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

FORM 10-K /A

(Amendment No. 1)

(Mark one)

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

For the fiscal year ended March 31, 2018

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

pdvWireless, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**33-0745043**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
3 Garret Mountain Plaza Suite 401 Woodland Park, New Jersey	**07424**
(Address of principal executive offices)	**(Zip Code)**

(973) 771-0300

(Registrant's telephone number, including area code)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
Emerging growth company	☒		

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

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

The aggregate market value of the registrant's voting common stock held by non-affiliates of the registrant based on the closing stock price of its common stock on the NASDAQ Capital Market on the last business day of its most recently completed second fiscal quarter, September 30, 2017, was $199,935,916.90. For purposes of this computation only, all executive officers, directors and 10% or greater stockholders have been deemed affiliates of the registrant.

As of May 25, 2018, 14,496,617 shares of the registrant's common stock were outstanding.

Explanatory Note

This Amendment No. 1 on Form 10-K/A (this "Form 10K/A") amends and restates certain items noted below in the Annual Report on Form 10-K of pdvWireless, Inc. (the "Company") for the fiscal year ended March 31, 2018, as originally filed with the Securities and Exchange Commission (the "SEC") on June 5, 2018 (the "Original Filing"). This Form 10-K/A restates the Company's Consolidated Financial Statements and related disclosures as of and for the year ended March 31, 2018 (including the unaudited fiscal third quarter ended December 31, 2017) to reflect the correction of an error in the previously reported financial statements related to the Company's accounting treatment of its net operating losses ("NOLs") in accordance with the new tax provisions in the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017 (the "TCJA").

Background and Effect of Restatement

In connection with preparing its financial statements for the quarter ended June 30, 2018, the Company determined that it incorrectly interpreted the effective dates of changes in the accounting treatment of its NOLs under the TCJA. The TCJA, among other items: (i) increased the NOL carryforward period from 20-years to an indefinite carryforward period and (ii) limited the percentage of NOLs that may be used to offset taxable income to 80%.

Under the TCJA, the 80% limitation applies to NOLs arising in taxable years "*beginning after*" December 31, 2017, which for the Company would be its fiscal year commencing on April 1, 2018 and ending on March 31, 2019 ("***Fiscal 2019***"). The TCJA, however, provides that the indefinite carryforward period applies to NOLs arising in taxable years "*ending after*" December 31, 2017, which for the Company would be its fiscal year beginning on April 1, 2017 and ending on March 31, 2018 ("***Fiscal 2018***"). Based on these dates, NOLs generated by the Company during Fiscal 2018 would both (i) not be subject to the 80% limitation and (ii) have an indefinite life.

In preparing its financial statements in the Original Filing, the Company, in consultation with its third-party tax firm, determined that it was unlikely that Congress intended to provide this double benefit to the NOLs generated by the Company during Fiscal 2018. As a result, the Company determined that an appropriate approach would be to continue to limit the carryforward period for the NOLs it incurred during Fiscal 2018 to 20 years, rather than apply an indefinite life to those NOLs.

Based on its review of available accounting literature in connection with preparing its financial statements for the quarter ended June 30, 2018, the Company determined that it should apply the accounting changes implemented by the TCJA in accordance with the effective dates set forth in the TCJA, despite the double benefit it could recognize for the NOLs it incurred during Fiscal 2018. Specifically, the Company determined that, based on the current language of the TCJA, the correct accounting treatment for the NOLs it generated during Fiscal 2018 is to apply an indefinite life to these NOLs and to not subject those NOLs to the 80% limitation.

Applying an indefinite life to the NOLs the Company generated in Fiscal 2018 enables the Company to utilize an increased amount of NOLs to offset the deferred tax liability created by the Company's amortization of its indefinite-lived intangibles. The Company determined that it should recognize an additional deferred tax benefit of $5.6 million for the three months ended December 31, 2017 and $6.0 million for the fiscal year ended March 31, 2018.

See Note 2 to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K /A for additional information and a reconciliation of the previously reported amounts in the Original Filing to the restated amounts this Form 10-K/A.

Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) of the Exchange Act). Internal control over financial reporting is a process designed under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

At the time we filed our Original Filing, our management, under the supervision of our Chief Executive Officer and our Chief Financial Officer, conducted an assessment of the effectiveness of the Company's internal control over financial reporting based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework (2013 Framework). Based on this assessment, management determined that, as of March 31, 2018, the Company maintained effective internal control over financial reporting.

Subsequent to the evaluation made in connection with the Original Filing, our management, including our Chief Executive Officer and Chief Financial Officer, re-assessed the effectiveness of the Company's internal control over financial reporting. Based on that assessment, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that our internal control over financial reporting was not effective as of March 31, 2018 because a material weakness in the design of the Company's controls pertaining to its review and analysis of changing tax legislation. For a description of the material weakness in our internal control over financial reporting and the remedial actions we have taken, and plan to take in the future, to address and resolve the material weakness, see Part II, Item 9A. "Controls and Procedures" of this Form 10-K/A.

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, management conducted an evaluation of the effectiveness, as of March 31, 2018, of the design and operation of our disclosure controls and procedures, as such term is defined in Exchange Act Rules 13a-15(e), at the time we filed our Original Filing. Based on that evaluation, our management, including our Chief Executive Officer and our Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of March 31, 2018.

Subsequent to the evaluation made in connection with the Original Filing, our management, including our Chief Executive Officer and Chief Financial Officer, re-evaluated the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of March 31, 2018 because of the material weakness in our internal control over financial reporting which existed at that date and is discussed above.

Items Amended in This Filing

For the convenience of the reader, this Form 10-K/A sets forth the Original Filing, as amended, in its entirety; however, this Form 10-K/A amends and restates the Items noted below to the extent necessary to reflect the adjustments discussed above and make corresponding revisions to the Company's financial data cited elsewhere in this Form 10-K/A. References throughout this document to "Form 10-K" have been amended to "Form 10-K/A" where appropriate. Except as noted below, this Amendment does not affect any other parts of the Original Filing, nor does it reflect events occurring after the date of the Original Filing or amend or otherwise update any information in the Original Filing. The following Items have been amended as a result of the restatement:

- Part I, Item 1A. Risk Factors
- Part II, Item 6. Selected Financial Data
- Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk
- Part II, Item 8. Financial Statements and Supplementary Data
- Part II, Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure
- Part II, Item 9A. Controls and Procedures
- Part IV, Item 15. Exhibits and Financial Statement Schedules

This Form 10-K/A also includes information (See Part III, Items 10 through 14) that we incorporated by reference into the Original Filing from our definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which we filed with the SEC on June 29, 2018. We also amended the information in Part III, Item 10 to reflect the results of our 2018 Annual Meeting of Stockholders.

In addition, pursuant to the rules of the SEC, Item 15 of Part IV of the Original Filing has been amended to include the currently-dated certifications from our Chief Executive Officer and Chief Financial Officer, as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002. These certifications are included with this Form 10-K/A as Exhibits 31.1, 31.2, and 32.1, respectively.

pdvWireless, Inc.
FORM 10-K/A
For the fiscal year ended March 31, 2018

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Various statements contained in this Annual Report on Form 10-K/A (the "Annual Report"), including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements. Our forward-looking statements are generally, but not always, accompanied by words such as "estimate," "project," "predict," "believe," "expect," "anticipate," "potential," "should," "will," "may," "plan," "goal," "can," "could," "continuing," "ongoing," "intend" or other words that convey the uncertainty of future events or outcomes. We have based these forward-looking statements on our current expectations and projections, and related assumptions, about future events and financial trends. While our management considers these expectations, projections and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. There can be no assurance that actual developments will be those anticipated by us. Actual results may differ materially from those expressed or implied in these statements as a result of significant risks and uncertainties, including, but not limited to:

- our spectrum initiatives, including our Federal Communications Commission ("FCC") petition and related further proceedings and submissions aimed at modernizing and realigning the Part 90 900 MHz spectrum band to increase its usability and capacity, may not be successful on a timely basis or at all, and may continue to require significant time and attention from our senior management team and our expenditure of significant resources;
- we may not be successful in identifying, developing and commercializing network and mobile communication solutions utilizing our current and future spectrum and commercially available technologies;
- we have a limited operating history with respect to our commercial push-to-talk ("PTT") service, which we market as TeamConnect, and we recently have restructured our approach to that business, each of which makes it difficult to evaluate the prospects of this business and our future financial results relating to this business;
- the size of the market we are targeting with our TeamConnect service may not prove to be as large as and/or it may continue to be more difficult to obtain customers for our TeamConnect service than we initially expected;
- we rely on Motorola to supply the network equipment and devices we utilize to provide our TeamConnect service;
- we primarily rely on the selling efforts of third-party wireless dealers, including Motorola's dealer network, to sell our TeamConnect service;
- the wireless communications industry is highly competitive and we may not compete successfully;
- many of the third parties who have objected to our broadband initiatives or with whom we are competing against for spectrum opportunities have more resources, and greater political and regulatory influence, than we do;
- our spectrum is our key asset and spectrum values may fluctuate significantly based on supply and demand, as well as the results of spectrum auctions and technical and regulatory changes;
- spectrum is a limited resource, and we may not be able to obtain sufficient spectrum to support our planned business operations and any opportunities we elect to pursue; and
- government regulation could adversely affect our business and prospects.

These and other important factors, including those discussed under "Business" "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and except to the extent required by applicable law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or otherwise.

PART I.

ITEM 1. BUSINESS

Overview

We are a wireless communications company focused on developing and offering our spectrum assets for the deployment of next generation network and mobile communication solutions designed to meet the needs of critical infrastructure and enterprise customers. Our Chairman, Brian McAuley, and our Chief Executive Officer, Morgan O'Brien, were the co-founders of Nextel Communications ("Nextel") and have over 60 years of combined experience in successfully developing regulatory driven spectrum initiatives to address the unmet wireless communications needs of businesses.

We are the largest holder of licensed spectrum in the Part 90 900 MHz spectrum band (i.e., 896-901 MHz paired with 935-940 MHz) throughout the contiguous United States, plus Hawaii, Alaska and Puerto Rico. On average, we hold approximately 60% of the channels in our portion of the 900 MHz band in the top 20 metropolitan market areas in the United States.

As our first priority, we have initiated and are currently pursuing a regulatory proceeding at the Federal Communications Commission ("FCC") aimed at modernizing and realigning the 900 MHz band to increase its usability and capacity, including for the future deployment of broadband and other advanced technologies and services. At the same time, we are expecting to enable private broadband network solutions, leveraging our spectrum, that address the unmet needs of our targeted critical infrastructure and enterprise customers. For our first offering, we have deployed push-to-talk ("PTT") networks and offer our TeamConnect two-way radio service in seven major metropolitan market areas, including Atlanta, Baltimore/Washington, Chicago, Dallas, Houston, New York and Philadelphia. TeamConnect allows our enterprise customers to increase the productivity of their field-based workers and the efficiency of their dispatch and call center operations. We are pursuing opportunities to enable additional network and mobile communication solutions for use by critical infrastructure and enterprise customers with our existing spectrum and currently available non-broadband technologies and, if we are successful with our FCC efforts, utilizing our spectrum assets to enable broadband and other advanced wireless service offerings.

Our Business Strategy

Our goal is to become the leading wireless communications company focused on developing and offering our spectrum assets and related services for the deployment of private network and mobile communication solutions dedicated to serving the needs of critical infrastructure and enterprise customers. We intend to pursue this goal by executing on the following business strategies:

1. Increase the Efficiency and Capacity of Our Spectrum. Our spectrum is our most valuable asset. While our current licensed spectrum can support our deployment of narrowband and wideband wireless services, including our TeamConnect service, many of the future business opportunities we have identified will require contiguous spectrum that allows for greater bandwidth than the less efficient current configuration of our spectrum band. As a result, our first priority is to continue to pursue initiatives to increase the usability, efficiency and capacity of our spectrum assets.

We acquired our nationwide spectrum position from Sprint Corporation ("Sprint") in September 2014, and shortly thereafter, petitioned the FCC to modernize the 900 MHz band to permit us and other licensees in the band to introduce new technologies, including the global mobile broadband standard of LTE, to more efficiently support the market demand for reliable, secure and dedicated high speed data, video and voice services. Please see the section titled "*Our Joint Petition for Rulemaking*" below for a discussion of the status and evolution of our FCC proceeding.

2. Facilitate the Deployment of Next Generation Private Network and Mobile Communication Solutions. Complementing our pursuit of our regulatory initiatives, we are engaged in a number of business activities to prepare for the future deployment of next generation network and mobile communication solutions utilizing our current and, if we receive FCC authorization, future spectrum, including:

Identify and Evaluate Available Technologies. Currently, we can utilize our spectrum, without obtaining further regulatory authorizations or rule modifications, with existing narrowband and wideband technologies, including the technologies we are utilizing to provide our existing TeamConnect service, and services for machine-to-machine ("M2M") and related Internet of Things ("IoT") applications. In addition, our current licensed frequencies are located within a portion of the 900 MHz spectrum band that the FCC has designated for various land mobile radio ("LMR") uses. Our licensed frequencies are also within the 3GPP global standard of Band 8 (also known as the E-GSM band, or 880 - 915 MHz paired with 925 - 960 MHz). Band 8 has been internationally approved for the deployment of LTE technologies in numerous global regions, and so there is an ecosystem of existing LTE broadband devices and network components that we believe can be adapted for use on the contiguous spectrum we are seeking to create in our FCC proceeding. We also believe that many of these devices and network components would be well suited for the work environment of our targeted critical infrastructure and enterprise customers, including network base stations, ruggedized smart phones, hardened data gateways and communications modules for IoT applications. In our lab, we are continuing to test and evaluate the potential use of these devices and network components to assess their capabilities, functionality, pricing and any specification, modification or adaptation requirements to meet our target customers' needs.

Identify and Evaluate Potential Use Cases. At the same time, our team and the key industry consultants we have retained have engaged in an intensive outreach program to potential critical infrastructure customers to identify possible use cases for our spectrum. These activities have led to a number of discussions with prospective customers who are investigating ways to fulfill their existing and future network and mobile communication needs leveraging the benefits of our spectrum position.

As we expected, we identified a wide variety of both mobile and fixed use cases through these discussions that appear to be well suited to the coverage, penetration and capacity characteristics of the potential broadband spectrum allocation that we would expect to enable if we receive FCC authorization. A number of critical infrastructure and enterprise companies have put on the record their needs and unique requirements for networks and services utilizing broadband and other next generation technologies.

A number of the potential critical infrastructure and enterprise customers we contacted have historically built, maintained and operated their own disparate and siloed communications networks, including private LMR and supervisory control and data acquisition ("SCADA") networks on frequencies licensed exclusively to them by the FCC. These entities commonly express their desire to retain the positive elements of their aging LMR and SCADA operations, namely tight control and custom features (such as specialized coverage and priority access), while adding the benefits of broadband and other advanced technologies (such as solving a broader set of use cases, providing high speed data and video services and economies of scale). However, due to the general unavailability of low band spectrum (i.e., below 1GHz) that is not already licensed, these entities have had limited opportunities to license or acquire the spectrum required to deploy broadband and other advanced technologies on their own.

Without the opportunity to develop their own next generation network and mobile communication solutions, many of our potential critical infrastructure and enterprise customers are pursuing other options, including considering the services offered by Tier 1 carriers. The large consumer-focused carriers, in two instances well exceeding a hundred million subscribers each, enjoy clear economy of scale benefits. However, the networks designed and operated by these carriers to primarily address the needs of their consumer customers may not satisfy the highly specialized requirements of large complex business organizations. We believe that security, priority access, latency, redundancy control and unique coverage requirements are just some of the reasons critical infrastructure and large enterprises would be interested in obtaining (either as a licensee or customer) the private network and mobile communications solutions that can be enabled through use of our spectrum if we receive FCC authorization.

In mid-April 2018, we met with the FCC, together with representatives of Ameren Services Company, an affiliate of Ameren Corporation, a holding company for electric and gas utilities located in the Midwestern U.S., to support Ameren's request for experimental authority from the FCC to test broadband operations utilizing our 900 MHz spectrum in the requested geographic areas. Following this meeting, the FCC granted Ameren's request for experimental authority and we are currently supporting Ameren's broadband trialing activities utilizing a 1.4 X 1.4 MHz 900 MHz broadband spectrum allocation in geographic areas in several Ameren markets located in Illinois and Missouri.

We also are continuing active discussions with our potential critical infrastructure and enterprise customers to better understand their requirements and determine how the 900 MHz broadband spectrum allocation we are pursuing with our FCC initiatives can be used to support broadband wireless network and communications solutions, utilizing current and future technologies, to meet their needs. For example, we are currently exploring the development of a 900 MHz virtualized LTE and 5G network solution that could address the needs and use cases of our potential customers. This approach could empower our critical infrastructure and enterprise customers to create and implement their own virtual private network and mobile communications services from a secure hosted cloud environment. This approach could allow these entities to effectively keep pace with the evolution of mobile technologies and develop new services to offer to their customers, while leveraging the efficiencies of shared resources.

Continue to Identify and Evaluate New Opportunities. The wireless communications industry is highly competitive, and subject to rapid regulatory, technological and market changes. A key part of our business strategy is to continually monitor changes in the wireless industry, and evaluate how these changes could enable us to maximize the use of our spectrum assets. For example, recent FCC decisions have created significant opportunities for blocks of shared, unlicensed spectrum, both below 1 GHz to a limited extent and, in very large amounts, above 1 GHz. While we intend to build our existing and future business strategies around our 900 MHz licensed spectrum, our ability to combine our licensed 900 MHz spectrum with additional spectrum in one or more unlicensed bands could provide us with a chance to offer potential customers the best of both worlds. On the one hand, our licensed 900 MHz spectrum offers the assurance of absolute control over access to and use of that spectrum, allowing our spectrum to be utilized to provide customers with guaranteed levels of service and the ability to prescribe and enforce purpose-built "rules of the road" for the provision of those services. On the other hand, the addition of unlicensed spectrum, particularly in large swaths that support very high speed services, could bring capacity and capabilities that exceed the limits of our licensed spectrum. As a result, we are evaluating potential combinations of unlicensed spectrum with our 900 MHz licensed spectrum to enable the combined spectrum to be utilized to provide optimum services to critical infrastructure and enterprise companies.

