal options for additional payments. Prepayment in full of the \$30.2 million for the 20-year initial term, which was due and

payable within thirty (30) days after execution of the Evergy Agreement, was received by the Company in October 2021. The Evergy Agreement is subject to customary provisions regarding remedies for non-delivery, including refund of amounts paid and termination rights, if Anterix fails to perform its contractual obligations, including failure to deliver the relevant cleared 900 MHz Broadband Spectrum, in accordance with the terms of the Evergy Agreement. The Company is working with incumbents to clear the 900 MHz Broadband Spectrum allocation covered by the Evergy Agreement. Evergy and Anterix obtained all necessary internal approvals prior to executing the Evergy Agreement. The Company expects to recognize revenue from the Evergy Agreement commencing in the first half of fiscal year 2023. In accordance with ASC 606, the payments of prepaid fees under the Evergy Agreement will be accounted for as deferred revenue on the Company's Consolidated Balance Sheets and will be recognized ratably as cleared 900 MHz Broadband Spectrum and the associated broadband licenses are delivered by county over the contractual term of approximately 20-years.

Service Revenue. The Company has historically derived its service revenue from a fixed monthly recurring unit price per user, with 30-day payment terms, for its pdvConnect and TeamConnect service offerings. As a result of the Company's restructuring efforts, over two transactions in 2018 and 2020, the Company transferred its TeamConnect and pdvConnect businesses to related and third parties with the Company retaining a certain portion of the recurring revenues from these customers (the "Service Revenue Transfer"). The Company did not recognize any service revenue for the three and nine months ended December 31, 2021. The Company recognized \$53,000 and \$193,000, respectively, for the three and nine months ended December 31, 2020.

Narrowband Spectrum Revenue. In September 2014, Motorola paid the Company an upfront, fully paid fee of \$7.5 million in order to use a portion of the Company's narrowband spectrum licenses (the "2014 Motorola spectrum agreement"). The payment of the fee is accounted for as deferred revenue on the Company's Consolidated Balance Sheets and is recognized ratably as the service is provided over the contractual term of approximately ten years. The revenue recognized for the three and nine months ended December 31, 2021 was approximately \$183,000 and \$547,000, respectively. The revenue recognized for the three and nine months ended December 31, 2020 was approximately \$183,000 and \$547,000, respectively.

Contract Assets. The Company recognizes a contract asset for the incremental costs of obtaining a contract with a customer. These costs include sales commissions. These costs are amortized ratably using the portfolio approach over the estimated customer contract period. The Company will review the contract asset on a periodic basis to determine if an impairment exists. If it is determined that there is an impairment, the contract asset will be expensed.

For the nine months ended December 31, 2021, the Company incurred commission and stock compensation costs to obtain its long-term 900 MHz Broadband Spectrum lease agreements amounting to approximately \$129,000, which was capitalized and will be amortized over the contractual term.

The following table presents the activity for the Company's contract assets (in thousands):

	Contract Assets	
Balance at March 31, 2021	\$	381
Additions		129
Amortization		(3)
Impairment		—
Balance at December 31, 2021		507
Less amount classified as current assets - prepaid expenses and other current assets		(104)
Noncurrent assets - included in other assets	\$	403

Contract liabilities. Contract liabilities primarily relate to advance consideration received from customers for spectrum services, for which revenue is recognized over time, as the services are performed. These contract liabilities are recorded as deferred revenue on the balance sheet.

The following table presents the activity for the Company's contract liabilities (in thousands):

	Contract Liabilities	
Balance at March 31, 2021	\$	2,983
Additions		52,779
Revenue recognized		(749)
Balance at December 31, 2021		55,013
Less amount classified as current liabilities		(1,478)
Noncurrent liabilities	\$	53,535

3. Intangible Assets

Wireless licenses are considered indefinite-lived intangible assets. Indefinite-lived intangible assets are not subject to amortization but instead are tested for impairment annually, or more frequently if an event indicates that the asset might be impaired. There were no triggering events indicating impairment during the nine months ended December 31, 2021.

During the nine months ended December 31, 2021, the Company acquired wireless licenses for cash consideration of \$12.1 million, after receiving FCC approval, of which \$10.1 million was spent on licenses acquired, including costs associated with license swaps, by entering into agreements with several third parties in multiple U.S. markets and \$2.0 million was paid to the U.S. Treasury for Anti-Windfall payments, i.e. payments to secure the broadband channels to cover any shortfall of channels needed in a given county to reach the requisite 240 channels to be surrendered to secure a broadband license for such county, for 12 U.S. counties. As of December 31, 2021 and March 31, 2021, the Company recorded initial deposits to incumbents amounting to approximately \$5.9 million and \$2.3 million, respectively, that are refundable if the FCC does not approve the sale of the spectrum. Of the \$5.9 million initial refundable deposit balance as of December 31, 2021, \$5.5 million was included in prepaid expenses and other current assets and the remaining \$0.4 million in other assets in the Consolidated Balance Sheets. Of the \$2.3 million initial refundable deposit balance as of March 31, 2021, \$1.9 million was included in prepaid expenses and other current assets and the remaining \$0.4 million in other assets in the Consolidated Balance Sheets. As of December 31, 2021 and March 31, 2021, the Company recorded deferred charges of \$0.8 million and \$0.4 million, respectively, related to in-process deals, of which \$0.1 million was recorded in prepaid expenses and other current assets and \$0.7 million and \$0.3 million, respectively, was recorded in other assets.

During the nine months ended December 31, 2021, the Company applied for, and was granted by the FCC, broadband licenses for 12 counties. The Company recorded the new broadband licenses at their estimated accounting cost basis of approximately \$13.6 million. In connection with receiving the broadband licenses, the Company disposed of \$3.4 million related to the value ascribed to the narrowband licenses it relinquished to the FCC for the same 12 counties. The total carrying value of narrowband licenses included the cost to acquire the original narrowband licenses, Anti-Windfall payments paid to cover the shortfall in each county and the clearing costs. As a result of the exchange of narrowband licenses for broadband licenses, the Company recorded a gain on disposal of intangible assets of \$10.2 million, for the nine months ended December 31, 2021.

Intangible assets consist of the following at December 31, 2021 and March 31, 2021 (in thousands):

	Wireless Licenses
Balance at March 31, 2021	\$ 122,117
Acquisitions	12,102
Exchanges – broadband licenses received	13,611
Exchanges – narrowband licenses surrendered	(3,381)
Balance at December 31, 2021	<u>\$ 144,449</u>

4. Related Party Transactions

Refer to the Company's 2021 Annual Report for a more complete description of the nature of its related party transactions. The following reflects the related party activity during the three and nine months ended December 31, 2021.

In connection with the Service Revenue Transfer, the Company was obligated to pay a monthly service fee for a 24-month period that ended on January 7, 2021, for its assumption of the Company's support obligations under the transfer agreements. The Company is also obligated to pay a certain portion of the billed revenue received by the Company from pdvConnect customers for a 48-month period. For the three and nine months ended December 31, 2021, the Company incurred costs of \$15,000 and \$45,000, respectively. For the three and nine months ended December 31, 2020, the Company incurred costs of \$176,000 and \$529,000, respectively. As of December 31, 2021, the Company did not have any outstanding liabilities to the related parties associated with the Service Revenue Transfer. As of March 31, 2021, the Company owed \$32,000 to these parties.

The Company did not purchase any equipment from Motorola under the terms of the 2014 Motorola spectrum agreement for the three and nine months ended December 31, 2021 and 2020, respectively. The revenue recognized for the three and nine months ended December 31, 2021 was approximately \$183,000 and \$547,000, respectively. The revenue recognized for the three and nine months ended December 31, 2020 was approximately \$183,000 and \$547,000, respectively. As of December 31, 2021 and March 31, 2021, the Company owed \$120,000 to Motorola at the end of each period.

During 2020, the Company entered into a consulting agreement with Rachelle B. Chong under which Ms. Chong will serve as a Senior Advisor to the Company's management team, subsequent to her resignation from the Company's Board and as a member

of the Board's Nominating and Corporate Governance Committee. During the three and nine months ended December 31, 2021, the Company incurred \$36,000 and \$108,000 in consulting fees to Ms. Chong, respectively. During the three and nine months ended December 31, 2020, the Company incurred \$36,000 and \$96,000 in consulting fees to Ms. Chong, respectively. As of December 31, 2021 and March 31, 2021, the Company did not owe Ms. Chong fees for consulting services.

During 2020, the Company entered into an annual consulting agreement with Brian D. McAuley under which Mr. McAuley will serve as a Senior Advisor to the Company's management team and provide strategic, corporate governance and Board advisory services, subsequent to his resignation as Executive Chairman of the Board. The Consulting Agreement was effective as of September 2, 2020, with an original expiration date of September 1, 2021. The Company extended the agreement by an additional twelve (12) months with a new termination date of September 1, 2022. For the three and nine months ended December 31, 2021, the Company incurred approximately \$10,000 and \$30,000, respectively, in consulting fees to Mr. McAuley. For the three and nine months ended December 31, 2020, the Company incurred approximately \$10,000 in consulting fees to Mr. McAuley. As of December 31, 2021, the Company owed \$40,000 to Mr. McAuley. As of March 31, 2021, the Company did not have any outstanding liabilities to Mr. McAuley.

5. Leases

Substantially all of the leases in which the Company is the lessee are comprised of corporate office space and tower space. The Company is obligated under certain lease agreements for office space with lease terms expiring on various dates from October 31, 2023 through June 30, 2027, which includes a 10-year lease extension for its corporate headquarters. The Company entered into multiple lease agreements for tower space. The lease expiration dates range from January 29, 2022 to April 30, 2028.

Substantially all of the Company's leases are classified as operating leases and are required to be recognized on the Consolidated Balance Sheet as right of use ("ROU") assets and corresponding lease liabilities.

ROU assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. Each lease term may include an optional extension, or reduction in term by termination, if the Company is reasonably certain that it will exercise that option.

Weighted-average remaining lease term and discount rate for the Company's operating leases are as follows:

	Nine months ended December 31,	
	2021	2020
Weighted average term - operating lease liabilities	3.78 years	4.51 years
Weighted average incremental borrowing rate - operating lease liabilities	13%	13%

Rent expense amounted to approximately \$0.5 million and \$1.5 million, respectively, for the three and nine months ended December 31, 2021, and are included in general and administrative expenses in the Consolidated Statements of Operations. Rent expense amounted to approximately \$0.7 million for the three months ended December 31, 2020, of which approximately \$0.4 million was included in direct cost of revenue and the remainder of approximately \$0.3 million was included in general and administrative expenses in the Consolidated Statements of Operations. Rent expense amounted to approximately \$2.0 million for the nine months ended December 31, 2020, of which approximately \$1.2 million was included in direct cost of revenue and the remainder of approximately \$0.8 million was included in general and administrative expenses in the Consolidated Statements of Operations.

In June 2020, the Company terminated an operating tower space lease early resulting in a non-cash reduction in ROU assets by \$19,000, reduction in operating lease liabilities by \$20,000 and gain in disposal of long-lived asset by \$1,000.

The following table presents net lease cost for the three and nine months ended December 31, 2021 and 2020 (in thousands):

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
Lease cost				
Operating lease cost (cost resulting from lease payments)	\$ 485	\$ 619	\$ 1,493	\$ 1,890
Short term lease cost	3	50	13	93
Sublease income	—	—	—	(6)
Net lease cost	<u>\$ 488</u>	<u>\$ 669</u>	<u>\$ 1,506</u>	<u>\$ 1,977</u>

The following table presents supplemental cash flow and non-cash activity information for the nine months ended December 31, 2021 and 2020 (in thousands):

	Nine months ended December 31,	
	2021	2020
Operating cash flow information:		
Operating lease - operating cash flows (fixed payments)	\$ 1,719	\$ 2,096
Operating lease - operating cash flows (liability reduction)	\$ 1,087	\$ 1,289
Non-cash activity:		
Right of use assets obtained in exchange for new operating lease liabilities	\$ 78	\$ 77

The following table presents supplemental balance sheet information as of December 31, 2021 and March 31, 2021 (in thousands):

	December 31, 2021	March 31, 2021
Non-current assets - right of use assets, net	\$ 4,256	\$ 5,100
Current liabilities - operating lease liabilities	\$ 1,450	\$ 1,470
Non-current liabilities - operating lease liabilities	\$ 4,534	\$ 5,601

Future minimum payments under non-cancelable leases for office and tower spaces (exclusive of real estate tax, utilities, maintenance and other costs borne by the Company), for the remaining terms of the leases following the nine months ended December 31, 2021, are as follows (in thousands):

Fiscal Year	Operating Leases
2022 (excluding the nine months ended December 31, 2021)	\$ 541
2023	2,106
2024	1,955
2025	1,554
2026	866
After 2026	596
Total future minimum lease payments	<u>7,618</u>
Amount representing interest	<u>(1,634)</u>
Present value of net future minimum lease payments	<u>\$ 5,984</u>

6. Income Taxes

The Company's net operating losses ("NOLs") generated after March 31, 2018 may be used as an indefinite-lived asset to offset its deferred tax liability but limited to 80% of future taxable income. The deferred tax liabilities as of December 31, 2021 are approximately \$2.1 million for federal and \$1.8 million for state.