As another example, we are exploring potential opportunities to provide IoT services. Our team, assisted by our industry consultants, is evaluating the many ways we could potentially address future IoT opportunities. In particular, we are focusing on opportunities related to modernization of the utility smart grid, including field area networks, sensors and meters and similar end-point devices that may perform best on a private wireless network. Although these activities, and the precise contours of specific IoT business opportunities, remain in the very preliminary stages, we are orienting our efforts in this area around identifying those customers who would likely place the highest value on obtaining services from a private wireless carrier dedicated to their needs.

3. ***Continue to Leverage the Experience and Relationships of Our Executive Team.*** Our senior executive team has a long, proven track record in the network and mobile communications industry. Brian McAuley and Morgan O'Brien, our Chairman and Chief Executive Officer, respectively, were the co-founders of Nextel. At Nextel, they were responsible for developing and operating the first all-digital nationwide wireless network that brought PTT to the mass business market. Nextel built its business by identifying an underserved market segment, and despite the competition, creating a better solution for potential customers in this market segment. After growing the total number of subscribers to approximately 23 million, Nextel merged with Sprint in August 2005 at a stand-alone value of approximately $36 billion. Mr. McAuley went on to found NeoWorld Communications in 1999, which was subsequently purchased by Nextel in 2003. In addition, several members of our current management team held leadership roles at Nextel. We intend to leverage the experience of our executive team to refine and execute on our business strategy, to achieve our regulatory spectrum goals and to identify and pursue business opportunities involving use of our spectrum assets to enable next generation network and mobile communications solutions for critical infrastructure and enterprise customers.

Our Joint Petition for Rulemaking.

FCC Proceeding. In November 2014, we and the Enterprise Wireless Alliance ("EWA") submitted a Joint Petition for Rulemaking (the "Joint Petition") to the FCC to propose the realignment of a portion of the 900 MHz band from narrowband to broadband. We welcomed EWA's partnership because of its multi-decade role as a trade association representing the spectrum interests of a broad range of business enterprise, critical infrastructure and commercial service providers. We and EWA believe this realignment is consistent with the FCC's mandate to promote more efficient use of limited spectrum resources generally and its ongoing efforts to make more spectrum available for broadband services specifically, particularly in the spectrum bands below 1 GHz. In response to the Joint Petition, the FCC issued a public notice requesting comments from interested parties and asked a number of questions about the proposal. A number of parties, including several incumbent licensees, filed comments with the FCC expressing their views, including both support and opposition. Some raised technical and other questions about the proposal. In May 2015, we and the EWA filed proposed rules with the FCC related to our Joint Petition. Comments on the proposed rules were filed in June 2015 and reply comments in July 2015. The proposed rules outlined our recommended procedural and technical operating parameters, including field strength limits, processes related to the administration and sequencing of the proposed realignment of the 900 MHz band, and requirements for the broadband operators to provide comparable facilities to incumbent licensees, to pay the cost of their realignment, and to utilize an emission mask with advanced filtering capability specifically designed to protect licensees adjacent to the proposed broadband portion of the 900 MHz band.

On August 4, 2017, the FCC issued a Notice of Inquiry ("NOI") that we believe signified the FCC's interest in conducting a serious and comprehensive evaluation of the current and future rules governing the 900 MHz band. In the NOI, the FCC announced that it had commenced a proceeding to examine whether it would be in the public interest to change the existing rules governing the 900 MHz band to enable increased access to spectrum, improved spectrum efficiency and expanded flexibility for a variety of potential uses and applications, including broadband and other advanced technologies and services. The FCC stated that the purpose of the NOI was to gather information from interested parties to assist the FCC in its decision-making process. The FCC requested interested parties, including us, to comment on a number of questions related to three potential options for the 900 MHz band: (i) retaining the current configuration of the 900 MHz band, but increasing operational flexibility, (ii) reconfiguring a portion or all of the 900 MHz band to support broadband and other advanced technologies and services or (iii) retaining the current 900 MHz band licensing and eligibility rules. Because the FCC requested information on multiple options for the 900 MHz band, the NOI effectively superseded the Joint Petition and other pending proposals that involved the 900 MHz band. However, a broadband reconfiguration option included in the NOI was consistent with our Joint Petition proposal, and all information we previously provided to the FCC to support the realignment and modernization of the 900 MHz band remained relevant. We and EWA filed a joint response to the FCC's NOI on October 2, 2017 and reply comments on November 1, 2017.

On May 1, 2018, we and the EWA augmented elements of our initial joint response to the NOI based on our discussions and interactions with incumbents and other interested parties to the NOI proceeding. This filing was intended to address and resolve issues and concerns expressed by incumbents in and adjacent to the portion of the 900 MHz band proposed for broadband use. Our most recent responsive filing also proposed a means to increase the alternatives through which licenses for a new 3 X 3 900 MHz broadband service could be put to use by utilities and other members of the critical infrastructure industry, as well as by other private enterprise companies. We believe these alternatives add elements of flexibility and, ideally, could shorten the time required to introduce important broadband communication capabilities to these market segments.

Specifically, our most recent responsive filing proposes that: (i) during the first year after FCC adoption of the relevant licensing rules, utilities and other Business/Industrial/Land Transportation ("B/ILT") applicants would have the exclusive opportunity to secure Private Enterprise Broadband ("PEBB") licenses, and could utilize the traditional frequency coordination process to do so, based on acquiring control of the requisite 240 discrete 900 MHz channels (the number of channels equivalent to a 3 X 3 MHz broadband allocation) through combining any of their own licensed channels with any they might purchase or lease from third party licensees and those they might be assigned from available FCC channel inventory; (ii) successful applicants then could obtain frequency coordinator approval to exchange such channels for a 3 X 3 MHz PEBB license to be issued by the FCC, which could be deployed, operated and maintained, in accordance with applicable service rules, either solely by the applicant licensee, or with the assistance and/or participation of third parties; and (iii) the coverage territory for such a PEBB license would correspond (a) in urbanized areas (defined to be the top 306 Cellular Market Areas, or "CMAs"), to a metropolitan statistical area ("MSA") and (b) in non-urbanized areas (the remaining CMAs) to individual counties, which we believe, in each case, represent geographic areas that will more closely match up with the service territories of most utilities and the areas of business focus for other private enterprises. In addition, our most recent responsive filing proposes shifting the contemplated 3 X 3 MHz broadband allocation 400 kHz down to a new location in the 900 MHz band, a change that has addressed the concern regarding potential interference previously expressed by incumbents in the narrowband PCS spectrum immediately above the top end of our portion of the 900 MHz band. It also will allow for greater separation between any co-located frequencies in narrowband systems.

We have responded to all outstanding requests for information from the FCC, and we are currently awaiting FCC action. Based on our discussions with the staff of the FCC, we believe that the proceeding is under active consideration. The FCC's next step could be the issuance of a Notice of Proposed Rulemaking based on the NOI and the record developed in response to it, a request for additional information, a decision to close the proceeding without further action, or some other action, and the timing of any such next step also remains uncertain. Moreover, certain of the matters proposed in our most recent responsive filing are contingent on other developments, such as formalizing our tentative agreement with the Association of American Railroads to exchange their frequencies, some of which are located immediately below the lower end of the originally proposed 900 MHz broadband allocation, for our frequencies further down in the 900 MHz band, to accommodate the proposed 400 kHz shift of that allocation. In addition, all aspects of potential changes in the configuration and/or use of frequencies in the 900 MHz band remain subject to necessary FCC approvals.

We continue to believe in the merits of our broadband approach, and that it would be in the public interest for the FCC to realign the 900 MHz band to enable broadband and other advanced technologies and services. Nevertheless, obtaining a favorable result from the FCC may take a significant amount of time and resources. Moreover, there is no assurance that following the conclusion of the NOI process, the FCC will ultimately propose and adopt rules that will allow utilization of our licensed 900 MHz spectrum to offer broadband and other advanced technologies and services.

The full text of the NOI, further comments and related correspondence are available on the FCC's public website at https://www.fcc.gov/document/900-mhz-notice-inquiry, and our filed comments and responses, as well as those of others submitting comments and/or responses in the NOI proceeding, also are available on the FCC's public website.

Meetings with Incumbents. To prepare for the filings we have submitted with the FCC and to build support for a 900 MHz broadband realignment, we have met, and intend to continue to meet, with a number of incumbent licensees, critical infrastructure businesses and other interested parties in the 900 MHz band. We have provided business proposals to several incumbents to assist with their communication needs. The goals of these discussions have been: (i) building consensus for the proposed reconfiguration of the 900 MHz band to support broadband and other advanced technologies and services; (ii) resolving any technology or other concerns raised by incumbent licensees; (iii) educating critical infrastructure businesses on how broadband capabilities could enhance their operations and initiatives (for example, supporting grid modernization requirements or monitoring and/or controlling their own system or network elements via machine-to-machine type services); (iv) gaining a better understanding of the size of the operational incumbent base and the nature of the systems they are currently operating; (v) to refine and modify aspects of our proposal to seek to minimize potential concerns and problems expressed by certain incumbents; (vi) to gain additional support for that proposal (as so refined and modified); (vii) to accelerate the availability of a sub-1 GHz broadband spectrum allocation for use in a private network context designed to meet the specialized requirements of utilities, other critical infrastructure industry members and private enterprise users; and (viii) evaluating and proposing voluntary license relocation opportunities to certain incumbent licensees. With certain incumbent licensees, we are continuing to attempt to build consensus and to resolve any concerns they have expressed regarding our broadband initiatives; with others, we are soliciting their support and cooperation to structure and implement mutually beneficial relocations; and with select critical infrastructure enterprises, we are jointly investigating how the future broadband capabilities that we envision could be employed to meet their anticipated needs and future operating plans.

A number of critical infrastructure and enterprise companies have put on the record their needs and unique requirements for networks and services utilizing broadband and other next generation technologies. We anticipate that the NOI proceeding will continue to afford other companies with the opportunity to put similar use case requirements on the record. Additionally, on May 24, 2018, Sensus USA, Inc. filed a comment with the FCC in the NOI proceeding expressing its support for the responsive filing that we and the EWA submitted on May 1, 2018. Previously, Sensus had been one of our most vocal and persistent opponents.

Technology Evaluation. Our engineering team has also evaluated the technical requirements for both current narrowband and wideband solutions, as well as future broadband technologies in the 900 MHz band. Based on these evaluations, we believe a broadband network can be deployed utilizing the 900 MHz band with technologies that are commercially available.

Acquiring Spectrum Assets. In addition, we have completed a limited number of spectrum acquisitions to support our realignment efforts and the utilization of our spectrum assets to enable future broadband networks. We have prioritized, and intend to continue to prioritize, our acquisitions of spectrum licenses, including Specialized Mobile Radio ("SMR") blocks and site-specific licenses, in major metropolitan areas that we believe will ease the process of realigning a portion of the 900 MHz spectrum from narrowband to broadband, assuming the FCC approves our broadband initiatives. To date, we have pursued these acquisitions opportunistically and selectively to avoid unduly increasing the cost of the spectrum licenses we acquire.

Our Spectrum Assets

We are the largest holder of FCC licenses in the Part 90 900 MHz band, with a nationwide footprint in the contiguous United States, plus Hawaii, Alaska and Puerto Rico. We acquired our 900 MHz spectrum and certain related equipment from Sprint in September 2014 for $100 million, which we paid in the form of $90 million in cash and $10 million in shares of our common stock. We estimate that we acquired our 900 MHz spectrum for approximately $0.06 per MHz for each person ("MHz/Pop") in our licensed market areas and we continue to invest in spectrum that we expect to increase in value.

The FCC has allocated approximately 10 MHz of spectrum in our portion of the Part 90 900 MHz band, sub-divided into 40, 10-channel blocks of contiguous channels alternating between blocks designated for operation of SMR commercial systems and blocks designated for B/ILT users, with FCC rules also enabling B/ILT licenses to be converted to SMR use. Subsequently, the FCC conducted overlay auctions on the SMR designated blocks that awarded geographic based licenses on a Major Trading Area ("MTA") basis while affording operational protection to incumbent, site-based licensees in those areas. The 20 blocks of B/ILT channels have not been auctioned and all licenses in those blocks remain site-based.

We hold, on average, approximately 60% of the total number of 900 MHz SMR and B/ILT channels in the top 20 metropolitan markets in the United States, which includes approximately 70% of the U.S. population. We also hold almost every 900 MHz SMR MTA geographic license in all but a few markets in the United States, as well as certain B/ILT and converted B/ILT licenses in most major markets. As a result, we hold on average, 240 of the 399 total channels in this 10 MHz portion of the 900 MHz band in the top 20 metropolitan markets in the United States.

Our TeamConnect Business

In Fiscal 2016, we began offering our commercial PTT service, which we market as TeamConnect, in seven major metropolitan areas throughout the United States, including Atlanta, Baltimore/Washington, Chicago, Dallas, Houston, New York and Philadelphia. We developed TeamConnect to address the needs of enterprises that value a tailored PTT solution addressing the management of their mobile workforce. TeamConnect includes features that allow communications between PTT radios on our MOTOTRBO networks and smartphones or tablets operating on any cellular carrier network, and that permit, through our TeamConnect Hub functionality, any computer connected to the internet to use its browser as a dispatch control center. The operation of our TeamConnect business is separate from, and not contingent on, the initiatives we are pursuing at the FCC or our other spectrum-related activities.

Our TeamConnect Service. Our TeamConnect service combines pdvConnect, our proprietary suite of mobile communication and workforce management applications, with state-of-the-art digital network architecture and mobile devices supplied by Motorola Solutions, Inc. and its subsidiaries ("Motorola"). pdvConnect is an efficient mobile communication and workforce management solution that enables businesses to locate and communicate with their field workers and improve the documentation of work events and job status. TeamConnect gives customers the ability to instantly set up PTT communications within their calling area with just the touch of a "button." It delivers real-time information from mobile workers to dispatch operators. TeamConnect allows customers to deliver voice messages to any computer (via the internet), any email address or to any phone in the U.S., as well as to communicate in real time with TeamConnect enabled smartphones on any cellular carrier network.

Because our mobile workforce applications are cloud-based, there is no requirement for our customers to download software to their two-way radios before beginning to use TeamConnect. We offer customers our TeamConnect service at a monthly price that we believe is competitive with the monthly price that they would pay for comparable services.

Sales and Marketing. We primarily offer our TeamConnect service to customers indirectly through third-party sales representatives who are primarily from Motorola's nationwide dealer network and select other third-party wireless dealers. We historically supported our indirect sales representatives by providing them with training, sales, marketing and advertising support from our internal sales and marketing team. We also historically supported our indirect sales representatives by placing a dealer manager in each market in which we operate. We selected this approach of utilizing existing wireless dealers, to serve as our indirect sales representatives, based on our belief that it would enable us to develop a presence in our markets and help to reduce the costs of maintaining a nationwide sales and distribution network. We normally enter into contracts directly with end users of our TeamConnect communications solutions, including those introduced to us through our indirect dealer network.

We market our cloud-based mobile workforce applications package, pdvConnect, primarily through two Tier 1 carriers in the United States. We previously also marketed pdvConnect through an international Tier 1 carrier in Mexico until our agreement with this carrier ended during the second quarter of Fiscal 2016. We have entered into standard reseller, co-marketing and license agreements with these third-party Tier 1 carriers. Our Tier 1 carrier partners market pdvConnect as an available application to complement their wireless service offerings. Generally, pdvConnect has been offered at a monthly price of up to $19.99 per user. For the year ended March 31, 2018, our operating revenues were derived entirely from domestic sales. Revenues from the two domestic carriers accounted for 39% and 4%, respectively, of our total operating revenues for Fiscal 2018.

To date, sales of our TeamConnect service have been significantly slower to ramp-up than our initial expectations for a number of reasons, including but not limited to, the performance of our indirect third-party sales representatives, longer initial sales cycles, high device costs, improvements in competitive PTT solutions and coverage gaps in certain markets due to delays in our deployment of planned sites.

Recent Developments. On June 1, 2018, our Board of Directors approved an initial plan to restructure our business aimed at reducing the future operating costs of our TeamConnect and pdvConnect businesses and better aligning and focusing our business priorities on our spectrum initiatives, including increasing the efficiency and capacity of our spectrum to enable the future deployment of broadband and other advanced technologies and services. As part of the restructuring plan, we eliminated approximately 20 positions, or 20% of our workforce, primarily from our TeamConnect and pdvConnect businesses. In addition, we received information from one of our Tier 1 carrier partners that the largest customer of our pdvConnect service planned to discontinue its use of that service during Fiscal 2019. The revenues we generated from this customer were $2.4 million, $1.8 million, and $1.4 million for the years ended March 31, 2018, 2017, and 2016, respectively, which represented 37%, 37% and 38% of our total operating revenues for those same fiscal years, respectively.

Our Board of Directors and management team have commenced a comprehensive review and assessment of our existing TeamConnect business in our initial seven markets, its prospects both as a stand-alone business and as a complementary business to potential future 900 MHz broadband network deployments in those markets and whether it continues to be in the best interests of pdvWireless and its stockholders to actively pursue these business opportunities, especially in light of the Company’s focus on its spectrum initiatives and its recent progress with obtaining support from incumbents who had previously opposed the Company’s position. During this evaluation process, we will continue to operate our TeamConnect service in our seven existing markets and will continue to offer our pdvConnect service through our two Tier 1 carrier partners in the United States.