For the year ended March 31, 2021, the Company had federal and state NOL carryforwards of approximately \$266.1 million and \$156.1 million, respectively. Of these federal and state NOLs, approximately \$125.1 million and \$123.2 million respectively, are expiring in various amounts from 2021 through 2041. The remaining federal and state NOLs of approximately \$140.9 million and \$32.9 million, respectively, have an indefinite life but the federal NOLs may only offset 80% of taxable income when used.

For the nine months ended December 31, 2021, the Company incurred federal and state net operating losses of approximately \$53.1 million and \$34.5 million, respectively, to offset future taxable income, of which \$63.8 million can be carried forward indefinitely but can only offset 80% of taxable income when used.

The Company used a discrete effective tax rate method to calculate taxes for the three and nine months ended December 31, 2021. The Company determined that applying an estimate of the annual effective tax rate would not provide a reasonable estimate as small changes in estimated “ordinary” loss would result in significant changes in the estimated annual effective tax rate. Accordingly, for the three and nine months ended December 31, 2021, the Company recorded a total deferred tax expense of \$0.4 million and \$0.7 million, respectively, due to the inability to use some portion of federal and state NOL carryforwards against the deferred tax liability created by amortization of indefinite-lived intangibles.

7. Stockholders’ Equity

The Company established the 2014 Stock Plan (the “2014 Stock Plan”) to attract, retain and reward individuals who contribute to the achievement of the Company’s goals and objectives. This 2014 Stock Plan superseded previous stock plans.

The Board has reserved 5,027,201 shares of common stock for issuance under the 2014 Stock Plan as of December 31, 2021, of which 1,220,808 shares are available for future issuance. Historically, the number of shares reserved under the 2014 Stock Plan were increased, based on Board approval, each January 1 by an amount equal to the lesser of (i) 5% of the number of shares of common stock issued and outstanding on the immediately preceding December 31 or (ii) a lesser amount determined by the Board (the “evergreen provision”). Effective January 1, 2021, the Board elected to increase the shares authorized under the 2014 Stock Plan by 879,216 shares, which represented 5% of the of the Company’s common stock issued and outstanding as of December 31, 2020. On June 15, 2021, the Compensation Committee of the Board approved Amendment No. 1 to 2014 Stock Plan to eliminate the evergreen provision for all future years (i.e., January 1, 2022 through January 1, 2024).

During the nine months ended December 31, 2021 and the year ended March 31, 2021, a total of 914,730 and 485,193 shares, respectively, were issued in connection with the vesting, conversion and or exercising of grants under the Company’s 2014 Stock Plan.

Share retirement

In May 2021, the Company reacquired 20,132 shares when a participant surrendered already-owned shares of the Company’s common stock to cover the exercise price of an outstanding stock option exercised by the participant. The 20,132 shares surrendered were constructively retired by the Company as of June 30, 2021, which resulted in the reduction of approximately \$1.0 million in additional paid in capital in the Consolidated Statement of Stockholders’ Equity. As discussed in Note 1 *Nature of Operations and Basis of Presentation*, the Company has reclassified the reduction to additional paid in capital to accumulated deficit and presented this as a correction of an error.

Share repurchase program

On September 29, 2021, the Company’s Board authorized a share repurchase program (the “share repurchase program”) pursuant to which the Company may repurchase up to \$50.0 million of the Company’s common stock on or before September 29, 2023. The manner, timing and amount of any share repurchases will be determined by the Company based on a variety of factors, including price, general business and market conditions and alternative investment opportunities. The share repurchase program authorization does not obligate the Company to acquire any specific number of shares. Under the program, shares may be repurchased in privately negotiated and/or open market transactions, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934.

The following table presents the share repurchase activity for the three and nine months ended December 31, 2021 and 2020 (in thousands, except per share data):

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
Number of shares repurchased	200	—	200	—
Average price paid per share*	\$ 60.02	\$ —	\$ 60.02	\$ —
Total cost to repurchase	\$ 11,993	\$ —	\$ 11,993	\$ —

* Average price paid per share includes costs associated with the repurchase.

8. Net Loss Per Share of Common Stock

Basic net loss per common share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for potentially dilutive securities. For purposes of the diluted net loss per share calculation, preferred stock, stock options, restricted stock and warrants are considered to be potentially dilutive securities. Because the Company has reported a net loss for the three and nine months ended December 31, 2021 and 2020, respectively, diluted net loss per common share is the same as basic net loss per common share for those periods.

Common stock equivalents resulting from potentially dilutive securities approximated 1,410,000 and 1,402,000 at December 31, 2021 and 2020, respectively, and have not been included in the dilutive weighted average shares of common stock outstanding, as their effects are anti-dilutive.

9. Contingencies

Contingent Liability

In February 2021, the Company entered into an agreement with SDG&E to provide 900 MHz Broadband Spectrum throughout SDG&E's California service territory, including San Diego and Imperial Counties and portions of Orange County for a total payment of \$50.0 million (the "SD&E Agreement"). The SDG&E Agreement will support SDG&E's deployment of a private LTE network for its California service territory, with a population of approximately 3.6 million people. Delivery of the relevant 900 MHz Broadband Spectrum and the associated broadband licenses by county to SDG&E is expected to commence in fiscal year 2023 and is scheduled for completion before the end of fiscal year 2024. The total payment of \$50.0 million is comprised of an initial payment of \$20.0 million received in February 2021 and the remaining \$30.0 million payment, which is due through fiscal year 2024 as the Company delivers the relevant cleared 900 MHz Broadband Spectrum and the associated broadband licenses to SDG&E. The SDG&E Agreement is subject to customary provisions regarding remedies, including reduced payment amounts and/or refund of amounts paid, and termination rights, if a party fails to perform its contractual obligations.

As the Company is required to refund the initial payment in the event of termination or non-delivery of the 900 MHz Broadband Spectrum, it recorded \$20.0 million for the upfront payment received from SDG&E in February 2021 as contingent liability in the Consolidated Balance Sheet as of March 31, 2021. There were no changes to the contingent liability incurred for the quarter ended December 31, 2021.

Litigation

From time to time, the Company may be involved in litigation that arises from the ordinary operations of the business, such as contractual or employment disputes or other general actions. The Company is not involved in any material legal proceedings at this time.

COVID-19 Pandemic

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic and COVID-19 continues to cause significant disruptions throughout the United States. The ultimate extent of the impact of COVID-19 on future financial performance of the Company will depend on ongoing developments, all of which remain uncertain and cannot be predicted. The Company continues to closely monitor the risks posed by COVID-19 and adjust its practices accordingly.

In December 2020, the Company deferred payroll taxes under the Coronavirus Aid Relief and Economic Security Act, which was signed into law on March 27, 2020. The deferral amounted to approximately \$0.3 million, which has assisted the Company in managing the financial impact caused by the pandemic.

10. Concentrations of Credit Risk

Financial instruments which potentially expose the Company to concentrations of credit risk consist primarily of cash and trade accounts receivable.

The Company places its cash and temporary cash investments with financial institutions for which credit loss is not anticipated.

11. Business Concentrations

For the three and nine months ended December 31, 2021, the Company's operating revenue was entirely from upfront, fully paid fees received from Motorola and Ameren, as discussed in Note 2 **Revenue**. For the three and nine months ended December 31, 2020, the Company had one Tier 1 domestic carrier and one reseller, both related to the pdvConnect and Team Connect businesses, that accounted for approximately 20% and 21% of total operating revenues, respectively.

As of December 31, 2021, the Company does not have an outstanding accounts receivable balance. As of March 31, 2021, the Company had one Tier 1 domestic carrier that accounted for the entire total accounts receivable.

Item 2: Management’s Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis of the financial condition and results of operations of Anterix Inc. (“Anterix,” the “Company,” “we,” “us,” or “our”) should be read in conjunction with our financial statements and notes thereto included in this Quarterly Report on Form 10-Q (this “Quarterly Report”) and the audited financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended March 31, 2021, filed with the Securities and Exchange Commission (the “SEC”) on June 15, 2021 (the “2021 Annual Report”). In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors including, but not limited to, those identified or referenced in “Item 1A—Risk Factors” in Part II of this Quarterly Report. As a result, investors are urged not to place undue reliance on any forward-looking statements. Except to the limited extent required by applicable law, we do not undertake any obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this Quarterly Report.

Overview

We are a wireless communications company focused on commercializing our spectrum assets to enable our targeted utility and critical infrastructure customers to deploy private broadband networks, technologies and solutions. We are the largest holder of licensed spectrum in the 900 MHz band (896-901/935-940 MHz) with nationwide coverage throughout the contiguous United States, Hawaii, Alaska and Puerto Rico. On May 13, 2020, the FCC approved the Report and Order to modernize and realign the 900 MHz band to increase its usability and capacity by allowing it to be utilized for the deployment of broadband networks, technologies and solutions. The Report and Order was published in the Federal Register on July 16, 2020 and became effective on August 17, 2020. We are now engaged in qualifying for and securing broadband licenses from the FCC, with a focus on pursuing licenses in those counties in which we believe we have near-term commercial opportunities. At the same time, we are pursuing opportunities to lease the spectrum for which these broadband licenses are secured to our targeted utility and critical infrastructure customers.

We were originally incorporated in California in 1997 and reincorporated in Delaware in 2014. In November 2015, we changed our name from Pacific DataVision, Inc. to pdvWireless, Inc. In August 2019, we changed our name from pdvWireless, Inc. to Anterix Inc. We maintain offices in Woodland Park, New Jersey and McLean, Virginia.

Refer to our 2021 Annual Report for a more complete description of the nature of our business, including details regarding the securing and costs of our broadband licenses.

Business Developments

In December 2020, we entered into our first long-term lease agreement of 900 MHz spectrum authorized for broadband use, with Ameren Corporation. The Ameren Agreements will enable Ameren to deploy a private LTE network in its service territories in Missouri and Illinois, covering approximately 7.5 million people. Each Ameren Agreement is for a term of up to 40 years, consisting of an initial term of 30 years, with a 10-year renewal option for an additional payment. The scheduled prepayments for the 30-year initial terms of the Ameren Agreements total \$47.7 million, of which \$0.3 million was received in February 2021, \$5.4 million in September 2021 and \$17.2 million in October 2021. See Note 2 **Revenue** in the Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report for further discussion on the Ameren Agreement.

In September 2021, we entered into a long-term lease agreement of 900 MHz Broadband Spectrum with Evergy Services, Inc. The Evergy service territories covered by the Evergy Agreement are in Kansas and Missouri with a population of approximately 3.9 million people. The Evergy Agreement is for a term of up to 40 years, comprised of an initial term of 20 years with two 10-year renewal options for additional payments. Prepayment in full of the \$30.2 million for the 20-year initial term, which was due and payable within thirty (30) days after execution of the Evergy Agreement, was received in October 2021. See Note 2 **Revenue** in the Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report for further discussion on the Evergy Agreement.

Results of Operations

Comparison of the three and nine months ended December 31, 2021 and 2020

The following tables set forth our results of operations for the three and nine months ended December 31, 2021 (“Fiscal 2022”) and 2020 (“Fiscal 2021”). The period-to-period comparison of financial results is not necessarily indicative of the financial results we will achieve in future periods.

Operating revenues

(in thousands)	Three months ended December 31,				Nine months ended December 31,			
	2021		2020		2021		2020	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Service revenue	\$ —	\$ 53	\$ (53)	-100%	\$ —	\$ 193	\$ (193)	-100%
Spectrum lease revenue	385	183	202	110%	749	547	202	37%
Total operating revenues	<u>\$ 385</u>	<u>\$ 236</u>	<u>\$ 149</u>	63%	<u>\$ 749</u>	<u>\$ 740</u>	<u>\$ 9</u>	1%

Operating revenues increased by \$0.2 million, or 63%, to \$0.4 million for the three months ended December 31, 2021 from \$0.2 million for the three months ended December 31, 2020. For the nine months ended December 31, 2021, operating revenue remained insignificant and relatively flat as compared to the nine months ended December 31, 2020. The increase in our spectrum lease revenue was attributable to revenue recognized in connection with the Ameren Agreements of approximately \$0.2 million for the current quarter. The decrease in our service revenues was attributable to the transfer of our TeamConnect customers as part of our restructuring efforts as discussed in Note 2 **Revenue** in the Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report, as well as the loss of customers in our historical pdvConnect business.