Our Competition

The market for network and mobile communication solutions for enterprises has been and will continue to be characterized by intense competition on the basis of price, performance, technology advances and the features, functionality, quality and reliability of the offered services and products. With respect to our TeamConnect business, we compete with the wireless Tier 1 carriers. Most of these competitors offer some form of PTT service, along with a selection of mobile resource management solutions. In addition to the Tier 1 carriers, our TeamConnect business also competes with local SMR and other dispatch service providers who offer PTT services to our targeted dispatch-centric business market verticals. With respect to our broadband and other spectrum initiatives, we compete with the Tier 1 carriers, local SMR operators and other public and private companies that are in the business of acquiring and developing spectrum assets. In addition, our broadband initiatives are opposed by certain incumbents and other third parties with conflicting business interests. Many of the third parties who offer communication solutions for critical infrastructure and other enterprise companies or with whom we compete for spectrum opportunities have more resources, longer operating histories, larger sales and marketing teams and greater political and regulatory influence than we do.

Our Significant Business Relationships

Sprint. In May 2014, we entered into an Asset Purchase Agreement with certain wholly-owned subsidiaries of Sprint (the “Sprint APA”) to acquire: (i) FCC licenses to operate a nationwide dispatch network in the 900 MHz band and (ii) certain 900 MHz equipment. We paid Sprint an aggregate of $100 million for these assets, consisting of $90 million in cash and $10 million in shares of our common stock at a price equal to $20.00 per share. In September 2014, we obtained the necessary approvals from the FCC to transfer the FCC licenses from Sprint to us, and we then completed the closing of the purchase and sales of the spectrum assets.

Motorola. We signed a reseller agreement with Motorola pursuant to which we agreed to purchase, and Motorola agreed to supply us with, the Motorola digital technology we are utilizing to deploy our PTT network and the mobile handsets and devices we are offering to our customers on that network. Additionally, Motorola invested $10 million in our subsidiary, PDV Spectrum Holding Company, LLC, that we formed to hold our 900 MHz spectrum licenses. Motorola’s ownership interest in our subsidiary is convertible, at the option of either Motorola or us, into shares of our common stock at a price equal to $20.00 per share. Motorola is not entitled to any profits, dividends or other distribution from the operations of our subsidiary.

In addition, we entered into a lease agreement with Motorola pursuant to in which our subsidiary agreed to lease a portion of our 900 MHz licenses in exchange for an upfront, fully-paid lease fee of $7.5 million. Under the terms of this lease agreement with Motorola, Motorola can use the leased channels to provide narrowband services to certain qualified end-users. The end-users can only use the leased channels for their own internal communication purposes. The end-users cannot sublease the channels to any other end-users or to any commercial radio system operations or carriers. The lease agreement specifically states that the channels leased to Motorola will not be used in a manner that would be competitive with our services and limits the total number of channels that Motorola can lease in any market area. The lease agreement provides us with flexibility regarding the future use and management of our spectrum, including setting forth relocation and repurposing policies for or affecting the leased channels, which policies are designed to facilitate any necessary re-alignment of frequencies that may be associated with our efforts to assemble contiguous spectrum for broadband uses.

Motorola cannot enter contracts with end-users after December 31, 2020 involving new leases of spectrum from us without our consent and the payment of an additional fee. The initial lease period for any end-user cannot last more than seven years, and the lease can only be renewed for up to three years for an aggregate lease period of up to 10 years. In addition, we agreed to purchase equipment manufactured by Motorola for any future 900 MHz broadband network we deploy, provided that Motorola makes reasonable efforts to ensure the equipment meets our required sourcing criteria.

Our Intellectual Property

To establish and protect our proprietary technologies and service offerings, we rely on a combination of patent, copyright, trademark and trade-secret laws, as well as confidentiality provisions in our contracts. We have implemented a patent strategy designed to protect our pdvConnect and TeamConnect technologies and facilitate the commercialization of our service offerings. Currently, our patent portfolio is comprised of seven issued U.S. patents, two issued European patents and two issued Canadian patents, all of which have been assigned to and are owned by us. In addition, we have several trademarks and service marks to protect our corporate name, services offerings, goodwill and brand. There are currently no claims or litigation regarding these trademarks, patents, copyrights, or service marks. We also rely on trade-secret protection of our intellectual property. We enter into confidentiality agreements with third parties, employees and consultants when appropriate.

The Regulation of Our Business

The FCC regulates the licensing, construction, operation and acquisition of our wireless operations and wireless spectrum holdings in the United States. We hold FCC spectrum licenses in the 900 MHz band as a non-interconnected, non-common carrier SMR service provider. As such, within the limitations of our spectrum holdings and available technology, we are authorized by the FCC to provide non-interconnected mobile communications services, including two-way radio dispatch, and mobile data and internet services.

Licensing. We are entitled to provide our wireless communication services on specified spectrum frequencies within specified geographic areas and in doing so must comply with the rules, regulations and policies adopted by the FCC. The FCC issues each spectrum license for a fixed period of time, typically 10 years in the case of the FCC licenses we currently hold. While the FCC has generally renewed licenses held by operating companies like us, the FCC has authority to both revoke a license for cause and to deny a license renewal if it determines that a license renewal is not in the public interest. Furthermore, we could be subject to fines, forfeitures and other penalties for failure to comply with FCC regulations, even if any such non-compliance is unintentional. The loss of any licenses, or any related fines or forfeitures, could adversely affect our business, results of operations or financial condition.

The Communications Act of 1934, as amended, and FCC rules and regulations require us to obtain the FCC’s prior approval before assigning or transferring control of wireless licenses, with limited exceptions. The FCC’s rules and regulations also govern spectrum lease arrangements for a range of wireless radio service licenses, including the licenses we hold. These same requirements apply to any licenses or leases we may wish to enter into, transfer or acquire as part of our broadband initiatives. The FCC may prohibit or impose conditions on any proposed acquisitions, sales or other transfers of control of licenses or leases. The FCC engages in a case-by-case review of transactions that involve the consolidation or sale of spectrum licenses or leases and may apply a spectrum “screen” in examining such transactions. Because an FCC license is necessary to lawfully provide the wireless services we currently offer and plan to offer or to enable, if the FCC were to disapprove any such request to acquire, assign or otherwise transfer a license or lease, our business plans would be adversely affected. Approval from the Federal Trade Commission and the Department of Justice, as well as state or local regulatory authorities, also may be required if we sell or acquire spectrum.

900 MHz Band Spectrum Reconfiguration. FCC approval will be required to allow repurposing of 900 MHz spectrum from narrowband to broadband and to allow the realignment of the 900 MHz spectrum so that it is capable of supporting the LTE technology consistent with our long-range broadband initiatives. A decision by the FCC declining to permit the needed spectrum repurposing and subsequent realignment activities could have a significant adverse effect on the value of our spectrum and on our future plans for the utilization of that spectrum to enable broadband and other advanced technologies and services.

FCC Regulations. The FCC does not currently regulate rates for services offered by wireless providers. However, we may be subject to other FCC regulations that impose obligations on wireless providers, such as federal Universal Service Fund obligations, which require communications providers to contribute to a fund that supports subsidized communications services to underserved areas and users; rules governing billing, subscriber privacy and customer proprietary network information; roaming obligations; rules that require wireless service providers to configure their networks to facilitate electronic surveillance by law enforcement officials; rules governing spam, telemarketing and truth-in-billing; and rules requiring us to offer equipment and services that are accessible to and usable by persons with disabilities, among others. There are also pending proceedings that may affect spectrum aggregation limits and/or adjustment of the FCC’s case-by-case spectrum screens; regulation surrounding the deployment of advanced wireless broadband infrastructure; the imposition of text-to-911 capabilities; and the transition to IP networks, among others. Some of these requirements and pending proceedings (of which the foregoing examples are not an exhaustive list) pose technical and operational challenges to which we, and the industry as a whole, have not yet developed clear solutions. We are unable to predict how these pending or future FCC proceedings may affect our business, financial condition or results of operations. Our failure to comply with any applicable FCC regulations could subject us to significant fines or forfeitures.

State and Local Regulation. In addition to FCC regulation, we are subject to certain state regulatory requirements. The Communications Act of 1934, as amended, preempts state and local regulation of the entry of, or the rates charged by, any wireless provider. State and local governments are permitted to manage public rights of way and can require fair and reasonable compensation from wireless providers for use of those rights of way so long as the compensation required is publicly disclosed by the government. The siting of base stations also remains subject to some degree of control by state and local jurisdiction. States also may impose competitively neutral requirements that, among other things, are necessary for universal service or to defray the costs of state E911 services programs, to protect the public safety and welfare, and to safeguard the rights of customers.

Tower Siting. Although we currently lease tower space from third parties in connection with deploying and operating our PTT network, if, in the future, we chose to deploy broadband facilities on tower facilities that we build or operate, we will be required to comply with various federal, state and local regulations that govern the siting, lighting and construction of transmitter towers and antennas, including requirements imposed by the FCC and the Federal Aviation Administration ("FAA"). Federal rules subject certain tower site locations to extensive zoning, environmental and historic preservation requirements and mandate consultation with various parties, including State and Tribal Historic Preservation Offices, which can make it more difficult and expensive to deploy facilities. The FCC antenna structure registration process also imposes public notice requirements when plans are made for construction of, or modification to, antenna structures that require FAA approval, potentially adding to the delays and burdens associated with tower siting, including potential challenges from special interest groups. To the extent governmental agencies continue to impose additional requirements like this on the tower siting process, the time and cost to construct towers could be negatively impacted. The FCC has, however, imposed a tower siting "shot clock" that requires local authorities to address tower applications within a specific timeframe, which can assist carriers in more rapid deployment of towers. More recently, the FCC also has initiated proceedings in which it is examining means to accelerate broadband deployment by removing barriers to infrastructure investment.

Motor Vehicle Restrictions. A number of states and localities have banned or are considering banning or restricting the use of wireless handsets and devices while driving a motor vehicle, which in many instances could include the use of PTT devices. Such bans could cause a decline in the number of minutes of use by business customers or make our service less attractive to certain potential subscribers.

Electronic Surveillance. We may be required by law to provide certain surveillance capabilities to law enforcement agencies. If required, we intend to deliver the requisite surveillance capabilities to law enforcement with respect to our PTT service.

National Security. National security and disaster recovery issues continue to receive attention at the federal, state and local levels. For example, Congress is expected to again consider cyber security legislation to increase the security and resiliency of the nation's digital infrastructure. In 2013, the President issued an executive order directing the Department of Homeland Security and other government agencies to take a number of steps to improve the security of the nation's critical infrastructure. The details surrounding the implementation of this order have not been resolved, however, and we cannot predict the cost or other impacts of such measures. Moreover, the FCC continues to examine issues of network resiliency and reliability and may seek to impose additional regulations designed to reduce the severity and length of disruptions in communications.

Our Employees

As of March 31, 2018, we had 98 full-time employees. None of our employees are covered by a collective bargaining agreement. We believe that our relationship with our employees is positive.

As discussed above, on June 1, 2018, our Board approved an initial plan to restructure our TeamConnect and pdvConnect, businesses. As part of the restructuring plan, we eliminated approximately 20 positions, or 20% of our workforce. Affected employees are eligible to receive severance payments based on their level within the organization and years of service, contingent upon an affected employee's execution (and non-revocation) of a separation agreement, which includes a general release of claims against the Company.

Our Corporate Information

Our principal executive offices are located at 3 Garret Mountain Plaza, Suite 401, Woodland Park, New Jersey 07424. Our main telephone number is (973) 771-0300. 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. Our internet website is *www.pdvwireless.com*. The information on or accessible through our website is not incorporated into this Annual Report, and you should not consider any information on, or that can be accessed through, our website a part of this Annual Report.

ITEM 1A. RISK FACTORS

You should carefully consider the following risk factors, together with the other information contained in this Form 10-K/A and our other reports and filings made with the SEC, in evaluating our business and prospects. If any of the risks discussed in this Form 10-K/A occur, our business, prospects, liquidity, financial condition and results of operations could be materially and adversely affected, in which case the trading price of our common stock could decline significantly. Some statements in this Form 10-K/A, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section entitled "Cautionary Statement Concerning Forward-Looking Statements."

Risks Related to Our Spectrum Initiatives and the Use of Our Spectrum

Our initiatives aimed at increasing the usability and capacity of our spectrum may not be successful on a timely basis or at all and may continue to require significant time and attention from our senior management team and our expenditure of significant resources.

Our spectrum is our most valuable asset. While our current spectrum holdings can support our TeamConnect business and the deployment of other narrowband and wideband wireless services, many of the future business opportunities that we have identified will require higher bandwidth than we possess, given the current configuration of our spectrum. As our first priority, we have initiated and are currently pursuing a regulatory process at the Federal Communications Commission ("FCC") aimed at modernizing and realigning our spectrum band to increase its usability and capacity, including to enable the future deployment of broadband and other advanced technologies and services. In November 2014, we and the Enterprise Wireless Alliance ("EWA") submitted a Joint Petition for Rulemaking to the FCC to propose the realignment of a portion of the 900 MHz band from narrowband to broadband. In May 2015, we and the EWA filed proposed rules with the FCC related to the Joint Petition. Comments on the proposed rules were filed in June 2015 and reply comments in July 2015.

On August 4, 2017, the FCC issued a Notice of Inquiry ("NOI") related to our Joint Petition and other proposals involving the 900 MHz band. In the NOI, the FCC announced that it had commenced a proceeding to examine whether it would be in the public interest to change the existing rules governing the 900 MHz band to enable increased access to spectrum, improved spectrum efficiency and expanded flexibility for a variety of potential uses and applications, including broadband and other advanced technologies and services. The FCC stated that the purpose of the NOI was to gather information from interested parties to assist the FCC in its decision-making process. The FCC requested interested parties, including us, to comment on a number of questions related to three potential options for the 900 MHz band: (i) retaining the current configuration of the 900 MHz band, but increasing operational flexibility, (ii) reconfiguring a portion or all of the 900 MHz band to support broadband and other advanced technologies and services or (iii) retaining the current 900 MHz band licensing and eligibility rules. Because the FCC is requesting information on multiple options for the 900 MHz band, the NOI effectively supersedes the Joint Petition and other pending proposals that involved the 900 MHz band. However, a broadband reconfiguration option included in the NOI is consistent with our Joint Petition proposal, and all information we previously provided to the FCC to support the realignment and modernization of the 900 MHz band will remain relevant.

We and EWA filed a joint response to the FCC's NOI on October 2, 2017 and reply comments on November 1, 2017. On May 1, 2018, we and the EWA augmented elements of our initial joint response based on our discussions and interactions with incumbents and other interested parties to the NOI proceeding. This filing was intended to address and resolve issues and concerns expressed by other incumbents in and adjacent to our portion of the 900 MHz band. Our most recent responsive filing also proposes a means to increase the alternatives through which a new 3 X 3 900 MHz broadband spectrum allocation could be put to use by utilities and other members of the critical infrastructure industry, as well as by other enterprises. We believe these alternatives add elements of flexibility and, ideally, could shorten the time required to introduce important broadband communication capabilities to these market segments.

Specifically, our most recent responsive filing proposes that: (i) during the first year after FCC adoption of the relevant licensing rules, utilities and other Business/Industrial/Land Transportation ("B/ILT") applicants would have the exclusive opportunity to secure Private Enterprise Broadband ("PEBB") licenses, and could utilize the traditional frequency coordination process to do so, based on acquiring control of the requisite 240 discrete 900 MHz channels (the number of channels equivalent to a 3 X 3 MHz broadband allocation) through combining any of their own licensed channels with any they might purchase or lease from third party licensees and those they might be assigned from available FCC channel inventory; (ii) successful applicants then could obtain frequency coordinator approval to exchange such channels for a 3 X 3 MHz PEBB license to be issued by the FCC, which could be deployed, operated and maintained, in accordance with applicable service rules, either solely by the applicant licensee, or with the assistance and/or participation of third parties and (iii) the coverage territory for such a PEBB license would correspond (a) in urbanized areas (defined to be the top 306 Cellular Market Areas, or "CMAs"), to a metropolitan statistical area ("MSA") and (b) in non-urbanized areas (the remaining CMAs) to individual existing counties, which we believe, in each case, represent geographic areas that will more closely match up with the service territories of most utilities and the areas of business focus for other private enterprises. In addition, our most recent responsive filing proposes shifting the contemplated 3 X 3 MHz broadband allocation 400 kHz down to a new location in the 900 MHz band, that we believe should effectively relieve any concern regarding potential interference with incumbents in the narrowband PCS spectrum immediately above the top end of our portion of the 900 MHz band, as well as allowing for greater separation between any co-located frequencies in narrowband systems that remain operational in our portion of the 900 MHz band.

We have responded to all outstanding requests for information from the FCC, and we are currently awaiting FCC action. Based on our discussions with the staff of the FCC, we believe that the proceeding currently remains under active consideration. The FCC's next step could be issuance of a Notice of Proposed Rulemaking based on the NOI and the record developed in response to it, a request for additional information, a decision to close the proceeding without further action, or some other action, and the timing of any such next step also remains uncertain. Moreover, certain of the matters proposed in our most recent joint response are contingent on other developments, such as formalizing our tentative agreement with the Association of American Railroads to move from their frequencies, which currently are located immediately below the lower end of our originally proposed 900 MHz broadband allocation, to a location further down in the 900 MHz band, to accommodate the proposed 400 kHz shift of that allocation. There is no assurance that we will reach an agreement with the Association of American Railroads. Further, all aspects of potential changes in the configuration and/or use of frequencies in the 900 MHz band remain subject to necessary FCC approvals.