Operating expenses

(in thousands)	Three months ended December 31,				Nine months ended December 31,			
	2021		2020		2021		2020	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Direct cost of revenue (exclusive of depreciation and amortization)	\$ 5	\$ 543	\$ (538)	-99%	\$ 5	\$ 1,606	\$ (1,601)	-100%
General and administrative	10,219	8,806	1,413	16%	29,774	30,326	(552)	-2%
Sales and support	1,263	676	587	87%	3,311	2,070	1,241	60%
Product development	893	1,244	(351)	-28%	2,826	3,033	(207)	-7%
Depreciation and amortization	323	1,020	(697)	-68%	996	3,418	(2,422)	-71%
Impairment of long-lived assets	—	11	(11)	-100%	—	40	(40)	-100%
Total operating expenses	<u>\$ 12,703</u>	<u>\$ 12,300</u>	<u>\$ 403</u>	3%	<u>\$ 36,912</u>	<u>\$ 40,493</u>	<u>\$ (3,581)</u>	-9%

Direct cost of revenue. Direct cost of revenue decreased by \$0.5 million, or 99%, to \$5,000 for the three months ended December 31, 2021 from \$0.5 million for the three months ended December 31, 2020. For the nine months ended December 31, 2021, direct cost of revenue decreased by \$1.6 million, or 100%, to \$5,000 from \$1.6 million for the nine months ended December 31, 2020. The decreases in the three and nine months ended December 31, 2021 primarily resulted from lower support costs related to the transfer of pdvConnect customers as a part of our restructuring efforts as discussed in Note 2 **Revenue** in the Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report.

General and administrative expenses. General and administrative expenses increased by \$1.4 million, or 16%, to \$10.2 million for the three months ended December 31, 2021 from \$8.8 million for three months ended December 31, 2020. For the nine months ended December 31, 2021, general and administrative expenses decreased by \$0.6 million, or 2%, to \$29.8 million from \$30.3 million for nine months ended December 31, 2020. The increase of \$1.4 million for the three months ended December 31, 2021 primarily resulted from \$0.6 million in higher headcount and professional service costs and \$0.8 million in higher stock compensation expense. The decrease of \$0.6 million for the nine months ended December 31, 2021 primarily resulted from a \$3.6 million decrease in stock compensation expense offset by a \$3.0 million increase in headcount and professional service costs.

Sales and support expenses. Sales and support expenses increased by \$0.6 million, or 87%, to \$1.3 million for the three months ended December 31, 2021 from \$0.7 million for three months ended December 31, 2020. For the nine months ended December 31, 2021, sales and support expenses increased by \$1.2 million, or 60%, to \$3.3 million from \$2.1 million for the nine months ended

December 31, 2020. The increase in the three months ended December 31, 2021 primarily resulted from a \$0.3 million increase in headcount and related costs, \$0.2 million higher marketing costs and \$0.1 million in higher stock compensation expense. The increase in the nine months ended December 31, 2021 primarily resulted from a \$0.7 million increase in headcount and related costs, \$0.3 million in higher marketing costs and \$0.2 million in higher stock compensation expense.

Product development expenses. Product development expenses decreased by \$0.4 million, or 28%, to \$0.9 million for the three months ended December 31, 2021 from \$1.2 million for three months ended December 31, 2020. For the nine months ended December 31, 2021, product development expenses decreased by \$0.2 million, or 7%, to \$2.8 million from \$3.0 million for the nine months ended December 31, 2020. The decrease in the three months ended December 31, 2021 primarily resulted from \$0.4 million in lower consulting costs. The decrease in the nine months ended December 31, 2021 primarily resulted from a \$0.2 million decrease in consulting costs.

Depreciation and amortization. Depreciation and amortization decreased by \$0.7 million, or 68% to \$0.3 million for the three months ended December 31, 2021 from \$1.0 million for the three months ended December 31, 2020. For the nine months ended December 31, 2021, depreciation and amortization decreased by \$2.4 million, or 71%, to \$1.0 million from \$3.4 million for the nine months ended December 31, 2020. The decrease for both the three and nine months ended December 31, 2021 was due to the change in the useful life for our market network sites during Fiscal 2020 that resulted in higher depreciation expense for the three and nine months ended December 31, 2020. Market network site assets for our historical business were fully depreciated by December 31, 2020.

Impairment of long-lived assets. Impairment of long-lived assets decreased by \$11,000 to \$0 for the three months ended December 31, 2021 from \$11,000 for the three months ended December 31, 2020. Impairment of long-lived assets decreased by \$40,000 to \$0 for the nine months ended December 31, 2021 from \$40,000 for the nine months ended months ended December 31, 2020. The decrease for both the three and nine months ended December 31, 2021 resulted from no non-cash impairment charges recorded in the three and nine months ended December 31, 2021.

(Gain)/loss from disposal of intangible assets

(in thousands)	Three months ended December 31,		Aggregate Change	Nine months ended December 31,		Aggregate Change		
	2021	2020		2021	2020			
	(Unaudited)	(Unaudited)	2021 from 2020	(Unaudited)	(Unaudited)	2021 from 2020		
(Gain)/loss from disposal of intangible assets, net	\$ —	\$ —	\$ —	0%	\$ (10,230)	\$ 3,849	\$ (14,079)	-366%

During the nine months ended December 31, 2021, we exchanged our narrowband licenses for broadband licenses in 12 counties. In connection with the exchange, we recorded an estimated accounting cost basis of \$13.6 million for the new broadband licenses and disposed of \$3.4 million related to the value ascribed to the narrowband licenses we relinquished to the FCC for those same 12 counties. As a result, we recorded a \$10.2 million gain from disposal of the intangible assets in the Consolidated Statements of Operations for the nine months ended December 31, 2021. There were no exchanges in the three months ended December 31, 2021. Refer to Note 3 **Intangibles** in the Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report for further discussion on the exchanges.

For the nine months ended December 31, 2020, we cancelled licenses in the 900 MHz band in accordance with the Report and Order and our agreement with the AAR. Because we did not receive any licenses nor monetary reimbursement in exchange for the cancellation, but only credit for purposes of determining our future eligibility and payment requirements for broadband licenses under the Report and Order, we recorded a \$5.0 million loss from disposal of the intangible assets in the Consolidated Statements of Operations for the nine months ended December 31, 2020.

In September 2020, we closed an agreement with a third party for the exchange of 900 MHz licenses. Under the agreement, we received spectrum licenses at their estimated fair value of approximately \$0.2 million and a payment of \$1.2 million in cash, of which we previously received \$0.6 million as a refundable deposit when the agreement was executed in Fiscal 2018 and we were entitled to receive the remaining \$0.6 million upon receipt of FCC approval and closing of the agreement in September 2020. Under the agreement, we transferred spectrum licenses with a book value of approximately \$0.3 million to the third party. We recognized a \$1.1 million gain from disposal of intangible assets in the Consolidated Statement of Operations when the deal closed in September 2020.

Loss from disposal of long-lived assets, net

(in thousands)	Three months ended December 31,			Aggregate Change 2021 from 2020	Nine months ended December 31,			Aggregate Change 2021 from 2020
	2021	2020			2021	2020		
	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)		
Loss/(gain) from disposal of long-lived assets, net	\$ 57	\$ —	\$ 57	100%	\$ 111	\$ (6)	\$ 117	-1950%

Loss on disposal of long-lived assets, net for the three and nine months ended December 31, 2021 resulted from the disposals of network site equipment.

Interest income

(in thousands)	Three months ended December 31,			Aggregate Change 2021 from 2020	Nine months ended December 31,			Aggregate Change 2021 from 2020
	2021	2020			2021	2020		
	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)		
Interest income	\$ 9	\$ 27	\$ (18)	-67%	\$ 55	\$ 99	\$ (44)	-44%

Interest income decreased a modest amount during the three and nine months ended December 31, 2021 as compared to the three and nine months ended December 31, 2020.

Other income

(in thousands)	Three months ended December 31,			Aggregate Change 2021 from 2020	Nine months ended December 31,			Aggregate Change 2021 from 2020
	2021	2020			2021	2020		
	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)		
Other income	\$ 63	\$ 110	\$ (47)	-43%	\$ 197	\$ 332	\$ (135)	-41%

Other income decreased a modest amount during the three and nine months ended December 31, 2021 as compared to the three and nine months ended December 31, 2020.

Loss on equity method investment

(in thousands)	Three months ended December 31,			Aggregate Change 2021 from 2020	Nine months ended December 31,			Aggregate Change 2021 from 2020
	2021	2020			2021	2020		
	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)		
Loss on equity method investment	\$ —	\$ (7)	\$ 7	-100%	\$ —	\$ (23)	\$ 23	-100%

The loss on equity method investment for the three and nine months ended December 31, 2020 relates to the 19.5% ownership interest in TeamConnect LLC that we acquired in connection with the transfer of our historical business.

Income tax expense

(in thousands)	Three months ended December 31,			Aggregate Change 2021 from 2020	Nine months ended December 31,			Aggregate Change 2021 from 2020
	2021	2020			2021	2020		
	(Unaudited)	(Unaudited)			(Unaudited)	(Unaudited)		
Income tax expense	\$ 412	\$ 155	\$ 257	166%	\$ 710	\$ 311	\$ 399	128%

For the three and nine months ended December 31, 2021, we recorded a total deferred tax expense of \$0.4 million and \$0.7 million, respectively, due to the inability to use some portion of federal and state NOL carryforwards against the deferred tax liability created by amortization of indefinite-lived intangibles.

On March 27, 2020, the Coronavirus Aid Relief and Economic Security (“CARES”) Act was signed into law. The new CARES Act modified Section 172(b)(1)(A) of the Internal Revenue Code to state that NOL arising in a taxable year beginning before January 1, 2018, is carried forward 20 years provided that a carryback claim is not affected. From this adjusted provision, our March 31, 2018 NOL carryforward changed from an indefinite life to a 20-year life. We used a discrete effective tax rate method to calculate taxes for the three and nine months ended December 31, 2020. We determined that applying an estimate of the annual effective tax rate would

not provide a reasonable estimate as small changes in estimated “ordinary” loss would result in significant changes in the estimated annual effective tax rate. Accordingly, for the three and nine months ended December 31, 2020, we recorded a total deferred tax expense of \$0.1 million and \$0.3 million, respectively, due to the inability to use some portion of federal and state NOL carryforwards against the deferred tax liability created by amortization of indefinite-lived intangibles.

Liquidity and Capital Resources

At December 31, 2021, we had cash and cash equivalents of \$127.8 million.

We believe our cash and cash equivalents on hand will be sufficient to meet our financial obligations through at least the next 12 months. Our future capital requirements will depend on a number of factors, including among others, the costs and timing of securing broadband licenses, including our spectrum retuning activities, spectrum acquisitions and the Anti-Windfall Payments to the U.S. Treasury, and our operating activities and any revenues we generate through our commercialization activities. We will deploy this capital at our determined pace based on several key ongoing factors, including customer demand, market opportunity, and offsetting income from spectrum leases. As we cannot predict the duration or scope of the COVID-19 pandemic and its impact on our targeted customers, the potential negative financial impact to our results of operations and financial condition cannot be reasonably estimated. We are actively managing the business to maintain our cash flow and believe that we currently have adequate liquidity. To implement our business plans and initiatives, however, we may need to raise additional capital. We cannot predict with certainty the exact amount or timing for any future capital raises. See “Risk Factors” in Item 1A of Part II of this Quarterly Report for a reference to the risks and uncertainties that could cause our costs to be more than we currently anticipate and/or our revenue and operating results to be lower than we currently anticipate. If required, we intend to raise additional capital through debt or equity financings, including pursuant to our Shelf Registration Statement (as defined below), or through some other financing arrangement. However, we cannot be sure that additional financing will be available if and when needed, or that, if available, we can obtain financing on terms favorable to our stockholders and to us. Any failure to obtain financing when required will have a material adverse effect on our business, operating results, financial condition and liquidity.

Cash Flows from Operating, Investing and Financing Activities

(in thousands)	Nine months ended December 31,	
	2021	2020
	(Unaudited)	(Unaudited)
Net cash provided by (used in) operating activities	\$ 27,037	\$ (20,669)
Net cash used in investing activities	\$ (16,282)	\$ (11,116)
Net cash (used in) provided by financing activities	\$ (529)	\$ 2,818

Net cash provided by (used in) operating activities. Net cash provided by operating activities was \$27.0 million for the nine months ended December 31, 2021, as compared to net cash used in operating activities of \$20.7 million for the nine months ended December 31, 2020. The majority of net cash provided by operating activities during the nine months ended December 31, 2021 resulted from deferred revenue of \$52.0 million and non-cash adjustments to net loss of \$1.6 million (primarily attributable to stock compensation expense of \$10.0 million, partially offset by gain on disposal of intangible assets of \$10.2 million), partially offset by a net loss of \$26.5 million. The majority of net cash used in operating activities during the nine months ended December 31, 2020 resulted from our net loss of \$43.5 million, partially offset by non-cash adjustments to net loss of \$20.9 million (primarily attributable to stock compensation expense of \$13.2 million, net loss from disposal of intangible assets of \$3.8 million and depreciation of \$3.4 million).

The increase in deferred revenue is mainly due to an additional \$52.8 million in proceeds from our 900 MHz Broadband Spectrum customer prepayments during fiscal year 2022.

Net cash used in investing activities. For the nine months ended December 31, 2021 and 2020, net cash used in investing activities was \$16.3 million and \$11.1 million, respectively, primarily to acquire wireless licenses in markets across the United States.

Net cash (used in) provided by financing activities. Net cash used in financing activities was \$0.5 million for the nine months ended December 31, 2021, as compared to net cash provided by financing activities of \$2.8 million for the nine months ended December 31, 2020. For the nine months ended December 31, 2021, net cash used in financing activities was primarily from the repurchase of treasury shares of \$12.0 million, partially offset by the proceeds from stock option exercises of \$12.9 million, net of payments of withholding tax on net issuance of restricted stock of \$1.5 million. For the nine months ended December 31, 2020, net cash provided by financing activities was from the proceeds from stock option exercises.

Capital Requirements

We are now engaged in qualifying for and securing broadband licenses from the FCC pursuant to the Report and Order. At the same time, our sales and marketing departments are pursuing opportunities to lease the broadband licenses we secure to our targeted utility and critical infrastructure customers. Our future capital requirements will depend on many factors, including: the timeline and costs to acquire broadband licenses pursuant to the Report and Order, including the costs to acquire additional spectrum, the costs related to retuning, or swapping spectrum held by, Covered Incumbents and the costs of paying Anti-Windfall Payments to the U.S. Treasury; costs related to the commercializing of our spectrum assets; and our ability to sign customer contracts and generate revenues from the license or transfer of any broadband licenses we secure; the terms and conditions of any customer contracts, including the timing of payments; the costs associated with expanding our business development, sales and marketing organization; and our ability to control our operating expenses.

On April 3, 2020, we filed a shelf registration statement (the “Shelf Registration Statement”) on Form S-3 with the SEC that was declared effective by the SEC on April 20, 2020, which permits us to offer up to \$150.0 million of common stock, preferred stock, warrants or units in one or more offerings and in any combination, including in units from time to time. Our Shelf Registration Statement is intended to provide us with additional flexibility to access capital markets for general corporate purposes, which may include working capital, capital expenditures, repayment of debt, other corporate expenses and acquisitions of complementary products, technologies, or businesses.

We entered into an Amended and Restated Controlled Equity Offering Sales Agreement and an Amended and Restated Sales Agreement (collectively, the “Sales Agreements”) with Cantor Fitzgerald & Co. and B. Riley FBR, Inc., respectively (collectively, the “Agents”), and on April 3, 2020, registered the sale of up to an aggregate of \$50.0 million, in shares of our common stock in at the market sales transactions pursuant to the Sales Agreements under the Shelf Registration Statement. Through the date of this filing, we have not sold any shares of our common stock in at the market transactions or any securities under the Shelf Registration Statement.

Share repurchase program

On September 29, 2021, our Board authorized a share repurchase program pursuant to which we may repurchase up to \$50.0 million of our common stock on or before September 29, 2023. The manner, timing and amount of any share repurchases will be determined by us based on a variety of factors, including price, general business and market conditions and alternative investment opportunities. The share repurchase program authorization does not obligate us to acquire any specific number of shares. Under the program, shares may be repurchased in privately negotiated and/or open market transactions, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934. We currently anticipate the cash used for the share repurchase program will come primarily from our prepaid customer agreements.

The following table presents the share repurchase activity for the three and nine months ended December 31, 2021 and 2020 (in thousands, except per share data):

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
Number of shares repurchased	200	—	200	—
Average price paid per share*	\$ 60.02	\$ —	\$ 60.02	\$ —
Total cost to repurchase	\$ 11,993	\$ —	\$ 11,993	\$ —

* Average price paid per share includes costs associated with the repurchases.

Off-balance sheet arrangements

As of December 31, 2021 and March 31, 2021, we did not have and do not have any relationships with unconsolidated entities or financial partnerships that were established for the purpose of facilitating off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our financial instruments consist of cash, cash equivalents, trade accounts receivable and accounts payable. We consider investments in highly liquid instruments purchased with original maturities of 90 days or less to be cash equivalents. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the short-term nature of the highly liquid instruments in our portfolio, a 10% change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operations.

Our operations are based in the United States and, accordingly, all of our transactions are denominated in U.S. dollars. We are currently not exposed to market risk from changes in foreign currency.

We continue to monitor our market risk exposure, including any adverse impacts related to COVID-19, which has resulted in significant market volatility.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our President and Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this Quarterly Report. Based on that evaluation, our management, including our President and Chief Executive Officer and our Chief Financial Officer, concluded that our disclosure controls and procedures were not effective as of the end of such period due to the material weakness in our internal controls over financial reporting described below.

A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

Previously Reported Material Weakness

As disclosed in Item 4. “Controls and Procedures” of our Quarterly Report for the quarter ended September 30, 2021, as amended, we identified a material weakness in our internal controls over financial reporting related to our controls and procedures over the identification, review, analysis and recording of transactions involving our intangible assets, more specifically, non-monetary exchanges of our narrowband licenses for broadband licenses. The deficiency represents a material weakness in our internal control over financial reporting.

Management has taken steps and is actively engaged in taking additional steps to remediate the material weakness. The remediation plan includes the implementation of new controls designed to identify, review and analyze transactions involving the value of our intangible assets in a timely manner, such as:

- (i) conduct more frequent meetings to inquire about license exchanges and automated system notifications to identify new transactions;
- (ii) review applicable inputs regarding the accounting cost basis of broadband licenses and the carrying value of the narrowband licenses with internal experts as the exchanges occur; and
- (iii) analyze inputs to calculate and timely record gain or loss in accordance with all the relevant authoritative accounting guidance.

Management believes the measures described above and others that may be implemented will remediate the material weakness identified. As management continues to evaluate and improve our internal control over financial reporting, we may decide to take additional measures to address control deficiencies or determine to modify, or in appropriate circumstances not to complete, certain of the remediation measures identified. The material weakness will not be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

In connection with the evaluation required by Exchange Act Rule 13a-15(d), our management, including our President and Chief Executive Officer and our Chief Financial Officer, concluded that no changes in our internal control over financial reporting occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our President and Chief Executive Officer and our Chief Financial Officer, do not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can

provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are not involved in any material legal proceedings.

Item 1A. Risk Factors.

In evaluating us and our common stock, we urge you to carefully consider the risks (including those disclosed below) and other information in this Quarterly Report as well as the risk factors disclosed in our 2021 Annual Report. There have been no material changes from the risk factors as previously disclosed in our 2021 Annual Report, except as noted below. Any of the risks discussed in this Quarterly Report and in our 2021 Annual Report, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially and adversely affect our results of operations or financial condition.

If we fail to implement and maintain an effective system of internal controls, we may not be able to accurately determine our financial results or prevent fraud. As a result, our stockholders could lose confidence in our financial results, which would materially and adversely affect our value and our ability to raise any required capital in the future.

Effective internal controls are necessary for us to provide reliable financial reports and effectively prevent fraud. We discovered in the past and may discover in the future areas of our internal controls that need improvement or additional documentation. For example, in connection with preparing our financial statements for the quarter ended June 30, 2018, we determined that we incorrectly interpreted the effective date of a change in the accounting treatment of our NOLs in accordance with the new tax law provisions in the Tax Cuts and Jobs Act of 2017. This error was the result of an inadequate design of controls pertaining to our review and analysis of changing tax legislation, which represented a material weakness in our internal control over financial reporting and disclosure controls. As a result, we filed restated financial statements for the quarterly period ended December 31, 2017 and for the year ended March 31, 2018. In addition, in preparing our Annual Report on Form 10-K for the year ended March 31, 2019, we determined that we had improper segregation of duties and other design gaps caused by user access deficiencies within the design of our information technology controls that support our financial reporting processes, and that this deficiency represented a material weakness in our internal control over financial reporting. As of March 31, 2020, we had remediated both of these material weaknesses. Additionally, in connection with preparing our financial statements for the quarter ended December 31, 2021, we determined that our controls and procedures were not effective as the result of a material weakness in our internal controls over financial reporting related to the identification, review, analysis and recording of our intangible assets, more specifically, non-monetary exchanges of our narrowband licenses for broadband licenses. Management has taken steps and is actively engaged in taking additional steps to remediate the material weakness. The remediation plan includes the implementation of new controls designed to identify, review and analyze transactions involving the value of our intangible assets in a timely manner, such as: (i) conduct more frequent meetings to inquire about license exchanges and automated system notifications to identify new transactions; (ii) review applicable inputs regarding the accounting cost basis of broadband licenses and the carrying value of the narrowband licenses with internal experts as the exchanges occur; and (iii) analyze inputs to calculate and timely record gain or loss in accordance with all the relevant authoritative accounting guidance. As management continues to evaluate and improve our internal control over financial reporting, we may decide to take additional measures to address control deficiencies or determine to modify, or in appropriate circumstances not to complete, certain of the remediation measures identified. This material weakness will not be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded through testing, that these controls are operating effectively.

We cannot be certain that we will be successful in implementing or maintaining effective internal controls for all financial periods. As we grow our business, our internal controls will become more complex, and we will require significantly more resources to ensure our internal controls remain effective. The existence of any material weakness or significant deficiency in the future may require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. In addition, the existence of any material weakness in our internal controls could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect our value and our ability to raise any required capital in the future.

We cannot guarantee that our share repurchase program will be utilized to the full value approved or that it will enhance long-term stockholder value. Repurchases we consummate could increase the volatility of the price of our common stock and could have a negative impact on our available cash balance.

Our Board authorized a share repurchase program pursuant to which we may repurchase up to \$50.0 million of our common stock on or before September 29, 2023. The manner, timing and amount of any share repurchases may fluctuate and will be determined by us based on a variety of factors, including the market price of our common stock, our priorities for the use of cash to support our business

operations and plans, general business and market conditions, tax laws, and alternative investment opportunities. The share repurchase program authorization does not obligate us to acquire any specific number or dollar value of shares. Further, our share repurchases could have an impact on our share trading prices, increase the volatility of the price of our common stock, or reduce our available cash balance. Our share repurchase program may be modified, suspended or terminated at any time, which may result in a decrease in the trading prices of our common stock. Even if our share repurchase program is fully implemented, it may not enhance long-term stockholder value.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers.

The following table provides information with respect to purchases of our common stock by the Company or any “affiliated purchaser” as defined in Rule 10b-18(a)(3) under the Exchange Act, during the three months ended December 31, 2021.

Issuer Purchases of Equity Securities ⁽¹⁾ (in thousands except for share and per share data)

Period	Total Number of Shares Purchased	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet be Purchased Under Publicly Announced Plans or Programs
October 1, 2021 through October 31, 2021				
Open market and privately negotiated purchases	—	\$ —	—	\$ 50,000
November 1, 2021 through November 30, 2021				
Open market and privately negotiated purchases	199,815	60.02	199,815	38,007
December 1, 2021 through December 31, 2021				
Open market and privately negotiated purchases	—	—	—	38,007
Total	199,815	\$ 60.02	199,815	\$ 38,007

(1) On September 30, 2021, we announced that our Board authorized a new share repurchase program pursuant to which we may repurchase up to \$50.0 million of our outstanding shares of common stock on or before September 29, 2023. The manner, timing and amount of any share repurchases may fluctuate and will be determined by us based on a variety of factors, including the market price of our common stock, our priorities for the use of cash to support our business operations and plans, general business and market conditions and alternative investment opportunities. The share repurchase program authorization does not obligate us to acquire any specific number or dollar value of shares. Under the share repurchase program, shares may be repurchased in privately negotiated and/or open market transactions, including under plans complying with Rule 10b5-1 under the Exchange Act.