We continue to believe in the merits of our broadband approach, and that it would be in the public interest for the FCC to realign the 900 MHz band to enable broadband and other advanced technologies and services. Nevertheless, obtaining a favorable result from the FCC may take a significant amount of time and resources. Moreover, there is no assurance that following the conclusion of the NOI process, the FCC will ultimately propose and adopt rules that will allow utilization of our licensed 900 MHz spectrum to offer broadband and other advanced technologies and services.

We may not be successful in identifying, developing or commercializing network and mobile communication solutions utilizing our current and future spectrum and commercially available technologies.

We have in the past identified and evaluated, and continue to identify and evaluate, potential revenue generating activities leveraging our current licensed spectrum and readily available technologies and, if we are successful with our FCC efforts, through the deployment of broadband and other advanced wireless service offerings. Based on our market research, we have identified critical infrastructure and private enterprises as the initial targeted customers for any future private carrier networks that our licensed 900 MHz spectrum holdings may enable. In addition to the critical infrastructure industry, we have identified a number of potential business opportunities to develop next generation network and mobile communication solutions for other enterprise companies, including wideband wireless services and services for machine to machine and the internet of things applications. We intend to selectively pursue those opportunities that will allow us to leverage our nationwide spectrum position and to maximize the value of our spectrum assets and future business opportunities. There is no assurance, however, that we will be successful in our pursuit of any spectrum opportunities that we may identify and elect to pursue. For example, even if the FCC proceedings relating to our 900 MHz broadband spectrum proposal result in regulatory actions consistent with our objectives to enable broadband services targeted to utilities and other private enterprises, our future prospects must be considered in light of the uncertainties, risks, expenses, and difficulties frequently encountered by companies in their early stages of operations and pursuing opportunities in highly competitive and rapidly developing markets. Specifically, there is considerable uncertainty as to whether we can generate sufficient revenues to develop a profitable business from either (i) facilitating the awards of broadband licenses to utilities or other private enterprises by selling or leasing our licensed 900 MHz spectrum to them or (ii) becoming a broadband licensee ourselves and constructing and/or operating, alone or with others, private broadband networks to serve the needs of utilities and other private enterprises. Further, there is no assurance that we will be able to utilize existing broadband and other advanced technologies with our spectrum without requiring modifications to user or end point devices or engaging in product and/or service development efforts, any of which could result in deployment delays, require us to invest in technology or other development activities or otherwise adversely limit the features and reliability of the future products or services, and the financial results of any future opportunities, we elect to pursue. In addition, any future network and mobile communication solutions we pursue may require us to raise significant additional capital, or to license, sell or lease our spectrum to private enterprises (including those in critical infrastructure industries) or to materially change our business plans and operations.

Many of the third parties who have objected to our spectrum initiatives or with whom we are competing against for spectrum opportunities have more resources, and greater political and regulatory influence, than we do.

Our spectrum initiatives are subject to competition from the Tier 1 carriers, local specialized mobile radio, ("SMR") operators and other public and private companies that are in the business of acquiring and developing spectrum assets. In addition, our FCC proceeding and spectrum initiatives have been and may continue to be opposed by certain incumbents and other third parties with conflicting or competing business interests. Many of the third parties who are not supportive of our broadband initiatives or with whom we compete against for spectrum opportunities may have more resources and greater political and regulatory influence than we do, which could prevent, delay or increase the cost of our spectrum initiatives. Further, we may be required to make concessions, contractual commitments or limit the use of our spectrum and/or future business opportunities to address the concerns expressed by opposing incumbents. These concessions and limitations could have a material adverse effect on our operations and business plan, our future prospects and opportunities and on our ability to develop a profitable business.

Government regulations or actions taken by governmental bodies could adversely affect our business prospects, future growth and results of operations.

The licensing, construction, operation and sale of wireless telecommunications systems are regulated by the FCC and, depending on the jurisdiction, state and local regulatory agencies. In particular, the FCC imposes significant regulation on licensees of wireless spectrum with respect to how the spectrum is used by licensees, the nature of the services that licensees may offer and how the services may be offered, including resolution of issues of interference between spectrum bands. If we fail to comply with applicable FCC regulations, we may be subject to sanctions, which may have a material adverse effect on our business. In addition, the FCC grants wireless licenses for terms of generally ten years that are subject to renewal and revocation. There is no guarantee that our licenses will be renewed. Failure to comply with FCC requirements applicable to a given license could result in revocation or non-renewal of the license, depending on the nature and severity of the non-compliance.

Future changes in regulation or legislation could impose significant additional costs on us either in the form of direct out of pocket costs or additional compliance obligations. We may be subject to FCC regulations that impose obligations on wireless providers, such as federal Universal Service Fund obligations, which require communications providers to contribute to a fund that supports subsidized communications services to underserved areas and users; rules governing billing, subscriber privacy and customer proprietary network information; rules prescribing roaming service obligations; rules that require wireless service providers to configure their networks to facilitate electronic surveillance by law enforcement officials; rules governing spam, telemarketing and truth-in-billing; and rules requiring us to offer equipment and services that are accessible to and usable by persons with disabilities, among others. In addition, some state and local jurisdictions have adopted legislation that could affect our costs and operations in those areas, including certain billing practices and consumer-related issues that may not be pre-empted by federal law. Further, the FCC and other federal, state and local governmental authorities could adopt new regulations or take actions, including imposing taxes or fees on our business or that we must pass through to our customers, that could adversely affect our business prospects or results of operations. For example, some jurisdictions have adopted laws restricting or prohibiting the use of portable communications devices while driving motor vehicles, often including PTT devices. If similar laws are enacted in other jurisdictions, we may experience reduced subscriber usage and demand for our services, which could have a material adverse effect on our results of operations.

Further, the FCC and Congress may make additional spectrum available for communications services, which may result in the introduction of additional competitive entrants to the already crowded wireless communications marketplace in which we compete. For example, the federal government recently created and funded the First Responder Network Authority (“FirstNet”), which the federal government authorized to help accomplish, fund and oversee the deployment of a dedicated Nationwide Public Safety Broadband Network (“NPSBN”). Such an NPSBN may provide an additional source of competition to utilizing our 900 MHz spectrum to support broadband services if the FCC elects to realign a portion the 900 MHz band from narrowband to broadband. Please see the risk factor “*Our initiatives aimed at increasing the usability and capacity of our spectrum may not be successful on a timely basis or at all, and may continue to require significant time and attention from our senior management team and our expenditure of significant resources”* above regarding the impact government regulations and actions may have on our request to realign a portion of the 900 MHz band from narrowband to broadband.

The value of our spectrum may fluctuate significantly based on supply and demand, as well as technical and regulatory changes.

The FCC spectrum licenses we hold are the Company’s most valuable asset. The value of our spectrum, however, may fluctuate based on various factors, including, among others: the regulatory status and outcome of the NOI; potential uses of our spectrum based on FCC rules and regulations and available technology; the market availability of spectrum; existing demand for spectrum resources; regulatory changes by the FCC to make additional spectrum available or to promote more flexible uses of existing spectrum; the fluctuation of auction prices of spectrum in neighboring bands or any unsuccessful auctions of such spectrum. Similarly, the price of any additional spectrum we desire to purchase to support our spectrum initiatives or our future business plans and growth will also fluctuate based on similar factors. Any decline in the value of our spectrum or increases in the costs of spectrum we decide to acquire could have an adverse effect on our market value and our business and operating results.

Spectrum is a limited resource, and we may not be able to obtain sufficient contiguous spectrum to support our spectrum initiatives or our planned business operations and future growth.

Spectrum is a limited resource that is regulated in the United States by the FCC. The 900 MHz spectrum licenses we purchased from Sprint are sufficient to allow us to operate our TeamConnect business as well as certain services for M2M and related IoT applications. Nevertheless, we will need to acquire additional contiguous spectrum to support our broadband initiatives, and we may need to acquire additional spectrum to support our future business plans and any next generation network and mobile communication solutions we elect to enable for others or to develop and offer ourselves. Additionally, if our FCC initiatives, as recently supplemented and refined, result in the creation of mechanisms to realign a portion of the 900MHz spectrum from narrowband to broadband, we may enter into leasing or other transfer arrangements involving some or all of our licensed spectrum holdings in particular market areas to enable utilities, other critical infrastructure industry members or private enterprises to obtain a 900 MHz licensed broadband spectrum allocation for the affected market(s), and we may have no ongoing role or business opportunity in constructing or operating a private wireless network, or in providing services, using such licensed broadband spectrum. We have acquired, and may continue to acquire, additional spectrum through negotiated purchases. We also may elect to acquire additional spectrum in government-sponsored auctions of spectrum. We cannot assure you, however, that we will be successful in acquiring the additional spectrum we may need to support our realignment efforts, our spectrum initiatives, or any future network or mobile communication solutions we elect to pursue on commercially reasonable terms, or at all. Any failure to obtain any additional spectrum we may require for our current business plans and opportunities, or the contiguous spectrum required for our future business plans and opportunities, will adversely impact our revenues and our future growth potential and may adversely impact our ability to realign our 900 MHz spectrum and pursue our spectrum initiatives.

Risks Related to Our Business

We have a limited history with respect to the implementation of our TeamConnect business and with the spectrum realignment efforts we are pursuing with the FCC, which makes it difficult to evaluate our prospects and future financial results, and our business activities, strategic approaches and plans may not be successful.

Although we were incorporated in 1997, our business model and strategy changed significantly following our acquisition of 900 MHz spectrum licenses in September 2014. Following this acquisition, we developed and deployed our TeamConnect service in seven major metropolitan markets in the United States. We also commenced an FCC rulemaking process aimed at increasing the usability and capacity of our spectrum assets. As a result, the ability to forecast our future operating results is limited and subject to a number of risks and uncertainties, including our ability to accurately forecast and estimate our future revenues and the expenses and time required to pursue our spectrum initiatives and business opportunities. We have encountered, and expect to continue to encounter, risks and uncertainties frequently experienced by new businesses in highly competitive, technical and rapidly changing markets. If our assumptions regarding these risks and uncertainties are incorrect or change in reaction to changes in our markets, in our FCC regulatory processes, in our business plans or opportunities, in PTT or other communications technologies, in economic conditions, or if we do not manage or address these risks and uncertainties successfully, our results of operations could differ materially and adversely from our expectations.

As a new and unproven business, any future success will depend, in large part, on our ability to, among other things:

- achieve a successful outcome in the current FCC proceedings, resulting in a realignment of our spectrum band to increase its usability and capacity, including for the future deployment of broadband technologies and services;
- successfully identify, develop and commercialize network and mobile communication solutions utilizing our current and future spectrum assets;
- successfully manage the operating costs of our TeamConnect and pdvConnect businesses;
- successfully implement the initial restructuring plan and any future restructuring actions approved by our Board of Directors for our TeamConnect and pdvConnect businesses;
- establish and maintain commercial, strategic and other key relationships with third parties that may be required to achieve our regulatory initiatives, operate our TeamConnect and pdvConnect businesses and to pursue any future broadband business opportunities subject to obtaining favorable results in our FCC initiatives;
- successfully compete against competitors with significantly greater resources and pricing flexibility, and with greater political and regulatory influence; and
- scale our internal business, regulatory, technical and commercial operations in an efficient and cost-effective manner.

Any failure to achieve one or more of these objectives could adversely affect our business, our results of operations and our financial condition.

We have had net losses each year since our inception and may not achieve or maintain profitability in the future.

We have incurred net losses each year since our inception, including net losses of $24.6 million, $39.2 million and $21.8 million in the fiscal years ended March 31, 2018, 2017 and 2016, respectively. We expect to continue to incur significant net losses in the future for a number of reasons, including without limitation, the anticipated loss of our largest customer of our pdvConnect business , the costs and loss of revenue resulting from the initial restructuring plan and any future restructuring actions approved by our Board of Directors for our TeamConnect and pdvConnect businesses, and the other risks and uncertainties described in this Annual Report related to the commercialization of our TeamConnect service and the pursuit of our spectrum and business initiatives. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in levels of revenue below our current expectations, or losses or expenses that exceed our current expectations. If our losses or expenses exceed our expectations or our revenue assumptions are not met in future periods, we may never achieve or maintain profitability in the future.

We may fail to effectively execute the initial and any future restructuring plan approved for our TeamConnect and pdvConnect businesses, which could result in total costs that are greater than expected and cause us not to achieve the expected long-term operational benefits.

In June 2018, we announced an initial plan to restructure our business aimed at reducing the future operating costs of our narrowband operations and better aligning and focusing our business priorities on our spectrum initiatives aimed at modernizing and realigning the 900 MHz band to increase its usability and capacity, including for the future deployment of broadband and other advanced technologies and services. Our Board of Directors and management team have commenced a comprehensive review and assessment of our existing TeamConnect business in our initial seven markets, its prospects both as a stand-alone business and as a complementary business to potential future 900 MHz broadband network deployments in those markets. Based on this assessment, our Board has authorized further workforce reductions, including most of our sales and marketing personnel, and other cost reduction initiatives and may continue to authorize additional cost reduction initiatives in the future. Risks associated with these actions include unexpected costs, higher customer churn and reduced revenues, liabilities and legal actions, adverse effects on employee morale and the Company's business operations. We may fail to effectively execute any restructuring plans approved by our Board as a result of these risks. Any failure to properly execute the restructuring plans approved by our Board could result in total costs that are greater than expected, lower revenues, and cause us not to achieve the expected long-term operational benefits and adversely affect our financial condition, operating results and future operations.

We may not be able to successfully operate our TeamConnect business.

Our PTT networks and our TeamConnect service target a very specific niche of potential enterprise customers within the existing market for wireless communications services. The subset of the market we targeted with our PTT networks and our TeamConnect service did not prove to be as large or as easy to convert from other competitive service offerings, as we initially expected. For example, we have experienced significantly slower customer growth than we initially anticipated in the seven markets in which we have deployed our PTT networks. In response to our difficulties in achieving satisfactory growth in the revenue and customer base for our PTT network business, we implemented a number of sales, marketing and advertising initiatives and programs to increase sales in these markets and to supplement and provide additional support to our indirect sales network. However, although the performance of our PTT networks and our related TeamConnect services business showed some improvement, the improvement was still below the level and the pace that we sought. As a result, on June 1, 2018, our Board approved an initial plan to restructure our TeamConnect and pdvConnect, businesses, which included the elimination of approximately 20 positions, or 20% of our workforce, including most of our sales and marketing personnel. In addition, our Board of Directors and management team have continued their comprehensive review and assessment of our existing TeamConnect business in our initial seven markets, its prospects both as a stand-alone business and as a complementary business to potential future 900 MHz broadband network deployments in those markets. This review and assessment process has included an examination of potential future alternatives for our pdvConnect service and business, and whether it continues to be in the best interests of pdvWireless and its stockholders to actively pursue these business opportunities, especially in light of the Company's continuing shift in focus to its spectrum initiatives and its recent progress in obtaining support from incumbents who had previously opposed the Company's position. Further, we cannot assure you that the past experience of our management team will be sufficient to enable us to develop and implement alternative approaches that might allow us to successfully operate our TeamConnect business in our existing seven markets. As a result, we cannot assure you that we can successfully implement our restructuring plan, control the ongoing operating costs our PTT business or otherwise efficiently operate our TeamConnect business.

We rely on the selling efforts of third-party sales representatives, such as Motorola's dealer network, and these sales representatives have not met, and may continue to not meet, our expectations, which has had, and may continue to have, an adverse effect on our business and results of operations.

We primarily offer our TeamConnect services to customers indirectly through third-party sales representatives selected from Motorola's nationwide dealer network and from other select third-party wireless dealers. To date, sales of our TeamConnect service have been slower to ramp-up than our initial expectations for a number of reasons, including but not limited to, the performance of our indirect third-party sales representatives, longer initial sales cycles, and coverage gaps that existed in certain markets due to delays in our deployment of planned sites. We have not been successful and may continue to be unsuccessful, in incentivizing our third-party sales representatives to promote our TeamConnect services at the levels necessary to grow our business. Further, the efforts and programs we have implemented, including our sales training, lead generation and marketing and advertising initiatives, have not be successful in increasing sales through our third-party sales representatives. The failure by these parties to meet our sales expectations, or to effectively promote our TeamConnect services, has had, and will continue to have, an adversely affect our business and our results of operations.

We may not be able to correctly estimate our future revenues or operating expenses, which could lead to cash shortfalls, and require us to secure additional financing sooner than planned.

We may not correctly predict the amount or timing of our future revenues and our operating expenses may fluctuate significantly in the future as a result of a variety of factors, many of which are outside of our control. These factors include:

- the time and resources required to pursue our spectrum initiatives, including our FCC proceedings and our contacts with incumbents to gain support for our initiatives;
- the costs and potential liabilities related to our implementation of the initial restructuring plan and any future restructuring actions approved by our Board of Directors for our TeamConnect and pdvConnect businesses;
- our expectations regarding revenues from our TeamConnect and our pdvConnect businesses;
- the cost and time to identify, develop and commercialize any network and mobile communication solutions we pursue as part of our long-term business plan;
- the expenses we incur to operate, maintain and improve our existing and any future private carrier networks we deploy;
- the cost and time to satisfy unique customer requirements; and
- the costs to attract and retain personnel with the skills required for effective operations.