(2) Average price paid per share includes cost associated with the repurchases.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit No.	Description of Exhibit
3.1(1)	Amended and Restated Certificate of Incorporation of the Company.
3.2(2)	Certificate of Amendment No. 1 of Amended and Restated Certificate of Incorporation of the Company.
3.3(3)	Certificate of Amendment No. 2 of Amended and Restated Certificate of Incorporation of the Company.
3.4(4)	Amended and Restated Bylaws of the Company.
3.5(5)	Amendment No. 1 to the Amended and Restated Bylaws of the Company.
4.1(6)	Form of Common Stock Certificate of the Company.
10.1	The Company's Executive Severance Plan (composite version reflecting corporate name change and all prior amendments).
31.1#	Certification of Principal Executive Officer pursuant to Rules 13a-14 and 15d-14 promulgated pursuant to the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2#	Certification of Principal Financial Officer pursuant to Rules 13a-14 and 15d-14 promulgated pursuant to the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)

- (1) Incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form S-1 (File No. 333-201156), filed with the SEC on December 19, 2014.
- (2) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on November 5, 2015.
- (3) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on August 6, 2019.
- (4) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on June 27, 2017.
- (5) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on May 8, 2020.
- (6) Incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form S-1 (File No. 333-201156), filed with the SEC on December 19, 2014.
- # Filed herewith.
- * The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the Registrant specifically incorporates it by reference.

SIGNATURES

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.

Date: February 3, 2022

Anterix Inc.

/s/ Robert H. Schwartz
Robert H. Schwartz
President and Chief Executive Officer
(Principal Executive Officer)

Date: February 3, 2022

/s/ Timothy A. Gray
Timothy A. Gray
Chief Financial Officer
(Principal Financial Officer
and Principal Accounting Officer)

ANTERIX INC.
EXECUTIVE SEVERANCE PLAN
(As Amended on February 12, 2019; and July 27, 2021)

1. Purpose of the Plan

The Board believes that it is in the best interests of the Company to encourage the continued employment and dedication of certain executives and key employees by providing economic security to such individuals in the event of certain terminations of employment, and the Plan has been established for this purpose. The Plan is intended to be a “welfare plan” under ERISA providing benefits to a select group of management or highly compensated employees as described in DOL Regulation section 2520.104-24. Capitalized terms used in the Plan are defined in Section 10, except as otherwise specified.

2. Effective Date

The Plan shall be effective only with respect to a termination of employment covered by the Plan that occurs on or after February 18, 2015 (the “Effective Date”).

3. Administration

(a) The Committee shall act as the plan administrator and the “named fiduciary” of the Plan for purposes of ERISA. Before a Change in Control, the Committee has sole and absolute discretion and authority to administer the Plan, including the sole and absolute discretion and authority to:

(i) adopt such rules as it deems advisable in connection with the administration of the Plan, and to construe, interpret, apply and enforce the Plan and any such rules and to remedy ambiguities, errors or omissions in the Plan;

(ii) determine questions of eligibility and entitlement to benefits and any other terms of the Plan applicable to the Participants; the Committee’s determinations are conclusive and binding on all parties affected by its determinations;

(iii) act under the Plan on a case-by-case basis; the Committee’s decisions under the Plan need not be uniform with respect to similarly situated Participants; and

(iv) delegate its authority under the Plan to any director, officer, employee, or group of directors, officers and/or employees of the Company.

(b) If any person with administrative authority becomes eligible or makes a claim for Plan benefits, that person will have no authority with respect to any matter specifically affecting his/her individual interest under the Plan, and the Committee will designate another person to exercise such authority.

(c) Notwithstanding anything in the Plan to the contrary, after a Change in Control, neither the Committee nor the Board nor any other person or entity shall have any discretionary authority in the administration of the Plan, and any court or tribunal that adjudicates any dispute,

controversy or claim in connection with any Severance Benefits under this Plan will apply a *de novo* standard of review to any determinations made by the Committee or Board following such Change in Control. Such *de novo* standard shall apply notwithstanding the grant of full discretion hereunder to the Committee, Board, or any person or entity or characterization of any decision by the Committee, Board, or by such person or entity as final, binding or conclusive on any party.

4. **Participation**

Eligibility under the Plan is limited to Company executive employees specified herein and such other key employees as may be designated by the Committee from time to time. In order to become Participant, the executive or key employee must enter into a written Participation Agreement with the Company.

5. **Severance Benefits**

(a) *Before a Change in Control.* If a Participant's employment with the Company is terminated after the Effective Date and before a Change in Control either by the Company for reasons other than Cause, death, or Disability, or by the Participant for Good Reason, then the Participant will be entitled to receive his or her Accrued Benefits and, subject to the Participant's satisfaction of the requirements of Section 6(a) (regarding waiver and release of claims) and Section 6(b) (regarding restrictive covenants), the Company shall provide the Participant with the following Severance Benefits:

(i) payment of the Cash Severance specified in this Section 5(a)(i), which amount shall be paid in installments in accordance with the Company's normal payroll schedule over the Severance Payment Period beginning no later than the first regular payroll period following the expiration of any period during which a Participant may revoke the waiver and release of claims executed pursuant to Section 6(a), so long as that waiver and release becomes effective no later than sixty (60) days after the Participant's termination of employment. The first installment shall include any unpaid amounts accrued from the date of Participant's termination of employment. Notwithstanding the foregoing, if the period during which a Participant has discretion to execute or revoke the waiver and release of claims straddles two taxable years of the Participant, then the Company shall make the payment in the second of such taxable years, regardless of which taxable year the Participant actually delivers the executed waiver and release to the Company:

- (A) *Tier 1 Executive:* an amount equal to 2.0 times the sum of Base Salary plus Target Bonus;
- (B) *Tier 2 Executive:* an amount equal to 1.0 times the sum of Base Salary plus Target Bonus; and
- (C) *Tier 3 Executive:* an amount equal to 0.5 times the sum of Base Salary plus Target Bonus.

(ii) a pro-rated Target Bonus for the Company's fiscal year in which the termination occurs, pro-rated based on the number of full and partial calendar months during

such year prior to the date of termination of employment, which amount shall be paid at the time at which bonuses are paid to actively employed executives for such fiscal year but in any event no later than the end of the period set forth in Treasury Regulation 1.409A-1(b)(4);

(iii) with respect to equity awards outstanding on the effective date of termination of employment:

- (A) *Tier 1 and Tier 2 Executives:* (I) all outstanding equity awards granted by the Company prior to the Effective Date to the terminated Tier 1 Executive or Tier 2 Executive, as applicable, shall become fully vested and exercisable for a period of two (2) years following the effective date of such termination or until the option expiration date, if earlier; and (II) all equity awards, if any, granted by the Company to the terminated Tier 1 Executive or Tier 2 Executive, as applicable, after the Effective Date, (x) to the extent vesting of such equity award is subject to vesting based on service, shall be accelerated on a pro rata basis determined by multiplying the number of awards that would have vested on the next scheduled vesting date following the effective date on which the affected Participant's employment terminates by a fraction, the numerator of which is the number of full and partial months (rounded up) that the Participant was employed since the last vesting date (or date of grant of an award if there is no prior vesting date), and the denominator of which is the number of months in the period beginning on the last vesting date (or date of grant if there is no prior vesting date) and ending on the next vesting date, and (y) to the extent such equity award is a stock option or stock appreciation right, shall be exercisable for a period of nine (9) months following the effective date of such termination or until the option expiration date, if earlier.
- (B) *Tier 3 Executives:* All equity awards, if any, granted by the Company to the terminated Tier 3 Executive (x) to the extent vesting of such equity award is subject to vesting based on service, shall be accelerated on a pro rata basis determined by multiplying the number of awards that would have vested on the next scheduled vesting date following the effective date on which the affected Participant's employment terminates by a fraction, the numerator of which is the number of full and partial months (rounded up) that the Participant was employed since the last vesting date (or date of grant of an award if there is no prior vesting date), and the denominator of which is the number of months in the period beginning on the last vesting date (or date of grant if there is no prior vesting date) and ending on the next vesting date, and (y) to the extent such equity award is a stock option or stock appreciation right, shall be exercisable for a period

of nine (9) months following the effective date of such termination or until the option expiration date, if earlier.

- (iv) Health Benefit Continuation; and
- (v) Outplacement Assistance.

(b) *Termination Less Than Six Months Before a Change in Control.* If the employment of a Participant who is a Tier 1, Tier 2 or Tier 3 Executive is terminated after the Effective Date either by the Company for reasons other than Cause, death, or Disability, or by the Participant for Good Reason, the Participant begins to receive severance in accordance with Section 5(a), and a Change in Control occurs within six (6) months after the effective date of such termination of employment, then (i) no further payments shall be made pursuant to Sections 5(a)(i) and 5(a)(ii), and the Participant shall be entitled to a cash payment upon such Change in Control (or such later date as the release becomes effective as provided in Section 6(a)) equal to the amount (if any) by which (A) the sum of the Cash Severance determined in accordance with Section 5(c)(i) plus the prorated Target Bonus determined in accordance with Section 5(c)(ii), exceeds (B) the amount of any Cash Severance already paid to the Participant under Section 5(a)(i) and the amount of any prorated bonus already paid to the Participant under Section 5(a)(ii) for the Company's fiscal year in which the termination occurs based on actual performance (the "Additional Severance Payment"), and (ii) all outstanding equity awards granted by the Company to such Participant shall become fully vested upon such Change in Control, and to the extent such equity award is a stock option or stock appreciation right which is not cashed out upon the Change in Control, shall be exercisable for a period for a period of two (2) years following the effective date of such termination or until the option expiration date, if earlier. The Additional Severance Payment shall be paid in equal installments after the date of the Change in Control in accordance with the Company's normal payroll schedule over the Participant's remaining Severance Payment Period established in Section 5(a)(i). If a Change in Control occurs more than six (6) months after the effective date of a Participant's termination of employment, all payments specified by Section 5(a) will continue to be paid as scheduled in installments in accordance with the Company's normal payroll schedule over the Severance Payment Period beginning no later than the first regular payroll period following the expiration of any period during which a Participant may revoke the waiver and release of claims executed pursuant to Section 6(a), so long as that waiver and release becomes effective no later than sixty (60) days after the Participant's termination of employment

(c) *After a Change in Control.* If a Participant's employment with the Company is terminated within 24 months after a Change in Control either by the Company for reasons other than Cause, death, or Disability, or by the Participant for Good Reason, then the Participant will be entitled to receive his or her Accrued Benefits and, subject to the Participant's satisfaction of the requirements of Section 6(a) (regarding waiver and release of claims) and Section 6(b) (regarding restrictive covenants), the Company shall provide the Participant with the following Severance Benefits in lieu of those provided under Section 5(a):

- (i) payment of the Cash Severance specified in this Section 5(c)(i), which amount shall be paid in a lump sum cash amount no later three (3) business days following the expiration of any period during which a Participant may revoke the waiver and release of claims

executed pursuant to Section 6(a), so long as that waiver and release becomes effective no later than sixty (60) days after the Participant's termination of employment (or the Change in Control Date, for a Participant whose termination of employment is deemed to occur on the Change in Control Date). Notwithstanding the foregoing, if the period during which a Participant has discretion to execute or revoke the waiver and release of claims straddles two taxable years of the Participant, then the Company shall make the payment in the second of such taxable years, regardless of which taxable year the Participant actually delivers the executed waiver and release to the Company:

- (A) *Tier 1 Executive*: an amount equal to 2.0 times the sum of Base Salary plus Target Bonus;
- (B) *Tier 2 Executive*: an amount 1.0 times the sum of Base Salary plus Target Bonus; and
- (C) *Tier 3 Executive*: an amount equal to 0.5 times the sum of Base Salary plus Target Bonus.

(ii) a pro-rated Target Bonus for the Company's fiscal year in which the termination occurs, pro-rated based on the number of full and partial calendar months during such year prior to the date of termination of employment, which amount shall be paid at the time and subject to the same conditions as the Cash Severance;

(iii) with respect to equity awards outstanding on the effective date of termination of employment:

- (A) *Tier 1 and Tier 2 Executives*: (I) all outstanding equity awards granted by the Company to the terminated Tier 1 Executive or Tier 2 Executive, as applicable, shall become fully vested, and to the extent such equity award is a stock option or stock appreciation right which is not cashed out upon the Change in Control, shall be exercisable for a period for a period of two (2) years following the effective date of such termination or until the option expiration date, if earlier.
- (B) *Tier 3 Executives*: (I) all outstanding equity awards granted by the Company to the terminated Tier 3 Executive shall become fully vested, and to the extent such equity award is a stock option or stock appreciation right which is not cashed out upon the Change in Control, shall be exercisable for a period for a period of two (2) years following the effective date of such termination or until the option expiration date, if earlier.