In addition, our budgeted expense levels are based in part on our expectations that our restructuring actions will be effective in reducing our operating expenses to correspond better with the anticipated reduction in the future revenues from our TeamConnect and pdvConnect businesses, as well as on the timing of receiving regulatory approvals required to pursue our broadband spectrum initiatives. However, we may not correctly predict the costs, amounts or timing of such future revenues or the timing or costs required to pursue our regulatory and business initiatives. We may not be able to adjust our operations in a timely manner to compensate for any shortfall in our revenues, delays in our spectrum initiatives or increases in the expenses required to implement our long-term business plan. As a result, a significant shortfall in our planned revenues, a significant delay in our spectrum initiatives or a significant increase in our planned expenses could have an immediate and material adverse effect on our business and financial condition. In such case, we may be required to issue additional equity or debt securities or enter into other commercial arrangements sooner than anticipated to secure the additional financial resources to support our future operations and the implementation of our business plans.

We may need to secure additional financing to support our long-term business plans.

We have used significant funds to pursue our spectrum initiatives, to deploy our PTT networks and to operate our TeamConnect business. Our future capital requirements will depend on many factors, including: the time and costs required to pursue our spectrum initiatives, including our FCC proceedings; the costs to implement the initial restructuring plan and any future restructuring actions approved by our Board of Directors for our TeamConnect and pdvConnect businesses; the timing and amount of the revenues we generate from our TeamConnect and pdvConnect businesses; the costs to identify, develop and commercialize any future network and mobile communication solutions we elect to pursue; the costs and success of our commercialization activities and initiatives; and our ability to control our operating expenses. As a result, we cannot provide assurance that we will not require additional funding in the future to support our operations and pursue our business plans. We expect that we may be required to issue additional equity or debt securities or enter into other commercial arrangements, including relationships with corporate and other partners, to secure the additional financial resources to support our development efforts and to implement our long-term business plans. Depending upon market conditions, we may not be successful in raising sufficient additional capital on a timely basis, on favorable terms, or at all. Additionally, the issuance of additional equity securities, including securities convertible into or exercisable for our equity securities, would result in the dilution of the ownership interests of our present stockholders. If we fail to obtain sufficient additional financing, or fail or are unable to enter into relationships with others that provide additional financial resources, we may not be able to develop our network and mobile communication solutions in accordance with our long-term business plans, and we may be required to delay significantly, reduce the scope of or eliminate one or more of our business or spectrum initiatives, downsize our general and administrative infrastructure, or seek alternative measures to raise additional funds.

We rely on Motorola to design, develop and supply our PTT network equipment and mobile handsets and devices.

Motorola has developed and designed the digital technology and equipment we are utilizing for our PTT network and the mobile handsets and devices we offer to our TeamConnect customers. In addition, we have entered into agreements with Motorola in which we have agreed to purchase our existing and future network equipment and the mobile handsets and devices we offer to our customers from Motorola, subject to certain terms and conditions. As a result, our business is substantially dependent on market acceptance of Motorola’s products and on Motorola’s ability and willingness to deliver high-quality network equipment and mobile handsets and devices in the quantities and on the time frames we require for our existing and future business. Our business and operations would be negatively impacted by any failure by Motorola to meet our design, development and supply requirements. Moreover, Motorola is also a significant supplier of wireless communications equipment and devices to our competitors. Motorola may elect to focus a greater amount of their financial and other resources on the development of enhanced features and improved functionality for the wireless networks and equipment used by our competitors or on developing alternative technologies, rather than the network, equipment and technology used by us. Due to these factors, we might be forced to supply our customers with services, equipment or devices that are either more costly or qualitatively inferior to the services, equipment or technologies offered by our competitors or which have less market acceptance then those products offered by our competitors. As a result, our arrangements with Motorola may reduce our operational flexibility and may delay or prevent us from employing new or different technologies that perform better or are available at a lower cost or that have superior market acceptance, because of the additional economic costs and other impediments to change generally, as well as those that arise under our agreements with Motorola. In the event that Motorola or another one of our suppliers is unable to deliver the network equipment and the mobile devices and handsets required by our existing and future operations, we may not be able to deploy our existing and future networks and offer services to our customers on a timely basis and with the competitive features, functionality and costs our business requires, any of which would adversely affect our future growth and our results of operations. Alternatively, Motorola may decide to phase-out or upgrade and replace the technology we are currently utilizing in our TeamConnect business. In this case, we could be required to deploy new technology, which also could involve modifying existing infrastructure equipment and user devices, in order to continue to grow our TeamConnect business, which could increase our deployment and operating costs more than the amount of any revenue or cost savings benefits we might realize.

The wireless communications industry is highly competitive, and in order for us to build a successful business we will need to convert customers to our TeamConnect service from the services offered by our competitors.

There are currently a number of national wireless communications services providers, including certain Tier 1 carriers and local two-way SMR radio operators, that offer two-way PTT dispatch services. We believe that a significant majority of our targeted TeamConnect customers will be existing users of the PTT services offered by our competitors and may be difficult to attract away from the services offered by our competitors. We have always expected, and we continue to believe, that to build a successful PTT business we will need to convert customers to our TeamConnect service from the services offered by our competitors. In order for us to compete effectively, we will need to demonstrate the superiority of our service offerings and may be required to offer competitive or discounted prices in order to convert our targeted customers from the services they are receiving from our competitors. In addition, our targeted customers operate in different industry verticals, and as a result, we will need to tailor our sales and marketing approach to many different categories of customers. If we are unable to convert a sufficient number of customers to our TeamConnect service from the services they are receiving from our competitors, our ability to grow our TeamConnect business and our operating results will suffer.

Many of our competitors are financially stronger and have more resources than we do, which may limit our ability to compete with their service and product offerings.

Because of their resources and, in some cases, ownership by larger companies, many of our competitors are financially stronger and have more resources than we do, which may enable them to offer services and products to our targeted customers at prices that are below the prices at which we can offer comparable services or products. In addition, these competitors may be able to use their greater resources to build networks and offer devices that are more robust, provide higher quality operation or offer enhanced features and functionality than the services and products we can offer to our targeted customers. If we cannot compete effectively based on the price, quality and functionality of our service and product offerings, our revenues and growth may be adversely affected.

Additionally, national wireless communications service providers that offer cellular phone services that do not incorporate a PTT function, or that incorporate a PTT function that we consider inferior to our own in important areas, often provide customers with free or significantly discounted or subsidized handsets as an enticement to sign up for their particular suite of services, which can include services in addition to those offered by us. In contrast, our customers typically purchase mobile handsets or devices from us or our dealers in order to utilize our TeamConnect service. The cost of the handsets that we offer our customers, as compared to cellular handsets that do not incorporate a PTT dispatch-centric, multi-function capability similar to that which is provided in our handsets, may make it more difficult or less profitable for us to attract customers. Moreover, the cost of our handsets combined with the offering of free handsets by some wireless communications services providers may require us to adopt or expand subsidy programs that would cause us to absorb part of the cost of offering our handsets to new and existing customers. These increased costs for our targeted customers to acquire handsets for use on our PTT networks and any handset subsidy expenses we may need to absorb to offset a portion of these increased costs may reduce our growth and profitability.

If other wireless vendors or service providers improve their existing PTT dispatch services or we fail to keep pace with rapid technological changes, we may not be able to attract or retain our targeted customers.

A number of Tier 1 carriers already offer or plan to offer wireless equipment that is capable of providing PTT services or technologies that compete or could compete with our PTT service and product offerings. In addition, a number of third parties have developed mobile communication and workforce management applications that offer comparable functionality to pdvConnect, our suite of mobile resource management applications included with our TeamConnect service. Moreover, future technological advancements have occurred and may continue to occur quickly and may render our services or technology obsolete or enable other wireless technologies to offer services or functionalities that are equal to or better than those available in our PTT offerings, including at lower prices. In addition, competition among the differing wireless communications technologies could:

- further segment the industry markets in which our target customers operate, which could reduce the demand for, and competitiveness of, our services and technology;
- cause our indirect sales representatives to focus on offering the technologies and services developed by our competitors; and
- reduce the resources devoted by third party suppliers, such as Motorola, to developing or improving the technology for our network and PTT offerings.

If the services, technologies or applications offered by our competitors are perceived to be or become, or if any such services, technologies or applications introduced in the future are, largely comparable or superior to the PTT services, technologies or applications we offer, we may not be able to attract or retain sufficient numbers of our targeted customers or grow our business.

Moreover, the largest national wireless communications service providers by revenue, including the Tier 1 carriers, do not currently focus on PTT dispatch services as a primary component of their businesses. However, if that were to change, it would likely be difficult for us to compete effectively with such providers. These larger service providers have larger existing customer bases that they will be able to introduce PTT dispatch services to, have more money to spend on research and development that may enable them to create services and products that are qualitatively superior to ours, have the ability to conduct nationwide sales and marketing campaigns and may have the ability to operate successfully on a smaller profit per user margin due to the larger volume of customers they service. Any of these matters that reduce the potential competitive advantages of our TeamConnect business could limit our ability to attract and retain customers in our target market verticals, which would adversely affect the future growth and financial results of our TeamConnect business.

If our customers do not renew their services with us, our operating results will be harmed.

We do not require our customers to enter into long-term contracts (unlike most of our local SMR system operator competitors) for our TeamConnect service. As a result, our business strategy depends on building and maintaining a loyal customer base. Our ability to retain customers depends on a number of factors, including our ability to continue to offer our customers high-quality, robust and cost-effective services, the effectiveness of our customer support, the budgeted amounts that our targeted customers are prepared to devote to obtaining their mobile communications solutions and the service and product offerings of our competitors. In addition, we may lose customers if we do not develop new solutions, features and functionality that meet their evolving needs. Given our limited operating history in our TeamConnect business and the recent implementation of our restructuring plans, we are unable to accurately predict our customer retention and renewal rates. For example, we recently received information from one of our Tier 1 carrier partners that the largest customer of pdvConnect planned to discontinue its use of our pdvConnect service during Fiscal 2019. The revenues we generated from this customer were $2.4 million, $1.8 million, and $1.4 million for the years ended March 31, 2018, 2017, and 2016, respectively, which represented 37%, 37% and 38% of our total operating revenues for those same fiscal years, respectively. If our customers do not renew their services with us, our future operating results will be harmed.

We may face pressure to reduce our per user prices for our TeamConnect service, which could adversely affect our operating results.

Our competitors may decrease prices or increase the features and functionality of their service and product offerings at an existing price, which could require us to reduce the per user price for our TeamConnect service. In addition, the introduction of new devices and technologies are allowing competitors to offer competing services and devices to our TeamConnect customers and potential customers at lower initial costs and lower on-going monthly costs. Competition in pricing and service and product offerings may also adversely impact our customer retention and churn rate. We may encounter market pressures to:

- migrate existing customers to lower priced service offering packages;
- restructure our service offering packages to offer more value;
- reduce our service offering prices; or
- respond to particular short-term, market specific situations, such as special introductory pricing or particular new product or service offerings, in a particular market.

Further, our recently announced restructuring plan and any future actions approved by our Board of Directors may put pressure on the prices we can charge for our TeamConnect service. To the extent that we are required to offer more competitive pricing packages, our average monthly revenue per user may decrease, which could adversely affect our results of operations. In addition, any future pricing pressure could make it increasingly difficult for us to remain competitive.

Our reputation and business may be harmed, and we may be subject to legal claims if there is loss, disclosure or misappropriation of or access to our, or our customers', information or other breaches of our information security.

We make extensive use of online services and centralized data processing, including through third-party service providers. The secure maintenance and transmission of customer information is an important element of our operations. Our information technology and other systems, or those of our service providers, that maintain and transmit customer information, including location or personal information, may be compromised by a malicious third-party penetration of our network security, or that of a third-party service provider, or impacted by unauthorized intentional or inadvertent actions or inactions by our employees, or those of a third-party service provider. Cyber-attacks, which include the use of malware, computer viruses and other means for disruption or unauthorized access, have increased in frequency, scope and potential harm in recent years. While, to date, we have not been subject to cyber-attacks or other cyber incidents which, individually or in the aggregate, have been material to our operations or financial condition, the preventive actions we take to reduce the risk of cyber incidents and protect our information technology resources and networks may be insufficient to repel a major cyber-attack in the future. As a result, our customers' information may be lost, disclosed, accessed, used, corrupted, destroyed or taken without the customers' consent.

In addition, we and third-party service providers process and maintain our proprietary business information and data related to our business-to-business customers or suppliers. Our information technology and other systems, or those of service providers, that maintain and transmit this information, may also be compromised by a malicious third-party penetration of our network security or that of a third-party service provider, or impacted by unauthorized intentional or inadvertent actions or inactions by our employees or those of a third-party service provider. We also purchase equipment from third parties that could contain software defects, malware, or other means by which third parties could access our network or the information stored or transmitted on our or our suppliers' networks or equipment. We also may face increased risks of becoming subject to cyber-attacks or other cyber incidents as we expand our business model and activities to include establishing and operating our own dedicated broadband networks. As a result, our business information, or subscriber or supplier data, may be lost, disclosed, accessed, used, corrupted, destroyed or taken without consent. Any major compromise of our data or network security, failure to prevent or mitigate the loss of our services or customer information and delays in detecting any such compromise or loss could disrupt our operations, impact our reputation and customers' willingness to purchase our service and subject us to additional costs and liabilities, including litigation, which could produce material and adverse effects on our business and results of operations.

The products and services utilized by us and our suppliers may infringe on intellectual property rights owned by others.

We purchase network equipment and mobile products from Motorola and other suppliers that incorporate or utilize intellectual property which we do not own. From time to time our suppliers have received, and we and our suppliers may receive in the future, assertions and claims from third parties that the products or software utilized by us or our suppliers and service providers infringe on the patents or other intellectual property rights of these third parties. These claims could require us or an infringing supplier or service provider to discontinue certain activities or to discontinue using or selling the relevant products and services. Even when unsuccessful, these claims can be time-consuming and costly to defend, and divert management resources. If these claims are successful, we could be forced to pay significant damages or stop selling certain products or services or stop using certain trademarks, which could adversely affect our results of operations.

Our business could be negatively impacted by disruptions arising from causes beyond our control.

Major equipment failures, catastrophic events, power anomalies or outages, natural disasters, including severe weather, terrorist acts or breaches of network or information technology security that affect wireless networks, including transport facilities, communications switches, routers, microwave links, cell sites or other equipment or third party owned local and long-distance networks on which we rely, could have a material adverse effect on our business and results of operations.

Risks Related to Our Organization and Structure

We may change our operational policies, spectrum initiatives and business and growth strategies without stockholder consent, which may subject us to different and more significant risks in the future.

Our executive management team, with oversight from our board of directors, establishes our operational policies, spectrum initiatives and business and growth strategies. Our board of directors and executive management team may make changes to, or approve transactions that deviate from, our current policies, initiatives and strategies without a vote of, or notice to, our stockholders. For example, on June 1, 2018, our Board approved an initial plan to restructure our TeamConnect and pdvConnect businesses, which included the elimination of approximately 20 positions, or roughly 20% of our workforce. Further, on May 1, 2018, we and the EWA augmented elements of our initial joint response in the 900 MHz NOI proceeding based on our discussions and interactions with other interested parties to the NOI proceeding. This could result in us conducting operational matters, making investments or pursuing different initiatives, business or growth strategies than those we are currently pursuing. Under any of these circumstances, we may expose ourselves to different and more significant risks and increase our expenses and financial requirements, any of which could have a material adverse effect on our business, prospects, liquidity, financial condition and results of operations.

We depend on our executive officers and key personnel.

Our success depends to a significant degree upon the contributions of our executive officers and key personnel. Although we have adopted a severance plan for our executive officers, we do not otherwise have long-term employment agreements with any of our executive officers or key personnel. In addition, there is no guarantee that these individuals will remain employed with us. If any of our executive officers or key personnel were to cease employment with us, our operating results could suffer. Further, the process of attracting and retaining suitable replacements for our executive officers and key personnel whose services we may lose would result in transition costs and would divert the attention of other members of our senior management team from our existing operations. The loss of services from our executive officers or key personnel or a limitation in their availability could materially and adversely impact our business, prospects and results of operations. Further, such a loss could be negatively perceived in the capital markets. We have not obtained and do not expect to obtain key man life insurance that would provide us with proceeds in the event of the death or disability of any of our executive officers or key personnel.

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 have discovered and may in the future discover 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 change in the accounting treatment of our net operating losses ("NOLs") in accordance with the new tax laws provisions in the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017 (the "TCJA"). The TCJA, among other items: (i) increased the NOL carryforward period from 20-years to an indefinite carryforward period and (ii) limited the percentage of NOLs that may be used to offset taxable income to 80%. In preparing our financial statements for quarterly period ended December 31, 2017 and for the year ended March 31, 2018, we, in consultation with our third-party tax firm, determined that it was unlikely that Congress intended to provide this double benefit to the NOLs generated by the Company during Fiscal 2018. As a result, we determined that an appropriate approach would be to continue to limit the carryforward period for our 2018 NOLs to 20 years, rather than apply an indefinite life to these NOLs. However, based on our review of available accounting literature in connection with preparing our financial statements for the quarter ended June 30, 2018, we determined that we should apply the accounting changes implemented by the TCJA in accordance with the effective dates set forth in the TCJA. Specifically, we determined that, based on the current language of the TCJA, the correct accounting treatment for the NOLs we generated during Fiscal 2018 is to apply an indefinite life to those NOLs. Applying an indefinite life to our NOLs enables us to utilize an increased amount of NOLs to offset the deferred tax liability created by amortization of our indefinite-lived intangibles. This error, which was not detected timely by our management, was the result of an inadequate design of controls pertaining to the Company's review and analysis of changing tax legislation. The deficiency represents a material weakness in our internal control over financial reporting. As a result, we filed restated financial statements for the quarterly period ended December 31, 2017 and for the year ended March 31, 2018.

Our management has taken steps and is actively engaged in taking additional steps to remediate the material weakness identified above. The remediation plan includes (i) the implementation of new controls designed to evaluate the appropriateness of our income tax policies and procedures, and (ii) additional training focused on new tax legislation and (iii) reviewing and evaluating tax guidelines published by the major accounting firms. Nevertheless, we cannot be certain that we will be successful in remediating the existing material weakness in our internal control over financial reporting or maintain 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.

Changes in accounting rules, assumptions and/or judgments could materially and adversely affect us.

Accounting rules and interpretations for certain aspects of our operations are highly complex and involve significant assumptions and judgments. Our reported financial statements have been and will continue to be based on our assumptions and judgments, and any changes in these assumptions or judgments could have a material impact on our results of operations and the other information contained in our financial statements. The complexities of these assumptions and judgments could also lead to a delay in the preparation and dissemination of our financial statements or could subject our financial statements to restatement if our independent auditors, the SEC or we determine such assumptions or judgments must be changed. Furthermore, changes in accounting rules and interpretations could significantly impact our financial statements. In some cases, we could be required to apply a new or revised standard retroactively, resulting in restating prior period financial statements. Any of these circumstances could have a material adverse effect on our reported financial condition and results of operations.

We have a concentration of risk related to the pdvConnect accounts receivable from a third-party carrier and failure to fully collect outstanding balances from this carrier may adversely affect our results of operations in the near term.

We offer pdvConnect as a mobile workforce management application directly through our sales force and indirectly through two domestic Tier 1 carriers. As of March 31, 2018, we had accounts receivable balances owed to us by one Tier 1 domestic carrier representing approximately 53% of our accounts receivable balances. This same Tier 1 domestic carrier recently informed us that the largest customer of our pdvConnect service planned to discontinue its use of that service during Fiscal 2019. We maintain an allowance for doubtful accounts based on the credit risk, historical trends, and other information, as well as for any specific instances we become aware of that may preclude us from reasonably assuring collection on outstanding balances. Determining the allowance for doubtful accounts is judgmental in nature and often involves the use of significant estimates. A determination that requires a change in our estimates for the accounts receivable from this carrier, or a failure by this carrier to pay a significant portion of its outstanding accounts receivable balances, could have a negative impact on our results of operations and financial condition in the near term as revenues generated by pdvConnect currently represent a significant portion of our revenues.

Risks Related to Our Common Stock

We have a limited trading history and there is no assurance that a robust market in our common stock will develop or be sustained.

Our common stock began trading on The NASDAQ Capital Market in February 2015. Since our common stock began trading, we have had limited daily trading volume and we cannot assure you that a more active or liquid trading market for our common stock will develop, or will be sustained if it does develop, either of which could materially and adversely affect the market price of our common stock, our ability to raise capital in the future and the ability of stockholders to sell their shares at the volume, prices and times desired. In addition, the early stage of development of our spectrum initiatives and our lack of significant operating history relevant to our TeamConnect business makes it difficult to evaluate our business, our future prospects and the valuation of our Company, which limits the liquidity and volume of our common stock and may have a material adverse effect on the market price of our common stock.

Our common stock prices may be volatile which could cause the value of our common stock to decline.

Prior to the listing of our shares of common stock on The NASDAQ Capital Market in February 2015, there was no public market for our common stock. The market price of our common stock may be highly volatile and subject to wide fluctuations. Our financial performance, developments concerning our spectrum initiatives, tax laws, interest rates and market conditions in general could have a significant impact on the future market price of our common stock.

Some of the factors that could negatively affect or result in fluctuations in the market price of our common stock include:

- the status of the NOI, including any actions that may preclude or delay an eventual rulemaking process, or any requirements or restrictions the FCC imposes on the future use of our spectrum in any proposed rulemaking;
- market reaction to our spectrum initiatives and any changes in our business plans;
- the operating and financial results and prospects of our TeamConnect and pdvConnect businesses, including those produced by the initial restructuring plan and any future restructuring actions approved by our Board of Directors;
- additions or departures of key personnel;
- changes in market valuations of similar companies;
- actions by our stockholders;
- speculation in the press or investment community;
- general market, economic and political conditions, including an economic slowdown or dislocation in the global credit markets;
- our operating performance and the performance of other similar companies;
- changes in accounting principles, judgments or assumptions; and
- passage of legislation or other regulatory developments that adversely affect us or our industry.

Concentration of ownership will limit your ability to influence corporate matters.

Based on our review of publicly available filings as of May 25, 2018, funds affiliated with Cerberus Capital Management beneficially owned approximately 24.0% and the other holders of Company common stock who have made Form 13G filings with the SEC prior to May 25, 2018 beneficially own, in the aggregate, a total of approximately 61.0% of our outstanding shares of common stock, and together with Cerberus Capital Management, approximately 85.0% of our outstanding shares of common stock. Specifically, based on publicly available filings as of May 25, 2018: funds affiliated with Owl Creek beneficially owned roughly 16.4% of our outstanding common stock; funds affiliated with Pacific Investment Company owned roughly 10.4% of our outstanding common stock; funds affiliated with The Vanguard Group beneficially owned roughly 8.7% of our outstanding common stock; funds affiliated with TPG Global owned roughly 9.1% of our outstanding common stock; funds affiliated with American Financial Group beneficially owned roughly 7.5% of our outstanding common stock; and Vanguard Funds owned roughly 5.4% of our outstanding common stock. In addition, our directors and executive officers beneficially owned approximately 5.6% of our outstanding capital stock. Although we are not aware of any voting arrangements between these stockholders, they have the ability to determine (if acting together) or significantly influence (if acting as a group of two or more): (i) the outcome of any corporate actions submitted by our Board of Directors for approval by our stockholders and (ii) any proposals or director nominees submitted by a stockholder. Further, they could place significant pressure on our Board of Directors to pursue corporate actions, director candidates and business opportunities or initiatives they identify. For example, these stockholders could effectively block the proposed sale of the company recommended by our Board of Directors. Alternatively, these stockholders could place pressure on our Board of Directors to pursue a sale of the company or its assets. As a result of this concentration of ownership, our other stockholders may have no effective voice in our corporate actions or the operations of our business, which may adversely affect the market price of our common stock.

We are an "emerging growth company," and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and may remain an emerging growth company until up to 2020. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- Not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- Reduced disclosure obligations regarding executive compensation; and
- Exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We cannot predict whether investors will find our common stock less attractive if we continue to rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

In addition, the JOBS Act also provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Nevertheless, at this time, we have elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards not later than the relevant dates on which adoption of such standards is required for other public companies.

We do not intend to pay dividends on our common stock for the foreseeable future.

We currently intend to retain our future earnings, if any, to finance the development and expansion of our business and pursuit of our strategic initiatives and, therefore, do not intend to pay cash dividends on our common stock for the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board of Directors and will depend on our financial condition, results of operations, capital requirements, restrictions contained in any financing instruments and such other factors as our Board of Directors deems relevant in its discretion. Accordingly, you may need to sell your shares of our common stock to realize a return on your investment, and you may not be able to sell your shares at or above the price you paid for them.

Future sales of our common stock, or preferred stock, or of other securities convertible into our common stock or preferred stock, could cause the market value of our common stock to decline and could result in dilution of your shares.

Our Board of Directors is authorized, without stockholder approval, to permit us to issue additional shares of common stock or to raise capital through the creation and issuance of preferred stock, other debt securities convertible into common stock or preferred stock, options, warrants and other rights, on terms and for consideration as our Board of Directors in its sole discretion may determine. For example, in May 2015, we offered and sold 1,725,000 shares of our common stock in an underwritten public offering for gross proceeds of $69 million, before deducting underwriting discounts and commissions and offering expenses.

In addition, we have filed registration statements on Form S-8 to register the total number of shares of our common stock that may be issued under our 2004 Stock Plan, 2010 Stock Plan and 2014 Stock Plan, including the equity awards issued to our executive officers and directors. Currently, there are outstanding options to purchase 2,148,319 shares of our common stock and restricted stock unit agreements for 326,951 shares of our common stock and 948,628 shares remaining available for issuance under our 2014 Stock Plan, all of which are registered for sale on currently effective Forms S-8. As of May 25, 2018, our directors and executive officers beneficially owned an aggregate of 5.6% of the equity interests in our Company, including restricted stock units and stock options. Subject to vesting and to transfer restrictions set forth in our insider trading policy, our directors and executive officers may immediately sell their shares of common stock into the public market.

Further, on November 3, 2016, 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 November 16, 2016, which permits us to offer up to $100 million of common stock, preferred stock, debt securities and warrants in one or more offerings and in any combination, including in units from time to time. On February 6, 2018, we entered into a Controlled Equity Offering℠ Sales Agreement and a Sales Agreement (collectively, the "Sales Agreements") with Cantor Fitzgerald & Co. and B. Riley FBR, Inc., respectively (collectively, the "Agents"), and registered the sale of up to an aggregate of $40,000,000 in shares of our common stock in at-the-market sales transactions pursuant to the Sales Agreements under the Shelf Registration Statement. Our Sales Agreement is intended to provide us with additional flexibility to access the capital markets by selling registered shares under the Shelf Registration Statement.

Sales of substantial amounts of our common stock, including sales by our officers, directors or 5% and greater stockholders, or of preferred stock could cause the market price of our common stock to decrease significantly. We cannot predict the effect, if any, of future sales of our common stock, or the availability of our common stock for future sales, on the value of our common stock. Sales of substantial amounts of our common stock by any one or more of our large stockholders, or the perception that such sales could occur, may adversely affect the market price of our common stock.

Future offerings of debt securities or preferred stock, which would rank senior to our common stock upon our bankruptcy or liquidation, may adversely affect the market price of our common stock.

In the future, we may attempt to increase our capital resources by making offerings of debt securities or otherwise incurring debt. Upon bankruptcy or liquidation, holders of our debt securities and lenders with respect to other borrowings will receive a distribution of our available assets prior to the holders of our common stock. In addition, we may offer preferred stock that provides holders with a preference on liquidating distributions or a preference on dividend payments or both or that could otherwise limit our ability to pay dividends or make liquidating distributions to the holders of our common stock. Although we have no present plans to do so, our decision to issue debt securities or to issue preferred stock in any future offerings or otherwise incur debt may depend on market conditions and other factors beyond our control. As a result, we cannot predict or estimate the amount, timing or nature of our future offerings, and investors in our common stock bear the risk of our future offerings reducing the market price of our common stock and/or diluting their ownership interest in us.

We incur increased costs as a result of being a public company.

As a public company with securities registered under the Securities Act of 1933, as amended (the “Securities Act”), we need to comply with certain laws, regulations and requirements, certain corporate governance provisions of The Sarbanes-Oxley Act of 2002 (“The Sarbanes-Oxley Act”), related regulations of the SEC, and the requirements of The NASDAQ Capital Market. Complying with these statutes, regulations and requirements will occupy a significant amount of time from our Board of Directors and executive management team and will significantly increase our costs and expenses going forward.

We are subject to Section 404 of The Sarbanes-Oxley Act of 2002, or Section 404, and the related rules of the SEC, which generally require our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. We are required to file with the SEC an annual assessment by our Chief Executive Officer and Chief Financial Officer of the effectiveness of our internal control over financial reporting. However, for so long as we remain an emerging growth company as defined in the JOBS Act, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404. Once we are no longer an emerging growth company or, if prior to such date, we opt to no longer take advantage of the applicable exemption, we will be required to include an opinion from our independent registered public accounting firm on the effectiveness of our internal controls over financial reporting. We will remain an emerging growth company until the earlier of (a) the last day of the fiscal year following January 26, 2020, (b) the last day of the fiscal year in which we have total annual gross revenue of at least $1.07 billion, (c) the date on which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the end of the prior second fiscal quarter (currently September 30th), or the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

Certain anti-takeover defenses and applicable law may limit the ability of a third party to acquire control of us.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws could discourage, delay, or prevent a merger, acquisition or other change of control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions also could limit the price that investors might be willing to pay in the future for our common stock, thereby depressing the market price of our common stock. These provisions, among other things:

- allow the authorized number of directors to be changed only by resolution of our Board of Directors;
- authorize our Board of Directors to issue, without stockholder approval, preferred stock, the rights of which will be determined at the discretion of the Board of Directors and that, if issued, could operate as a “poison pill” to dilute the stock ownership of a potential hostile acquirer to prevent an acquisition that our Board of Directors does not approve;
- establish advance notice requirements for stockholder nominations to our Board of Directors or for stockholder proposals that can be acted on at stockholder meetings; and
- limit who may call a stockholders meeting.

In addition, we have elected to be subject to Section 203 of the Delaware General Corporation Law (the “DGCL”) by provision of our charter. In general, Section 203 of the DGCL prevents an “interested stockholder” (as defined in the DGCL) from engaging in a “business combination” (as defined in the DGCL) with us for three years following the date that person becomes an interested stockholder unless one or more of the following occurs:

- Before that person became an interested stockholder, our Board of Directors approved the transaction in which the interested stockholder became an interested stockholder or approved the business combination;
- Upon consummation of the transaction that resulted in the interested stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) stock held by directors who are also officers of our Company and by employee stock plans that do not provide employees with the right to determine confidentially whether shares held under the plan will be tendered in a tender or exchange offer; or
- Following the transaction in which that person became an interested stockholder, the business combination is approved by our Board of Directors and authorized at a meeting of stockholders by the affirmative vote of the holders of at least $66^2/_3$% of our outstanding voting stock not owned by the interested stockholder.

The DGCL generally defines "interested stockholder" as any person who, together with affiliates and associates, is the owner of 15% or more of our outstanding voting stock or is our affiliate or associate and was the owner of 15% or more of our outstanding voting stock at any time within the three-year period immediately before the date of determination. As a result, our election to be subject to Section 203 of the DGCL could limit the ability of a third party to acquire control of us.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that:

- We will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.
- We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law.
- We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.
- We will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our Board of Directors or brought to enforce a right to indemnification.
- The rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.
- We may not retroactively amend our bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents.

As a result, claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We maintain four offices, Woodland Park, NJ, our corporate office, San Diego, CA, Reston, VA and West Conshohocken, PA. The lease for our corporate headquarters at 3 Garret Mountain Plaza, Suite 401, Woodland Park, New Jersey, which was renewed in February 2017 for an additional 10 years, is for 19,276 square feet of office space. We have the right of first offer for adjacent space, if it becomes available. Our lease at 3377 Carmel Mountain Road, San Diego, California commenced in August 2015 for 48 months and includes 8,126 square feet. The lease contains one option to extend for an additional two years at our discretion. In October 2015, we renewed our lease at 1950 Roland Clarke Place, Suite 400, Reston, Virginia, for three years and three months. The leased office facility includes approximately 4,952 square feet. The lease contains a renewal option for a term of two years at our discretion. Our lease at 200 Barr Harbor Drive, West Conshohocken, Pennsylvania for our sales office commenced in December 2015 and ended on June 30, 2016 with automatic renewals based on the original term of 6 months and can be cancelled by the Company providing 3 months’ notice to the landlord.

We do not own any real property.

ITEM 3. LEGAL PROCEEDINGS AND OTHER MATTERS

We are not involved in any material legal proceedings or other legal matters at this time. However, from time to time, we may be involved in litigation that arises from the ordinary operations of business, such as contractual or employment disputes or other general actions. See Note 13 of the Notes to the Consolidated Financial Statements contained within this Annual Report on Form 10-K/A for a further discussion of potential commitments and contingencies related to legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

On February 3, 2015, shares of our common stock became listed for trading on the NASDAQ Capital Market under the symbol "PDVW." Prior to the listing of our shares of common stock on the NASDAQ Capital Market, there was no public market for our common stock. The following table sets forth the high and low sales prices of our common stock as reported by the NASDAQ Capital Market for the periods indicated.

	Sales Price	
	2018	
	High	Low
Year ended March 31, 2018		
Fourth Quarter	$ 38.75	$ 29.85
Third Quarter	$ 35.80	$ 28.55
Second Quarter	$ 31.65	$ 22.90
First Quarter	$ 25.65	$ 20.45
	2017	
Year ended March 31, 2017	High	Low
Fourth Quarter	$ 27.15	$ 19.70
Third Quarter	$ 27.27	$ 21.90
Second Quarter	$ 25.59	$ 20.07
First Quarter	$ 41.19	$ 19.25

As of May 25, 2018, we had 188 record holders of our common stock. The number of beneficial owners of our common stock is greater than the number of record holders because a portion of our common stock is held of record through brokerage firms in "street name."