(iv) Health Benefit Continuation; and

(v) Outplacement Assistance.

(d) *Form of Severance under Existing Agreement.* Participants who are covered by an existing employment or severance agreement with the Company on the Effective Date agree that their existing rights under that agreement are terminated and replaced with the provisions of this Plan; provided, however, that for the duration of the original remaining term of the employment or severance agreement only, the timing and form of severance (i.e., lump sum or installments) in the employment or severance agreement shall supersede the timing and form of payment provisions in this Section 5 and control the timing and form of payment of the Cash Severance. The Participation Agreement shall provide that, unless otherwise agreed to in writing by the Participant and the Company, that any defined terms in any outstanding equity awards held by the Participant as of the Effective Date shall be superseded and replaced in their entirety by the defined terms in Section 10 of this Plan (including, but not limited to, “Cause”, “Change of Control”, “Disability” and “Good Reason”).

(e) *Employment with Successor.* Notwithstanding anything to the contrary under the Plan, no Severance Benefits shall be paid to a Tier 2 or Tier 3 Executive (but this sentence shall not apply to a Tier 1 Executive) who is offered comparable employment by an entity that purchases a unit or asset of the Company or, following a Change in Control, by a successor to the Company. “Comparable employment” is determined in good faith based on the facts and circumstances in each case, but means employment with duties, responsibilities, Base Salary, annual short-term incentive opportunity, annual long-term incentive opportunity and location that are substantially similar in the aggregate to the Participant’s prior employment with the Company. A Participant who accepts comparable employment with a successor to the Company following a Change in Control remains entitled to receive Severance Benefits if the Participant’s employment is terminated as specified under Section 5(c) (including for purposes of clarity by the Participant for Good Reason).

(f) *Release of Claims and Restrictive Covenants.* Notwithstanding anything in this Plan to the contrary, the Severance Benefits are subject to and contingent on the Participant’s satisfaction of the requirements of Section 6(a) (regarding waiver and release of claims) and Section 6(b) (regarding restrictive covenants).

(g) *Code Section 280G Cutback.* If the Severance Benefits provided by this Plan or other benefits otherwise payable to the Participant (a) constitute “parachute payments” within the meaning of Code section 280G, and (b) but for this Section 5(g), would be subject to the excise tax imposed by Code section 4999 (“Excise Tax”), then such Severance Benefits or other benefits shall be payable either in full or in such lesser amount which would result in no portion of such Severance Benefits or other benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the Excise Tax, results in the receipt by the Participant, on an after-tax basis, of the greatest amount of such Severance Benefits and other benefits under this Plan or otherwise, notwithstanding that all or some portion of such Severance Benefits or other benefits may be taxable under Code section 4999. Any reduction in the Severance Benefits and other benefits required by this Section 5(g) shall be made in the following order: (i) reduction of cash payments; (ii) reduction of accelerated vesting of equity awards other than stock options; (iii) reduction of accelerated vesting of stock options; and (iv) reduction of other benefits paid or provided to the Participant. The calculations in this Section 5(g) will be performed by the professional firm engaged by the Company for general tax purposes as of the day prior to the

date of the Change in Control. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquiring company, the Company shall appoint a nationally recognized tax firm to make the determinations required by this Section 5(g). The Company shall bear all expenses with respect to the determinations by such firm required to be made by this Section 5(g). The Company and the Participant shall furnish such tax firm such information and documents as the tax firm may reasonably request in order to make its required determination. The tax firm will provide its calculations, together with detailed supporting documentation, to the Company and the Participant as soon as practicable following its engagement. Any good faith determinations of the tax firm made hereunder shall be final, binding and conclusive upon the Company and the Participant. As a result of the uncertainty in the application of Code section 409A, 280G or 4999 at the time of the initial determination by the professional tax firm described in this Section 5(g), it is possible that the Internal Revenue Service (the "IRS") or other agency will claim that an Excise Tax greater than that amount, if any, determined by such professional firm for the purposes of Section 5(g) is due (the "Additional Excise Tax"). The Participant shall notify the Company in writing of any claim by the IRS or other agency that, if successful, would require payment of Additional Excise Tax. The Participant and the Company shall each reasonably cooperate with the other in connection with any administrative or judicial proceedings concerning the existence or amount of liability for Excise Tax with respect to payments made or due to the Participant. The Company shall pay all reasonable fees, expenses and penalties of the Participant relating to a claim by the IRS or other agency. In the event it is finally determined that a further reduction would have been required under this Section 5(g) to place the Participant in a better after-tax position, the Participant shall repay the Company such amount within thirty (30) days thereof in order to effect such result.

6. Terms and Conditions of Participation

(a) *Waiver and Release of Claims.* As a condition to receiving Severance Benefits under the Plan, each Participant shall be required to sign and deliver to the Company, and may not revoke or violate the terms of, a general release of all claims against the Company, and the directors, officers, and employees of each of them, in the form attached as Exhibit A or such other form reasonably satisfactory to the Committee. In no case will payments be made or begin before the end of any revocation period required by applicable law or regulation in connection with any release or waiver that the Participant is asked to sign.

(b) *Restrictive Covenants.* By executing the Participation Agreement, the Participant agrees to abide by the following restrictive covenants as consideration for the Severance Benefits provided under Section 5, and acknowledges that the provisions and covenants contained in this Section 6(b) are ancillary and material to the terms of the Plan and that the limitations contained herein are reasonable in geographic and temporal scope and do not impose a greater restriction or restraint than is necessary to protect the goodwill and other legitimate business interests of the Company. The Participant also acknowledges and agrees that the provisions of this Section 6(b) do not adversely affect the Participant's ability to earn a living in any capacity that does not violate the covenants contained herein. The Company acknowledges and agrees that before Participant shall be determined to have breached any provision or covenant contained in this Section 6(b), the Participant shall have been given notice of any such alleged breach (including the grounds for the Company's determination in reasonable detail) and been given forty-five (45) days after receipt of such notice of such breach to (1) cure or remedy any such breach that is

reasonably susceptible of cure or remedy or (2) provide the Company with support that Participant did not breach this Section 6(b). During this forty-five (45) day notice period, a Tier 1 Executive will be afforded the opportunity to make a presentation to the Board regarding the matters referred to in the Company's notice.

(i) *Confidential Information.* The Participant shall hold in a fiduciary capacity for the benefit of the Company and all of its subsidiaries, partnerships, joint ventures, limited liability companies, and other affiliates (collectively, the "Company Group"), all secret or confidential information, knowledge or data relating to the Company Group and its businesses (including, without limitation, any proprietary and not publicly available information concerning any processes, methods, trade secrets, intellectual property, research secret data, costs, names of users or purchasers of their respective products or services, business methods, operating or manufacturing procedures, or programs or methods of promotion and sale) that the Participant has obtained or obtains during the Participant's employment by the Company Group and that is not public knowledge (other than as a result of the Participant's violation of this Section 6(b)(i)) ("Confidential Information"). The Participant shall not communicate, divulge or disseminate Confidential Information at any time during or after the Participant's employment and/or service as a consultant with the Company Group, except with prior written consent of a corporate officer of Company, or as otherwise required by law or legal process. All records, files, memoranda, reports, customer lists, drawings, plans, documents and the like that the Participant uses, prepares or comes into contact with during the course of the Participant's employment shall remain the sole property of the Company and/or the Company Group, as applicable, and shall be turned over to the applicable Company Group company upon termination of the Participant's employment.

(ii) *Non-Recruitment of Company Group Employees, Etc.* During the Participant's employment with the Company Group and for the Restricted Period, the Participant shall not (1) solicit or participate in the solicitation of any person who was employed by the Company Group at any time during the six-month period prior to the Participant's termination of employment to leave the employ of Company Group; or (2) on behalf of the Participant or any other person, hire, employ, or engage any such person, provided that these restrictions shall only apply so long as the person remains employed by the Company Group and for six months after they cease to be employed by the Company Group. The Participant further agrees that, during the Participant's employment with the Company Group and for the Restricted Period, if an employee of the Company Group contacts the Participant about prospective employment, the Participant will inform that employee that the Participant cannot discuss the matter further without informing the Company Group.

(iii) *Non-Solicitation of Business.* The Participant acknowledges and agrees that Company's customers and any information regarding Company's customers is confidential and constitutes trade secrets. In recognition of the confidential and trade secret nature of information regarding Company's customers, the Participant agrees that during the Restricted Period, the Participant shall not (either directly or indirectly or as an officer, agent, employee, partner or director of any other company, partnership or entity) solicit on behalf of any Competitor of the Company Group the business of (1) any customer of the Company Group during the time of the Participant's employment or as of the date of Participant's termination of employment, or (2) any potential customer of the Company Group which the Participant knew to

be an identified, prospective purchaser of services or products of the Company Group as of the date of Participant's termination of employment.

(iv) *Employment by Competitor.* During the Restricted Period, the Participant shall not invest in (other than in a publicly traded company with a maximum investment of no more than one percent (1%) of outstanding shares), counsel, advise, or be otherwise engaged or employed by, any Competitor of the Company Group.

(v) *No Disparagement.*

(1) The Participant and the Company shall at all times refrain from taking actions or making statements, written or oral, that denigrate, disparage or defame the goodwill or reputation of the Participant or the Company Group, as the case may be, or any of its trustees, officers, security holders, partners, agents or former or current employees and directors. The Participant further agrees not to make any negative statement to third parties relating to the Participant's employment or any aspect of the businesses of Company Group and not to make any statements to third parties about the circumstances of the termination of the Participant's employment, or about the Company Group or its trustees, directors, officer, security holders, partners, agents or former or current employees and directors, except as may be required by a court or government body.

(2) The Participant further agrees that, following termination of employment for any reason, the Participant shall assist and cooperate with the Company with regard to any matter or project in which the Participant was involved during the Participant's employment with the Company, including but not limited to any litigation that may be pending or arise after such termination of employment (other than any litigation in which the Company asserts a claim against Participant or alleges that Participant breached one of the restrictive covenants in this Section 6(b)). The Company shall not unreasonably request such cooperation of the Participant and shall cooperate with the Participant in scheduling any assistance by the Participant taking into account the Participant's business and personal affairs and shall compensate the Participant for any lost wages and/or expenses associated with such cooperation and assistance.

(vi) *Inventions.* All plans, discoveries and improvements, whether patentable or unpatentable, made or devised by the Participant, whether alone or jointly with others, from the date of the Participant's initial employment by the Company and continuing until the end of any period during which the Participant is employed by the Company Group, relating or pertaining in any way to the Participant's employment with or the business of the Company Group (each, an "Invention"), shall be promptly disclosed in writing to the Secretary of the Board and are hereby transferred to and shall redound to the benefit of the Company and shall become and remain its sole and exclusive property. The Participant agrees to execute any assignment to the Company or its nominee, of the Participant's entire right, title and interest in and to any Invention and to execute any other instruments and documents requisite or desirable in applying for and obtaining patents, trademarks or copyrights, at the expense of the Company, with respect thereto in the United States and in all foreign countries, that may be required by the Company. The Participant further agrees to cooperate, while employed and thereafter, to the extent and in the manner required by the Company, in the prosecution or defense of any patent or

copyright claims or any litigation, or other proceeding involving any trade secrets, processes, discoveries or improvements covered by this covenant, but all necessary expenses thereof shall be paid by the Company. The Participant agrees to disclose promptly in writing to Company all innovations (including Inventions) conceived, reduced to practice, created, derived, developed, or made by the Participant during the term of employment and for three months thereafter, whether or not the Participant believes such innovations are subject to this Section 6(b)(vi), to permit a determination by Company as to whether or not the innovations should be the property of Company. Any such information will be received in confidence by Company.

(vii) *Acknowledgement and Enforcement.* The Participant acknowledges and agrees that: (1) the purpose of the foregoing covenants is to protect the goodwill, trade secrets and other Confidential Information of the Company; (2) because of the nature of the business in which the Company Group is engaged and because of the nature of the Confidential Information to which the Participant has access, the Company would suffer irreparable harm and it would be impractical and excessively difficult to determine the actual damages of the Company Group in the event the Participant breached any of the covenants of this Section 6(b); and (3) remedies at law (such as monetary damages) for any breach of the Participant's obligations under this Section 6(b) would be inadequate. The Participant therefore agrees and consents that (X) if the Participant commits any breach of a covenant under this Section 6(b) during the applicable period of restriction specified therein, all unpaid Severance Benefits will be immediately forfeited, and (Y) if the Participant commits any breach of a covenant under this Section 6(b) or threatens to commit any such breach at any time, the Company shall have the right (in addition to, and not in lieu of, any other right or that may be available to it) to temporary and permanent injunctive relief from a court of competent jurisdiction, without posting any bond or other security and without the necessity of proof of actual damage.