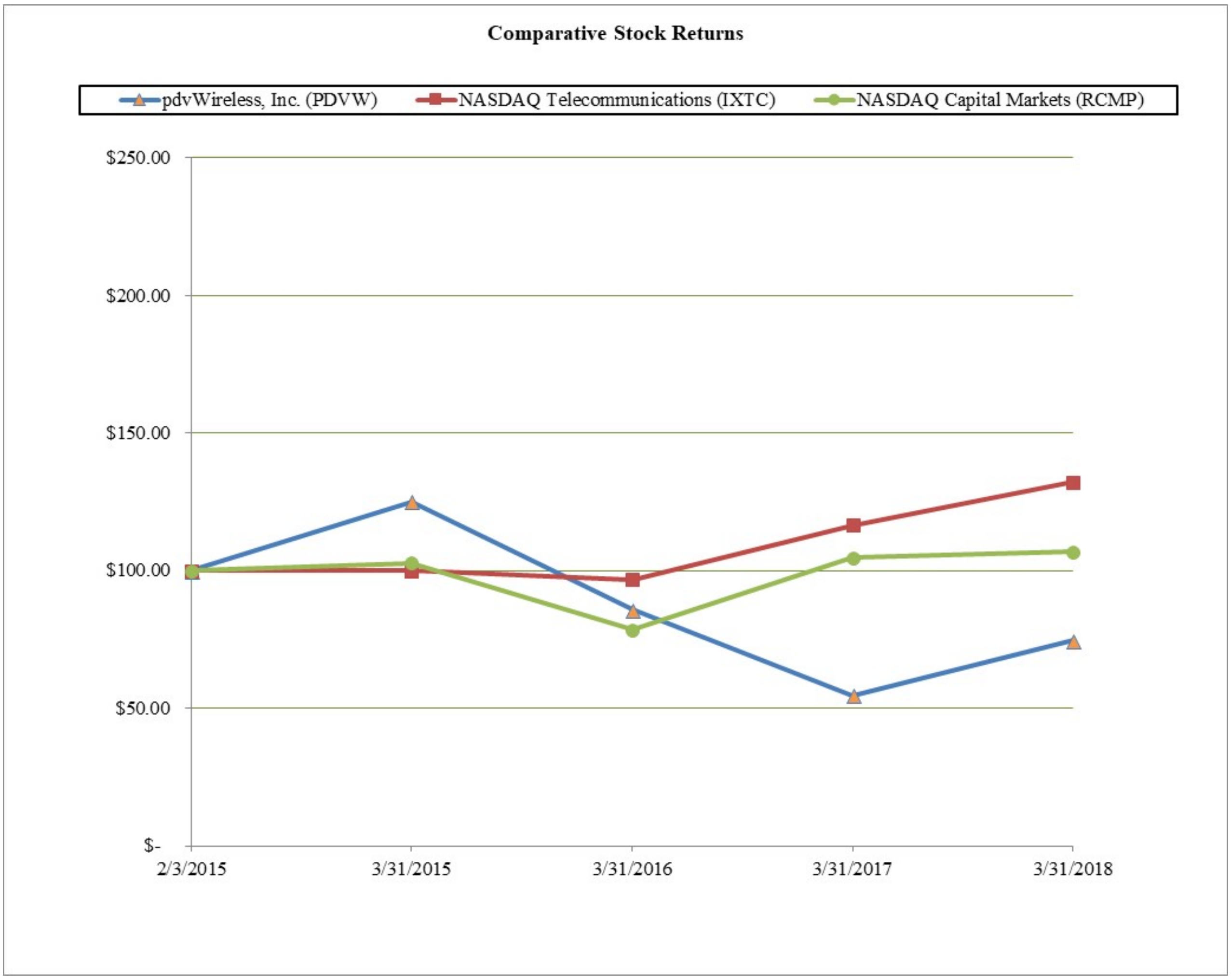
Dividend Policy

We have never declared or paid any cash dividends on our common stock, and we do not currently anticipate declaring or paying cash dividends on our common stock in the foreseeable future. We currently intend to retain our future earnings, if any, to finance the development and expansion of our business. Any future determination to pay dividends will be at the discretion of our Board and will depend on our financial condition, results of operations, capital requirements, restrictions contained in any financing instruments and such other factors as our Board deems relevant in its sole discretion. See "*Risk Factors – Risks Related to our Common Stock –We do not intend to pay dividends on our common stock for the foreseeable future*".

Performance Graph

The following performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate it by reference into such filing.

The performance graph set forth below compares our cumulative total stockholder return since we commenced trading on February 3, 2015 through March 31, 2018, assuming an initial investment of $100 in our common stock, and in each of the NASDAQ Capital Market Composite Index and NASDAQ Telecommunications Index, and assumes the reinvestment of dividends. No dividends have been declared or paid on our common stock. The comparisons in the performance graph below are required by the SEC and are not intended to forecast or be indicative of possible absolute or relative future performance of our common stock, and we do not make or endorse any predictions as to future stockholder returns.



	2/3/2015	3/31/2015	3/31/2016	3/31/2017	3/31/2018
pdvWireless, Inc. (PDVW)	$ 100.00	$ 125.00	$ 85.85	$ 54.63	$ 74.63
NASDAQ Telecommunications (IXTC)	$ 100.00	$ 100.05	$ 96.78	$ 116.39	$ 132.10
NASDAQ Capital Markets (RCMP)	$ 100.00	$ 102.83	$ 78.52	$ 104.72	$ 106.87

Securities Authorized for Issuance Under Equity Compensation Plans

The Company awards stock options and restricted stock units to its employees meeting certain eligibility requirements under plans approved by its stockholders in 2004, 2010 and 2014, referred to as the "2004 stock option plan", "2010 stock option plan," and "2014 stock option plan", respectively. The following table summarizes information about the Company's equity compensation plans as of March 31, 2018:

	Number of Shares to be Issued Upon Exercise of Outstanding Stock Options (1)	Weighted-Average Exercise Price of Outstanding Stock Options	Number of Shares Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by security holders	2,148,319	$ 23.34	948,628
Equity compensation plans not approved by security holders	—	—	—

(1) Does not include 326,951 restricted stock units.

Unregistered Sales of Equity Securities and Use of Proceeds.

We did not sell any equity securities not registered under the Securities Act during the fiscal year ended March 31, 2018.

On May 18, 2015, we completed a public offering of our common stock in which we raised net proceeds of approximately $64.8 million. We registered the shares of common stock issued in the offering on a Registration Statement on Form S-1 (File No. 333-203681), which the SEC declared effective on May 12, 2015. Through March 31, 2018, we have used approximately $19.2 million of the net proceeds from this offering. We did not complete any transaction in which we paid any of these proceeds, directly or indirectly, to our directors or officers, to any person owning 10% or more of any class of our equity securities, to any associate of any of the foregoing, or to any of our affiliates. There has been no material change in the expected uses of the net proceeds from the offering as described in our Registration Statement.

Issuer Purchases of Equity Securities

We did not repurchase any equity securities during the fiscal year ended March 31, 2018.

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ITEM 6. SELECTED FINANCIAL DATA

The following sets forth our selected financial data on a historical basis. You should read the following summary of selected financial data in conjunction with our historical financial statements and the related notes and with "Management's Discussion and Analysis of Financial Condition and Results of Operations," which are included elsewhere in this Form 10-K/A. The consolidated statements of operations data for the years ended March 31, 2018 (As Restated), 2017 and 2016, and the consolidated balance sheet data at March 31, 2018 (As Restated) and 2017 are derived from our consolidated financial statements included elsewhere in this report. Our historical consolidated statement of operations data for the years ended March 31, 2015 and 2014 and our consolidated balance sheet data as of March 31, 2016 and 2015 have been derived from the historical financial statements audited by our independent auditors. The historical results presented below are not necessarily indicative of financial results to be achieved in future periods.

Selected Consolidated Statement of Operations data:

	For the year ended March 31,				
(in thousands, except share data)	**2018 (As Restated)**	**2017**	**2016**	**2015**	**2014**
Operating revenues	$ 6,355	$ 4,787	$ 3,544	$ 3,172	$ 3,540
Loss from operations	$ (31,726)	$ (32,783)	$ (21,930)	$ (14,163)	$ (886)
Net loss	$ (24,568)	$ (39,186)	$ (21,828)	$ (14,714)	$ (1,212)
Net loss per common share basic and diluted	$ (1.70)	$ (2.72)	$ (1.54)	$ (1.46)	$ (9.56)
Weighted-average common shares used to compute basic and diluted net loss per share	14,450,715	14,390,641	14,156,848	10,048,210	126,759

Selected Consolidated Balance Sheet data:

	As of March 31,			
(in thousands)	**2018 (As Restated)**	**2017**	**2016**	**2015**
Total assets	$ 220,340	$ 245,486	$ 274,049	$ 227,828
Note payable	—	497	992	—
Total liabilities	11,811	17,590	11,863	13,622
Stockholders' equity	$ 208,529	$ 227,896	$ 262,186	$ 214,206

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of financial condition and results of operations should be read in conjunction with our historical consolidated financial statements and the related notes. This management's discussion and analysis contains forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations, and intentions. Any statements that are not statements of historical fact are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause our actual results or events to differ materially from those expressed or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section entitled "Risk Factors" included elsewhere in this Form 10-K/A. Except as 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 the Original Filing.

The management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which we have prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate such estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

Explanatory Note

This Form 10-K/A amends and restates the Company's audited consolidated financial statements and related disclosures in Part II, Item 8, "Financial Statements and Supplementary Data" as of and for the year ended March 31, 2018 to reflect the correction of an error discussed in Note 2 to our Consolidated Financial Statements. Accordingly, we have amended the following Management's Discussion and Analysis of Financial Condition and Results of Operations to the extent necessary to reflect the effects of these amendments and restatements.

Overview

We are a wireless communications company focused on developing and offering our spectrum assets for the deployment of next generation network and mobile communication solutions designed to meet the needs of critical infrastructure and enterprise customers. We are the largest holder of licensed spectrum in the Part 90 900 MHz band (i.e., 896-901 MHz paired with 935-940 MHz) throughout the contiguous United States, plus Hawaii, Alaska and Puerto Rico. On average, we hold approximately 60% of the channels in our portion of the 900 MHz band in the top 20 metropolitan market areas in the United States. We maintain offices in Woodland Park, New Jersey, Reston, Virginia, and San Diego, California. We also maintain a sales office in West Conshohocken, Pennsylvania.

As our first priority, we have initiated and are currently pursuing a regulatory proceeding at the Federal Communications Commission ("FCC") aimed at modernizing and realigning the Part 90 900 MHz spectrum band to increase its usability and capacity, including for the future deployment of broadband and other advanced technologies and services. At the same time, we are exploring and developing network and mobile communication solutions, leveraging our spectrum, to address the unmet needs of our targeted critical infrastructure and enterprise customers. For our first offering, we have deployed push-to-talk ("PTT") networks and offer our TeamConnect℠, which we initially branded and marketed as DispatchPlus, two-way radio service in seven major metropolitan market areas, including Atlanta, Baltimore/Washington, Chicago, Dallas, Houston, New York and Philadelphia. TeamConnect allows our enterprise customers to increase the productivity of their field-based workers and the efficiency of their dispatch and call center operations. We are pursuing opportunities to enable additional network and mobile communication solutions for use by critical infrastructure and enterprise customers with our existing spectrum and currently available non-broadband technologies and, if we are successful with our FCC efforts, utilizing our spectrum assets to enable broadband and other advanced wireless service offerings.

<u>Our Spectrum Initiatives</u>

Our spectrum is our most valuable asset. Although we can use our spectrum for our existing TeamConnect business and for other narrowband and wideband wireless services without the need to obtain any further FCC authorizations or rule modifications, many of the future business opportunities that we have identified require higher bandwidth than we possess given the current configuration of our spectrum. As a result, we are pursuing a number of initiatives to increase the usability, efficiency and capacity of our 900 MHz spectrum.

In November 2014, we and the Enterprise Wireless Alliance ("EWA") submitted a Joint Petition for Rulemaking to the FCC to propose the realignment of a portion of the 900 MHz band from narrowband to broadband. In response to the Joint Petition, the FCC issued a public notice requesting comments from interested parties and asked a number of questions about the proposal. A number of parties, including several incumbent licensees, filed comments with the FCC expressing their views, including both support and opposition. In May 2015, we and the EWA filed proposed rules with the FCC related to the Joint Petition. Comments on the proposed rules were filed in June 2015, and reply comments in July 2015.

On August 4, 2017, the FCC issued a Notice of Inquiry ("NOI") that we believe signified the FCC's interest in conducting a serious and comprehensive evaluation of the current and future rules governing the 900 MHz band. In the NOI, the FCC announced that it had commenced a proceeding to examine whether it would be in the public interest to change the existing rules governing the 900 MHz band to enable increased access to spectrum, improved spectrum efficiency and expanded flexibility for a variety of potential uses and applications, including broadband and other advanced technologies and services. The FCC stated that the purpose of the NOI was to gather information from interested parties to assist the FCC in its decision-making process. The FCC requested interested parties, including us, to comment on a number of questions related to three potential options for the 900 MHz band: (i) retaining the current configuration of the 900 MHz band, but increasing operational flexibility, (ii) reconfiguring a portion or all of the 900 MHz band to support broadband and other advanced technologies and services or (iii) retaining the current 900 MHz band licensing and eligibility rules. Because the FCC requested information on multiple options for the 900 MHz band, the NOI effectively superseded the Joint Petition and other pending proposals that involved the 900 MHz band. However, a broadband reconfiguration option included in the NOI was consistent with our Joint Petition proposal, and all information we previously provided to the FCC to support the realignment and modernization of the 900 MHz band remained relevant.

We and EWA filed a joint response to the FCC's NOI on October 2, 2017 and reply comments on November 1, 2017. On May 1, 2018, we and the EWA augmented elements of our initial joint response to the NOI based on our discussions and interactions with incumbents and other interested parties to the NOI proceeding. This filing was intended to address and resolve issues and concerns expressed by incumbents in and adjacent to the portion of the 900 MHz band proposed for broadband use. Our most recent responsive filing also proposed a means to increase the alternatives through which licenses for a new 3 X 3 900 MHz broadband service could be put to use by utilities and other members of the critical infrastructure industry, as well as by other private enterprise companies. We believe these alternatives add elements of flexibility and, ideally, could shorten the time required to introduce important broadband communication capabilities to these market segments.

Specifically, our most recent responsive filing proposes that: (i) during the first year after FCC adoption of the relevant licensing rules, utilities and other Business/Industrial/Land Transportation ("B/ILT") applicants would have the exclusive opportunity to secure Private Enterprise Broadband ("PEBB") licenses, and could utilize the traditional frequency coordination process to do so, based on acquiring control of the requisite 240 discrete 900 MHz channels (the number of channels equivalent to a 3 X 3 MHz broadband allocation) through combining any of their own licensed channels with any they might purchase or lease from third party licensees and those they might be assigned from available FCC channel inventory; (ii) successful applicants then could obtain frequency coordinator approval to exchange such channels for a 3 X 3 MHz PEBB license to be issued by the FCC, which could be deployed, operated and maintained, in accordance with applicable service rules, either solely by the applicant licensee, or with the assistance and/or participation of third parties and (iii) the coverage territory for such a PEBB license would correspond (a) in urbanized areas (defined to be the top 306 Cellular Market Areas; "CMAs"), to a metropolitan statistical area ("MSA") and (b) in non-urbanized areas (the remaining CMAs) to individual counties, which we believe, in each case, represent geographic areas that will more closely match up with the service territories of most utilities and the areas of business focus for other private enterprises. In addition, our most recent responsive filing proposes shifting the contemplated 3 X 3 MHz broadband allocation 400 kHz down to a new location in the 900 MHz band, a change that has addressed the concern regarding potential interference previously expressed by incumbents in the narrowband PCS spectrum immediately above the top end of our portion of the 900 MHz band. It also will allow for greater separation between any co-located frequencies in narrowband systems.

We have responded to all outstanding requests for information from the FCC, and we are currently awaiting FCC action. Based on our discussions with the staff of the FCC, we believe that the proceeding is under active consideration. The FCC's next step could be issuance of a Notice of Proposed Rulemaking based on the NOI and the record developed in response to it, a request for additional information, a decision to close the proceeding without further action, or some other action, and the timing of any such next step also remains uncertain. Moreover, certain of the matters proposed in our most recent responsive filing are contingent on other developments, such as formalizing our tentative agreement with the Association of American Railroads to exchange their frequencies, some of which are located immediately below the lower end of the originally proposed 900 MHz broadband allocation, for PDV frequencies further down in the 900 MHz band, to accommodate the proposed 400 kHz shift of that allocation. In addition, all aspects of potential changes in the configuration and/or use of frequencies in the 900 MHz band remain subject to necessary FCC approvals.

We continue to believe in the merits of our broadband approach, and that it would be in the public interest for the FCC to realign the 900 MHz band to enable broadband and other advanced technologies and services. Nevertheless, obtaining a favorable result from the FCC may take a significant amount of time and resources. Moreover, there is no assurance that following the conclusion of the NOI process, the FCC will ultimately propose and adopt rules that will allow utilization of our licensed 900 MHz spectrum to offer broadband and other advanced technologies and services.

The full text of the NOI, further comments and related correspondences are available on the FCC's public website at https://www.fcc.gov/document/900-mhz-notice-inquiry, and our filed comments and responses, as well as those of others submitting comments and/or responses in the NOI proceeding, also are available on the FCC's public website.

To prepare for the filings we have submitted with the FCC and to build support for a 900 MHz broadband realignment, we have met, and intend to continue to meet, with a number of incumbent licensees, critical infrastructure businesses and other interested parties in the 900 MHz band. We have provided business proposals to several incumbents to assist with their communication needs. The goals of these discussions have been: (i) building consensus for the proposed reconfiguration of the 900 MHz band to support broadband and other advanced technologies and services; (ii) resolving any technology or other concerns raised by incumbent licensees; (iii) educating critical infrastructure businesses on how broadband capabilities could enhance their operations and initiatives (for example, supporting grid modernization requirements or monitoring and/or controlling their own system or network elements via machine-to-machine type services); (iv) gaining a better understanding of the size of the operational incumbent base and the nature of the systems they are currently operating; (v) to refine and modify aspects of our proposal to seek to minimize potential concerns and problems expressed by certain incumbents; (vi) to gain additional support for that proposal (as so refined and modified); (vii) to accelerate the availability of a sub-1 GHz broadband spectrum allocation for use in a private network context designed to meet the specialized requirements of utilities, other critical infrastructure industry members and private enterprise users; and (viii) evaluating and proposing voluntary license relocation opportunities to certain incumbent licensees. With certain incumbent licensees, we are continuing to attempt to build consensus and to resolve any concerns they have expressed regarding our broadband initiatives; with others, we are soliciting their support and cooperation to structure and implement mutually beneficial relocations; and with select critical infrastructure enterprises, we are jointly investigating how the future broadband capabilities that we are pursuing could be employed to meet their anticipated needs and future operating plans. A number of critical infrastructure and enterprise companies have put on the record their needs and unique requirements for networks and services utilizing broadband and other next generation technologies. We anticipate that the NOI proceeding will continue to afford other companies with the opportunity to put similar use case requirements on the record.