(viii) *Similar Covenants in Other Agreements Unaffected.* The Participant may be or become subject to covenants contained in other agreements (including but not limited to stock option and restricted stock unit agreements) which are similar to those contained in this Section 6(b). Further, a breach of the covenants contained in this Section 6(b) may have implications under the terms of such other agreements, including but not limited to a forfeiture of equity awards and long-term cash compensation. The Participant acknowledges the foregoing and understands that the covenants contained in this Section 6(b) are in addition to, and not in substitution of, the similar covenants contained in any such other agreements.

(c) *At-Will Employment.* Each Participant is employed by the Company on an "at will" basis and nothing in this Plan shall give any Participant any right to continue in the employ of the Company. A Participant shall have no rights under the Plan if the Participant's employment is terminated by the Company, or any successor, with Cause or by the Participant without Good Reason, or due to the Participant's death or Disability.

(d) *Nonduplication; No Impact on Benefits.*

(i) Payments to a Participant under the Plan shall be in lieu of any severance or similar payments that otherwise might be payable under any Company plan, program, policy or agreement with the Company that provides Severance Benefits upon termination of employment.

(ii) Benefits payable under the Plan, whether paid in a lump sum or in periodic payments, will not increase or decrease the benefits otherwise available to a Participant under any company-sponsored retirement plan, welfare plan or any other employee benefit plan or program, unless otherwise expressly provided for in any particular plan or program.

(iii) Any Severance Benefits specified under the Plan shall be reduced by the amount of any payment required by the Company to the Participant (A) because of insufficient advance notice of employment loss as may be required by law; or (B) under applicable law because of the termination of employment.

7. **Benefit Claims**

(a) *Initial Claim.* Any claims concerning eligibility, participation, benefits or other aspects of the Plan must be submitted in writing and directed to the Committee, within thirty (30) days after the communication of the determination that is the basis of the claim. Within thirty (30) days after receiving a claim, the Committee will (i) either accept or deny the claim completely or partially and (ii) notify the Participant of acceptance or denial of the claim. If a claim is partially or wholly denied, the Committee will provide a written denial to the Participant no later than ninety (90) days after receipt of the initial claim request. The written denial shall include specific reasons for the denial, specific references to the Plan provisions upon which the denial was based, a description of any additional material or information necessary for the Participant to perfect the claim, an explanation of why such material is necessary, and instructions on the Plan's claim review procedure.

(b) *Appeals.* The Participant may request in writing to the Board a review of a denied claim within thirty (30) days after receipt of such denial. Such written request must contain an explanation as to why the Participant is seeking a review. For purposes of the review, the Participant has the right to (i) submit written comments, documents, records and other information relating to the claim for benefits; (ii) request, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits; and (iii) a review that takes into account all comments, documents, records, and other information the Participant submitted relating to the claim, regardless of whether the information was submitted or considered in the initial decision. A decision on such review will be rendered in writing within thirty (30) days of the Board's receipt of a request for review. A written notice affirming the denial of a claim will set forth the specific reasons for the decision and make specific reference to Plan provisions upon which the decision or appeal is based. In preparation for filing such a request for review, the Participant or the Participant's authorized representative may review pertinent Plan documents, and as part of the written request for review, may submit issues and comments concerning the claim. No claim may be brought before or submitted to a court of law or other governmental entity unless and until the claims process under this Section 7 has been exhausted.

8. **Recoupment**

(a) *Right of Recoupment.* If, at any time, the Board or the Committee, as the case may be, determines that any action or omission by the Participant constituted a violation of the restrictive covenants in Section 6(b) to the material detriment of the Company, then the

Participant's participation in the Plan shall be immediately terminated and the Participant shall repay to the Company, upon notice to the Participant by the Company, up to 100% of the pre-tax amount paid to the Participant pursuant to this Plan. The Board or the Committee, as the case may be, shall determine the date of occurrence of such violation and the percentage of the pre-tax amount received pursuant to this Plan that must be repaid to the Company.

(b) *Method of Recoupment.* To the extent permitted by applicable law, the Company may enforce the recoupment of any or all amounts due under this Section 8 by withholding future payment of any Severance Benefits, seeking reimbursement of previously paid Severance Benefits, demanding direct cash payment, reducing any amount of compensation owed by the Company to the Participant, and/or such other means determined by the Board or Committee.

(c) *Nonexclusive Remedy.* The Company's right of recoupment under this Section 8 is in addition to any remedy available to the Company with respect to any Participant, including, but not limited to, the initiation of civil or criminal proceedings and any right to repayment under the Sarbanes-Oxley Act of 2002, Dodd-Frank Wall Street Reform and Consumer Protection Act, and any other applicable law.

9. General

(a) *Amendment and Termination of the Plan.* The Board or the Committee may amend or terminate the Plan in any respect (including any change to the Severance Benefits) only with two years notice to Participants; provided, however, that (i) any amendment or termination will not be effective if there is a Change in Control during the two-year notice period, and (ii) the Plan cannot be amended or terminated during the twenty-four (24) month period after a Change in Control. A Participant ceasing to be eligible for a benefit under the Plan before a Change in Control, as described in Section 4, is not an amendment or termination of the Plan.

(b) *Funding.* Benefits payable under the Plan will be paid only from the general assets of the Company. The Plan does not create any right to, or interest in, any specific assets of the Company.

(c) *No Mitigation.* The Participant shall not be obligated to seek other employment in mitigation of the amounts payable under any provision of the Plan, and the obtaining of such other employment shall not effect any reduction of the Company's obligations to pay the Severance Benefits provided under the Plan (unless in violation of the restrictive covenants specified under Section 6(b)).

(d) *Withholding.* The Company may withhold from any payments made under the Plan all federal, state, local or other taxes required pursuant to any law or governmental regulation or ruling.

(e) *Right to Offset.* To the extent permitted by law, the Company may offset against any obligation to pay any portion of the severance benefit under the Plan any outstanding amount of whatever nature that the Participant then owes to the Company in the capacity as an employee. However, no amount of "deferred compensation" (as defined under Treasury Regulation section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation

sections 1.409A-1(b)(3) through (b)(12)) that is payable to a Participant under the Plan may be used to offset any amount that the Participant then owes to the Company.

(f) *Successors.* All rights under the Plan are personal to the Participant and without the prior written consent of the Committee shall not be assignable by the Participant. The Plan shall inure to the benefit of and be enforceable by the Participant's legal representative. The Plan shall inure to the benefit of, and be binding upon, the Company and its successors and assigns. Any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of Anterix shall be required to assume expressly and agree to perform the obligations set forth in the Plan in the same manner and to the same extent as the Company would be required to do so.

(g) *Governing Law.* The Plan and all determinations made and actions taken pursuant to the Plan shall be governed by the substantive laws, but not the choice of law rules, of the State of Delaware or by United States federal law.

(h) *Severability.* If any provision of the Plan is declared illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, the provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of the terms of the Plan shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

(i) *Notices.* Notices and all other communications provided for under the Plan shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by United States certified mail, return receipt requested, or by overnight courier, postage prepaid, to the Company's corporate headquarters address, to the attention of the Committee, or to the Participant at the home address most recently communicated by the Participant to the Company in writing.

(j) *409A Compliance.*

(i) The Plan is intended to comply with, or otherwise be exempt from, Code section 409A. The preceding provision, however, shall not be construed as a guarantee by the Company of any particular tax effect to a Participant under the Plan. The Company shall not be liable to a Participant for any payment made under the Plan, at the direction or with the consent of the Participant, which is determined to result in an additional tax, penalty or interest under Code section 409A, nor for reporting in good faith any payment made under the Plan as an amount includible in gross income under Code section 409A.

(ii) "Termination of employment," or words of similar import, as used in this Plan means, for purposes of any payments under this Plan that are payments of deferred compensation subject to Code section 409A, the Participant's "separation from service" as defined in Code section 409A. For purposes of Code section 409A, the right to a series of installment payments under this Plan shall be treated as a right to a series of separate payments.

(iii) With respect to any reimbursement of expenses of, or any provision of in-kind benefits to, a Participant, as specified under this Plan: (1) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the

expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Code section 105(b); (2) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (3) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(iv) If a payment obligation under the Plan arises on account of a Participant's termination of employment while a "specified employee" (as defined under Code section 409A and the regulations thereunder and determined in good faith by the Committee), any payment of "deferred compensation" (as defined under Treasury Regulation section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation sections 1.409A-1(b)(3) through (b)(12)) shall be made within fifteen (15) days after the end of the six-month period beginning on the date of such termination of employment or, if earlier, within fifteen (15) days after appointment of the personal representative or executor of the Participant's estate following the death of the Participant.

(k) *Arbitration.* The Company and the Participant agree to attempt to resolve any dispute between them quickly and fairly. Any dispute related to the Plan which remains unresolved shall be resolved exclusively by final and binding arbitration conducted within fifty (50) miles of the Company's headquarters, pursuant to the then-current rules of the American Arbitration Association with respect to employment disputes. The Company shall bear any and all costs of the arbitration process plus, if a Participant substantially prevails on all issues raised in an arbitration related to the Plan that is commenced following a Change in Control, any reasonable attorneys' fees incurred by the Participant with regard to such arbitration.

10. **Definitions**

The following definitions apply to the Plan:

"Accrued Benefits" means (i) the Participant's Base Salary through the date of termination of employment, (ii) any accrued but unused paid time off and floating holiday pay, and (iii) unreimbursed business expenses. The Company will pay the Accrued Benefits to the Participant in a cash lump sum within ten (10) days after the Participant's termination of employment with the Company.

"Affiliate" means any other entity, whether now or hereafter existing, which controls, is controlled by, or is under common control with, the Company (including, but not limited to, joint ventures, limited liability companies, and partnerships).

"Anterix" means Anterix Inc., a Delaware corporation.

"Base Salary" means the annual rate of base salary in effect as of the date of termination of employment, determined without regard to any reduction thereof that constitutes Good Reason.

"Board" means the Board of Directors of Anterix Inc.

“Cash Severance” means the amount specified in Section 5(a) or Section 5(c), as applicable.

“Cause” means:

(i) the willful and continued failure of the Participant to perform substantially the Participant’s duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), as determined by the Board with respect to any Tier 1 Executive and as determined by the Company’s Chief Executive Officer with respect to any Tier 2 or 3 Executive no earlier than thirty (30) days after a written demand for substantial performance is delivered to the Participant, which specifically identifies the manner in which the Company believes that the Participant has willfully and continuously failed to perform substantially the Participant’s duties with the Company (provided, however, that with respect to any Tier 1 Executive, the failure to achieve individual or Company-based performance goals, budgets or targets shall not be deemed to be a failure of the Participant to perform his or her duties for purposes of this definition of Cause);

(ii) the willful engaging by the Participant in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company or Participant’s ability to perform his or her duties with the Company;

(iii) conviction (including a plea of guilty or *nolo contendere*) of a felony;

(iv) a breach by Participant of any written agreement between Participant and the Company or Participant’s failure or refusal to comply with the procedures and policies of the Company which, in each case, materially harms the Company; or

(v) a material breach of the restrictive covenants in Section 6(b) subject to the cure provisions provided in Section 6(b) of the Plan.

“Change in Control” means the effective date of the occurrence of any of the following events:

(i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than thirty percent (30%) of the total Fair Market Value or total combined voting power of the Company’s then-outstanding securities entitled to vote generally in the election of Directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who on the Effective Date is the beneficial owner of more than thirty percent (30%) of such voting power, (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities, (C) any acquisition by the Company, (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of a Participating Company or (E) any acquisition by an entity owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(ii) an Ownership Change Event (as defined below) or series of related Ownership Change Events (collectively, a “*Transaction*”) in which the shareholders of the Company immediately before the Transaction do not retain immediately after the Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of Directors or, in the case of an Ownership Change Event described in clause (iii) of that definition, the entity to which the assets of the Company were transferred (the “*Transferee*”), as the case may be; or

(iii) a majority of members of the Incumbent Directors (as defined below) is replaced during any twelve (12)-month period;

provided, however, that a Change in Control shall be deemed not to include an event described in subsection (i) until the earlier of (a) the person has two or more representatives on the Board of Directors or (b) the person becomes the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total Fair Market Value or total combined voting power of the Company’s then-outstanding securities entitled to vote generally in the election of Directors.

For purposes of subsections (i) and (ii), indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities.

In addition, for purposes of subsections (i) and (ii), the Committee shall determine whether multiple acquisitions of the voting securities of the Company and/or multiple Ownership Change Events are related and to be treated in the aggregate as a single Change in Control, and its determination shall be final, binding and conclusive.

For purposes of this definition of Change in Control, “*Incumbent Director*” means a director who either (i) is a member of the Board as of the Effective Date or (ii) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but excluding a director who was elected or nominated in connection with an actual or threatened proxy contest relating to the election of directors of the Company or at the request of a person who is the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than five percent (5%) of the total Fair Market Value or total combined voting power of the Company’s then-outstanding securities entitled to vote generally in the election of Directors); and “*Ownership Change Event*” means the occurrence of any of the following with respect to the Company: (i) the direct or indirect sale or exchange in a single or series of related transactions by the shareholders of the Company of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Company’s then outstanding securities entitled to vote generally in the election of Directors; (ii) a merger or consolidation in which the Company is a party; or (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company).

Notwithstanding the foregoing definition of “Change in Control,” to the extent necessary to avoid adverse tax consequences under Code Section 409A, a transaction or event described in clauses (i)-(iii) above must also constitute a “change in control event” as defined in Treasury Regulation Section 1.409A-3(i)(5).

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations and Treasury guidance promulgated under it.

“Committee” means the Compensation Committee of the Board. The Committee may delegate some or all of its authority under the Plan to any person, persons or subcommittee, in which event, the term “Committee” includes such person, persons or subcommittee to the extent of such delegation.

“Company” means Anterix Inc. and any Affiliate.

“Competitive Activity” means any design, development, sale, promotion, production, marketing, licensing, distribution or provision of any service, technology, product or product feature that is, directly or indirectly, or is intended to be, competitive with one or more services, technologies, products or product features provided by the Company Group.

“Competitor of the Company Group” means any Person that is engaged or preparing to engage in any Competitive Activity.

“Disability” means incapacity due to physical or mental illness which has rendered the Participant unable effectively to carry out his/her duties and obligations to the Company or unable to participate effectively and actively in the management of the Company for a period of ninety (90) consecutive days or for shorter periods aggregating to one-hundred twenty (120) days (whether or not consecutive) during any consecutive twelve (12) months.

“Effective Date” has the meaning specified in Section 2.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations and guidance promulgated under it.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and guidance promulgated under it.

“Good Reason” means, without the Participant’s consent:

(i) a material diminution in the Participant’s Base Salary, other than a material diminution that results from a determination by both the President/CEO and the Chairman that the Company’s financial condition is such that a reduction in compensation is appropriate and the reduction is applied uniformly to all Company officers;

(ii) a material diminution in the Participant’s authority, duties, or responsibilities, which shall include (A) with respect to any Participant who is a member of the Board, any failure of the Board to appoint or the stockholders of the Company to elect such Participant as a member of the Board, or any removal of Participant from the Board for reasons

other than Cause, and (B) with respect to any Participant who is a Tier 1 Executive, following a Change of Control, a material change in the Company's long-term business plan or its strategy to increase the value of its FCC licenses; or

(iii) any requirement that the Participant relocate, by more than fifty (50) miles, the principal location from which the Participant performs services for the Company immediately prior to the termination of employment or the occurrence of the Change in Control.

It shall be a condition precedent to the Participant's right to terminate Participant's employment for Good Reason (before or after a Change in Control) that (i) the Participant shall have first given the Company written notice stating with reasonable specificity the breach on which such termination is premised within ninety (90) days after the Participant becomes aware or should have become aware of such breach, and (ii) if such breach is susceptible of cure or remedy, such breach has not been cured or remedied within fifteen (15) days after receipt of such notice.

"Health Benefit Continuation" means payment by the Company of the premium for COBRA coverage, if elected by the Participant and his/her eligible dependents, upon loss of coverage under the Company's group health plan for active employees of the Company due to termination of employment, until the earlier of (i) the end of the Severance Payment Period, (ii) the date that the Participant becomes eligible for coverage under another group health plan, or (iii) the end of the eighteen (18)-month maximum COBRA coverage period.

"Outplacement Assistance" means payment by the Company of the cost of providing outplacement services for a period of twelve (12) months at a cost not exceeding \$25,000 for each Tier 1 and Tier 2 Executive and for a period of nine (9) months at a cost not exceeding \$15,000 for each Tier 3 Executive, so long as (i) the Participant commences utilization of the services within six months following the date of termination of employment; and (ii) the services are provided by a recognized outplacement provider. Payment shall be made by the Company directly to the service provider promptly following the provision of the outplacement services and the presentation to the Company of documentation of the provision of the services, and in all events by no later than the end of the year after the year in which such expense was incurred.

"Participant" means a person who has become a participant pursuant to Section 4 of the Plan.

"Participation Agreement" means a written agreement with the Company in such form as the Committee may specify which obligates the Participant to comply with all of the terms and conditions of participation in the Plan and, with respect to any Participant who is a Tier 3 Executive, which specifies the Severance Benefits payable to such Participant.

"Plan" means this Anterix, Inc. Executive Severance Plan.

"Restricted Period" means twenty-four (24) months for a Tier 1 Executive, eighteen (18) months for a Tier 2 Executive, and twelve (12) months for a Tier 3 Executive.

"Section 16 Officers" means those executives designated by an action of the Board as an officer for purposes of Section 16 of the Securities Exchange Act of 1934.

“Severance Benefits” means the benefits specified in Section 5 of this Plan.

“Severance Payment Period” means twenty-four (24) months for a Tier 1 Executive, twelve (12) months for a Tier 2 Executive, and such period as may be specified by the Committee for a Tier 3 Executive.

“Target Bonus” means the Participant’s short-term incentive bonus target in effect on the Participant’s date of termination of employment, provided, however, that following a Change in Control, the Target Bonus shall be the greater of (1) the Participant’s short-term incentive bonus target in effect on the Participant’s date of termination of employment, and (2) the Participant’s short-term incentive bonus target in effect on the date of the Change in Control.

“Tier 1 Executives” means the Company’s Chief Executive Officer and those Section 16 Officers specified by the Committee, and such other executives as the Committee shall specify from time to time.

“Tier 2 Executives” means all Section 16 Officers of the Company who are not classified as a Tier 1 Executive by the Committee and such other executives as the Committee shall specify from time to time.

“Tier 3 Executives” means such executives and key employees as the Committee shall specify from time to time.

WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Release") is entered into as of [____], by [____] (the "Executive") in consideration of severance pay and benefits (the "Severance") provided to the Executive by Anterix Inc., a Delaware corporation (the "Corporation"), pursuant to the Anterix Inc. Executive Severance Plan (the "Severance Plan").

1. *Waiver and Release.* Subject to the last sentence of the first paragraph of this Section 1, the Executive, on his own behalf and on behalf of Executive's heirs, executors, administrators, attorneys and assigns, hereby unconditionally and irrevocably releases, waives and forever discharges the Corporation and each of its affiliates, parents, successors, predecessors, and the subsidiaries, directors, owners, members, shareholders, officers, agents, and employees of the Corporation and its affiliates, parents, successors, predecessors, and subsidiaries (collectively, all of the foregoing are referred to as the "Employer"), from any and all causes of action, claims and damages, including attorneys' fees, whether known or unknown, foreseen or unforeseen, presently asserted or otherwise arising through the date of Executive's signing of this Release, concerning Executive's employment or separation from employment. Subject to the last sentence of the first paragraph of this Section 1, this Release includes, but is not limited to, any payments, benefits or damages arising under any federal law (including, but not limited to, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act of 1974, the Americans with Disabilities Act, Executive Order 11246, the Family and Medical Leave Act, and the Worker Adjustment and Retraining Notification Act, each as amended); any claim arising under any state or local laws, ordinances or regulations (including, but not limited to, any state or local laws, ordinances or regulations requiring that advance notice be given of certain workforce reductions); and any claim arising under any common law principle or public policy, including, but not limited to, all suits in tort or contract, such as wrongful termination, defamation, emotional distress, invasion of privacy or loss of consortium. Notwithstanding any other provision of this Release to the contrary, this Release does not encompass, and Executive does not release, waive or discharge, the obligations of the Corporation or any affiliate (a) to make the payments and provide the other benefits contemplated by the Severance Plan, or (b) under any restricted stock agreement, option agreement or other agreement pertaining to Executive's equity ownership, or (c) under any indemnification or similar agreement with Executive.

The Executive understands that by signing this Release, Executive is not waiving any claims or administrative charges which cannot be waived by law. Executive is waiving, however, any right to monetary recovery or individual relief should any federal, state or local agency (including the Equal Employment Opportunity Commission) pursue any claim on Executive's behalf arising out of or related to Executive's employment with and/or separation from employment with the Corporation or any affiliate.

The Executive further agrees without any reservation whatsoever, never to sue the Employer or become a party to a lawsuit on the basis of any and all claims of any type lawfully and validly released in this Release.

2. *Acknowledgments.* The Executive is signing this Release knowingly and voluntarily. Executive acknowledges that:

(a) Executive is hereby advised in writing to consult an attorney before signing this Release;

(b) Executive has relied solely on Executive's own judgment and/or that of Executive's attorney regarding the consideration for and the terms of this Release and is signing this Release knowingly and voluntarily of Executive's own free will;

(c) Executive is not entitled to the Severance unless Executive agrees to and honors the terms of this Release;

(d) Executive has been given at least twenty-one (21) calendar days to consider this Release, or Executive has expressly waived Executive's right to have at least twenty-one (21) days to consider this Release;

(e) Executive may revoke this Release within seven (7) calendar days after signing it by submitting a written notice of revocation to the Employer. Executive further understands that this Release is not effective or enforceable until after the seven (7) day period of revocation has expired without revocation, and that if Executive revokes this Release within the seven (7) day revocation period, Executive will not receive the Severance;

(f) Executive has read and understands the Release and further understands that, subject to the limitations contained herein, it includes a general release of any and all known and unknown, foreseen or unforeseen claims presently asserted or otherwise arising through the date of Executive's signing of this Release that Executive may have against the Employer; and

(g) No statements made or conduct by the Employer has in any way coerced or unduly influenced Executive to execute this Release.

3. *No Admission of Liability.* This Release does not constitute an admission of liability or wrongdoing on the part of the Employer, the Employer does not admit there has been any wrongdoing whatsoever against Executive, and the Employer expressly denies that any wrongdoing has occurred.

4. *Entire Agreement.* There are no other agreements of any nature between the Employer and the Executive with respect to the matters discussed in this Release, except as expressly stated herein, and in signing this Release, the Executive is not relying on any agreements or representations, except those expressly contained in this Release.

5. *Execution.* It is not necessary that the Employer sign this Release following the Executive's full and complete execution of it for it to become fully effective and enforceable.

6. *Severability.* If any provision of this Release is found, held or deemed by a court of competent jurisdiction to be void, unlawful or unenforceable under any applicable statute or controlling law, the remainder of this Release shall continue in full force and effect.

7. *Governing Law.* This Release shall be governed by the laws of the State of Delaware, excluding the choice of law rules thereof.

8. *Headings.* Section and subsection headings contained in this Release are inserted for the convenience of reference only. Section and subsection headings shall not be deemed to be a part of this Release for any purpose, and they shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

IN WITNESS WHEREOF, the undersigned has duly executed this Release as of the day and year first herein above written.

EXECUTIVE:

[]

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Robert H. Schwartz, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended December 31, 2021 of Anterix Inc.;
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(s) 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(s) 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.

Date: February 3, 2022

By: /s/ Robert H. Schwartz

Robert H. Schwartz

President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Timothy A. Gray, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended December 31, 2021 of Anterix Inc.;
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(s) 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(s) 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.

Date: February 3, 2022

By: /s/ Timothy A. Gray

Timothy A. Gray

Chief Financial Officer

(Principal Financial and Principal Accounting Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**AS ADOPTED PURSUANT TO****SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Anterix Inc. (the "Company") on Form 10-Q for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert H. Schwartz, President and Chief Executive Officer of the Company, certify, solely for purposes of complying with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 3, 2022

By: /s/ Robert H. Schwartz

Robert H. Schwartz

President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Anterix Inc. and will be retained by Anterix Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification that accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission, and is not to be incorporated by reference into any filing of Anterix Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Anterix Inc. (the "Company") on Form 10-Q for the period ended December 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Timothy A. Gray, Chief Financial Officer of the Company, certify, solely for purposes of complying with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 3, 2022

By: /s/ Timothy A. Gray

Timothy A. Gray

Chief Financial Officer

(Principal Financial and Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Anterix Inc. and will be retained by Anterix Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification that accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission, and is not to be incorporated by reference into any filing of Anterix Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.