Our TeamConnect and pdvConnect Businesses

In Fiscal 2016, we began offering our commercial PTT service, which we market as TeamConnect, in seven major metropolitan areas throughout the United States, including Atlanta, Baltimore/Washington, Chicago, Dallas, Houston, New York and Philadelphia. We developed TeamConnect to address the needs of enterprises that value a tailored PTT solution addressing the management of their mobile workforce. TeamConnect includes features that allow communications between PTT radios on our MOTOTRBO networks and smartphones or tablets operating on any cellular carrier network, and that permit, through our TeamConnect Hub functionality, any computer connected to the internet to use its browser as a dispatch control center. The operation of our TeamConnect business is separate from, and not contingent on, the initiatives we are pursuing at the FCC or our other spectrum-related activities.

Our revenues are derived substantially from our TeamConnect and pdvConnect™ offerings. Our TeamConnect service combines pdvConnect, our proprietary suite of mobile communication and workforce management applications, with advanced digital network architecture and mobile devices supplied by Motorola Solutions, Inc. and/or its subsidiaries ("Motorola"). Developed for dispatch-centric businesses, and historically offered to customers who utilize Tier 1 cellular networks, pdvConnect is an easy to use and efficient mobile communication and workforce management solution that enables businesses to locate and communicate with their field workers and improve the documentation of work events and job status. Also built with the commercial dispatch customer in mind, Motorola's digital network architecture allows us to provide highly reliable, instant and wide-area PTT communication services to our customers.

Recent Developments.

On June 1, 2018, our Board of Directors approved an initial plan to restructure our business aimed at reducing the future operating costs of our TeamConnect and pdvConnect businesses and better aligning and focusing our business priorities on our spectrum initiatives, including increasing the efficiency and capacity of our spectrum to enable the future deployment of broadband and other advanced technologies and services. As part of the restructuring plan, we eliminated approximately 20 positions, or 20% of our workforce, primarily from our TeamConnect and pdvConnect businesses. We expect to record a restructuring charge in the first quarter of Fiscal 2019 of approximately $0.3 million, primarily related to employee severance and benefit costs. Affected employees have received notification and are eligible to receive severance payments based on their level within the organization and years of service, contingent upon an affected employee's execution (and non-revocation) of a separation agreement, which includes a general release of claims against the Company. Overall, we expect that the workforce reduction will decrease operating costs by $1.6 million on an annualized basis. The actions associated with the initial restructuring plan are anticipated to be completed by June 30, 2018. It is anticipated that the cash payments will occur by September 30, 2018.

In addition, we recently received information from one of our Tier 1 carrier partners that the largest customer of our pdvConnect service planned to discontinue its use of that service during Fiscal 2019. The revenues we generated from this customer were $2.4 million, $1.8 million, and $1.4 million for the years ended March 31, 2018, 2017, and 2016, respectively, which represented 37%, 37% and 38% of our total revenues for those same fiscal years, respectively.

Our Board of Directors and management team have commenced a comprehensive review and assessment of our existing TeamConnect business in our initial seven markets, its prospects both as a stand-alone business and as a complementary business to potential future 900 MHz broadband network deployments in those markets. This review and assessment process also will include an examination of potential future alternatives for our pdvConnect service and business, including whether it continues to be in the best interests of pdvWireless and its stockholders to actively pursue these business opportunities, especially in light of the Company's continuing shift in focus to its spectrum initiatives and its recent progress in obtaining support from incumbents who had previously opposed the Company's position During this evaluation process, we will continue to operate our TeamConnect service in our seven existing markets, and will continuing to offer our pdvConnect service through our two Tier 1 carrier partners in the United States.

Basis of Presentation

Our financial statements for the fiscal years ended March 31, 2018 and 2017 and our financial condition and results of operations reflect the following corporate event that occurred during or prior to the periods as presented below.

Follow-on Offering. In May 2015, we completed a registered follow-on public offering of our common stock that resulted in the sale of 1,725,000 shares at a purchase price of $40.00 per share, which included 225,000 shares sold pursuant to the underwriters' exercise of their over-allotment option. Net proceeds were approximately $64.8 million after deducting underwriting discounts and commissions and offering expenses.

Summary of Significant Accounting Policies

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, our actual results could differ from those based on such estimates and assumptions. Further, to the extent that there are differences between our estimates and our actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical performance, as these policies relate to the more significant areas involving our judgments and estimates.

We believe that the areas described below are the most critical to aid in fully understanding and evaluating our reported financial results, as they require management's most significant judgments in the application of accounting policy or in making estimates and assumptions that are inherently uncertain and that may change in subsequent periods. Our significant accounting policies are set forth in Note 3 to our consolidated financial statements. Of those policies, we believe that the policies discussed below may involve a higher degree of judgment and may be more critical to an accurate reflection of our financial condition and results of operations.

Revenue Recognition. We recognize revenue in the period that persuasive evidence of an arrangement exists, delivery of the product has occurred or services have been rendered, we are able to determine the amount of revenue and when the collection of such amount is considered probable. In accordance with the guidance provided in Accounting Standards Codification ("ASC") Topic 605-45-45, (*Revenue Recognition – Principal Agent Considerations*), we have determined that we are the primary obligor with respect to the service revenue derived from sales of our software applications through our Tier I domestic carrier partners. As a result, revenue is recorded at the gross amount billed to end-user customers for sales through these carrier partners. We recognized service revenue for our international carrier (which business relationship terminated in July 2015) on the net amount billed since we determined that we were not the primary obligor. We also sell service and applications directly to end-users, which are billed and collected directly by us.

In September 2014, Motorola paid us an upfront, fully-paid leasing fee of $7.5 million in order to lease a portion of our wireless spectrum licenses. The payment of the fee is accounted for as deferred revenue on our Consolidated Balance Sheets. We recognize leasing revenue in accordance with ASC Topic 840, (*Leases*). The fee is amortized using the straight-line method over the lease term of approximately ten years, which represents the time period in which the benefits of the leased property are expected to be depleted.

We evaluate certain transactions for our TeamConnect service offering to determine whether they should be viewed as a Multiple Element Arrangement provided in ASC Topic 605-25. Judgment is required to properly identify the accounting units of the multiple deliverable transactions and to determine the manner in which revenue should be allocated among the units of accounting. Multiple deliverable arrangements are presumed to be bundled transactions, and the total consideration is measured and allocated to the separate transactions based on their relative selling price with certain limitations. The relative selling price for each deliverable is determined using vendor-specific objective evidence ("VSOE") of selling price or third-party evidence of such selling price if VSOE does not exist. If neither VSOE nor third party evidence of selling price exist, the Company uses its best estimate of the selling price for the deliverable. We determined that the rental of user devices in connection with service contracts for our TeamConnect service are multiple deliverable arrangements.

Stock compensation. For purposes of calculating stock-based compensation, we estimate the fair value of stock options using a Black-Scholes option-pricing model. The determination of the fair value of option-based compensation utilizing the Black-Scholes model is affected by a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. The expected term and volatility is based on the historical volatility of our common stock along with comparable public companies within our industry since we have a short history regarding these variables. The risk-free interest rate assumption is based on the U.S. Treasury yield curve in effect at the time of the grant for periods corresponding with the expected life of the options. The dividend yield assumption is zero since we have never paid and do not anticipate paying any cash dividends in the foreseeable future. In addition, we will continue to estimate the number of equity awards that are expected to vest based on historical forfeiture rates.

The fair value of restricted stock and performance units are measured based on the quoted closing market price for the stock at the date of grant. The compensation cost for restricted stock is recognized on a straight-line basis over the vesting period. The compensation cost for the performance units is recognized when the performance criteria are complete.

We have not attributed tax benefits to the share-based compensation expense because we maintain a full valuation allowance for all net deferred tax assets.

Property and equipment. Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the shorter of the estimated useful lives of the assets or the applicable lease term. The carrying amount at the balance sheet date of long-lived assets under construction in process includes construction costs to date on capital projects that have not been completed, assets being constructed that are not ready to be placed in service, and assets that are not currently in service. On a periodic basis costs within construction in process are reviewed and a determination is made if the assets being developed will be put into use. If it is concluded that the asset will not be put into use, the costs will be expensed. If the asset will be put into use, the cost are transferred to property and equipment when substantially all of the activities necessary to prepare the assets for their intended use are completed. Depreciation commences upon completion.

Intangible Assets. Intangible assets are wireless licenses that will be used to provide us with the exclusive right to utilize designated radio frequency spectrum to provide wireless communication services. While licenses are issued for only a fixed time, generally ten years, such licenses are subject to renewal by the FCC. License renewals have occurred routinely and at nominal cost in the past. There are currently no legal, regulatory, contractual, competitive, economic or other factors that limit the useful life of our wireless licenses. As a result, we have determined that the wireless licenses should be treated as an indefinite-lived intangible asset. We will evaluate the useful life determination for our wireless licenses each year to determine whether events and circumstances continue to support our treatment as an indefinite useful life asset.

The licenses are tested for impairment on an aggregate basis, as we will be utilizing the wireless licenses on an integrated basis as a part of pursuing our spectrum initiatives and business opportunities. Before employing detailed impairment testing, we first evaluate the likelihood of impairment by considering relevant qualitative factors that may have a significant bearing on fair value. If we determine that it is more likely than not that the wireless licenses are impaired, we will apply a quantitative analysis including detailed testing methodologies. Otherwise, we conclude that no impairment exists. In the event a quantitative analysis is required, we consider estimates of valuation methods to perform the test of the fair values of the wireless licenses using, among other things, market based and discounted cash flow approaches.

Long-Lived Asset Impairment. We evaluate long-lived assets for impairment, other than intangible assets with indefinite lives, whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. Asset groups are determined at the lowest level for which identifiable cash flows are largely independent of cash flows of other groups of assets and liabilities. When the carrying amount of a long-lived asset group is not recoverable and exceeds its fair value, an impairment loss is recognized equal to the excess of the asset group's carrying value over the estimated fair value.

Income taxes. We utilize the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities as well as from net operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. A valuation allowance is established when it is estimated that it is more likely than not that the tax benefit of a deferred tax asset will not be realized.

Accounting for uncertainty in income taxes. We recognize the effect of tax positions only when they are more likely than not to be sustained. Our management has determined that we had no uncertain tax positions that would require financial statement recognition or disclosure. We are no longer subject to U.S. federal, state or local income tax examinations for periods prior to 2014.

JOBS Act. As an emerging growth company, or EGC, under the JOBS Act we are eligible for exemptions from various reporting requirements applicable to other public companies that are not EGCs, including, but not limited to:

- Not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002;
- Reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and

- Exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

As an EGC, we are also eligible to take advantage of the extended transition period, provided in Section 7(a)(2)(B) of the Securities Act, for complying with new or revised accounting standards. Thus, we could delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Nevertheless, we have elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards not later than the relevant dates on which adoption of such standards is required for other public companies.

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Results of Operations

Comparison of the years ended March 31, 2018 (As Restated) and 2017

The following table sets forth our results of operations for the fiscal years ended March 31, 2018 (As Restated) and 2017 (“Fiscal 2018” and “Fiscal 2017”, respectively). The period to period comparison of financial results is not necessarily indicative of financial results to be achieved in future periods.

(dollars in thousands, except share data)	For the year ended March 31, 2018 (As Restated)	2017
Operating revenues		
Service revenue	$ 4,796	$ 3,618
Spectrum lease revenue	729	729
Other revenue	830	440
Total operating revenues	6,355	4,787
Cost of revenue		
Sales and service	7,898	7,049
Gross (loss) profit	(1,543)	(2,262)
Operating expenses		
General and administrative	20,864	22,553
Sales and support	6,967	5,652
Product development	2,352	2,316
Total operating expenses	30,183	30,521
Loss from operations	(31,726)	(32,783)
Interest expense	(3)	(5)
Interest income	741	128
Other (expense) income	(78)	(28)
Loss before income taxes	(31,066)	(32,688)
Income tax expense	(6,498)	6,498
Net loss	$ (24,568)	$ (39,186)
Net loss per common share basic and diluted	$ (1.70)	$ (2.72)
Weighted-average common shares used to compute basic and diluted net loss per share	14,450,715	14,390,641

Operating revenues. Service revenue increased by $1.2 million, or 33%, to $4.8 million for Fiscal 2018 from $3.6 million for Fiscal 2017. The increase is primarily attributable to our growing TeamConnect business. The increase of $0.4 million in Other revenue resulted principally from higher sales and rentals of our equipment for the TeamConnect business.

Cost of revenue. Cost of revenue for Fiscal 2018 increased by $0.8 million, or 12%, to $7.9 million from $7.1 million for Fiscal 2017. The increase is attributable to the increase in the costs to maintain our PTT networks for our TeamConnect business of $0.2 million and $0.5 million related to an increase in depreciation for sites and equipment.

Gross loss. Gross loss improved by $0.7 million to a gross loss of ($1.5 million). The primary drivers for the lower gross loss were the increase in operating revenues more than offsetting the increase in cost of revenue.

General and administrative expenses. General and administrative expenses for Fiscal 2018 decreased by $1.7 million, or 7%, from $22.6 million for Fiscal 2017. The decrease principally related to $5.4 million in costs incurred for the First Responder Network Authority (“FirstNet”) bid opportunity that occurred in Fiscal 2017. This decrease was partially offset by increase in stock compensation costs, $0.9 million, increase in headcount and related costs, $0.9 million, and $0.8 million for increased costs of consulting services related to our spectrum initiatives.

Sales and support expenses. Sales and support expenses increased by $1.3 million, or 23%, to $7.0 million for Fiscal 2018 from $5.7 million for Fiscal 2017. The increase in expenses is due primarily to a $0.9 million increase in staff and compensation related costs, and in increase of $0.2 million for dealer commissions.

Product development expenses. Product development expenses remained flat at $2.3 million for Fiscal 2018 and 2017.

Interest income. Interest income increased by $0.6 million to $0.7 million for Fiscal 2018. The increase resulted from an overall higher rate of return for the money market funds.

Other (Expense)/Income. The increase in other (expense) for Fiscal 2018 related mainly to the loss on disposal for TeamConnect equipment.

Income tax expense. A non-cash income tax benefit of $6.5 million in Fiscal 2018 resulted from the passage of Public Law 115-97 (“Tax Cuts and Jobs Act”) on December 22, 2017, whereby net operating losses were changed to have an indefinite carryforward period . Therefore, the deferred tax liabilities created for our FCC licenses, which are treated as indefinite-lived intangible assets, could be offset against the net operating losses, which could not occur prior to the new law. In Fiscal 2017, we recorded a non-cash charge of $6.5 million to adjust the valuation allowance against substantially all of our deferred tax assets.

Comparison of the years ended March 31, 2017 and 2016

The following table sets forth our results of operations for Fiscal 2017 and the fiscal year ended March 31, 2016 (“Fiscal 2016”). The period to period comparison of financial results is not necessarily indicative of financial results to be achieved in future periods.

(dollars in thousands, except share data)	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating revenues		
Service revenue	$ 3,618	$ 2,625
Spectrum lease revenue	729	729
Other revenue	440	190
Total operating revenues	4,787	3,544
Cost of revenue		
Service	7,049	3,469
Gross profit	(2,262)	75
Operating expenses		
General and administrative	22,553	16,726
Sales and support	5,652	3,956
Product development	2,316	1,323
Total operating expenses	30,521	22,005
Loss from operations	(32,783)	(21,930)
Interest expense	(5)	(3)
Interest income	128	104
Other (expense) income	(28)	1
Loss before income taxes	(32,688)	(21,828)
Income tax expense	6,498	—
Net loss	$ (39,186)	$ (21,828)
Net loss per common share basic and diluted	$ (2.72)	$ (1.54)

Operating revenues. Service revenue increased by $1.0 million, or 38%, to $3.6 million for Fiscal 2017 from $2.6 million for Fiscal 2016. The increase is primarily attributable to our growing TeamConnect business. The increase of $0.2 million in Other revenue resulted from higher sales and rentals of our equipment for the TeamConnect business.

Cost of revenue. Cost of revenue for Fiscal 2017 increased by $3.5 million, or 103%, to $7.0 million from $3.5 million for Fiscal 2016. The increase is attributable to the increase in costs to maintain our launched PTT networks for our TeamConnect business of $2.8 million, costs associated with sites that are no longer under construction of $0.5 million, along with the increase in costs of equipment sold of $0.2 million.

Gross (loss) profit. Gross profit decreased by $2.3 million to a gross (loss) of ($2.2 million). The primary drivers for the decline were the costs incurred to support our TeamConnect business.

General and administrative expenses. General and administrative expenses for Fiscal 2017 increased by $5.8 million, or 35%, from $16.7 million for Fiscal 2016. The increase in general and administrative expenses for the year is primarily driven by $4.9 million increase in costs for consulting and other services related to our spectrum initiatives, principally the FirstNet bid opportunity. In addition, there was an increase of $1.1 million related to headcount and related costs.

Sales and support expenses. Sales and support expenses increased by $1.7 million, or 43%, to $5.7 million for Fiscal 2017 from $4.0 million for Fiscal 2016. The increase in expenses is due primarily to a $0.7 million increase in staff and headcount related costs, $0.5 million increase for dealer commissions, and $0.3 million in increased costs for marketing initiatives.

Product development expenses. Product development expenses increased by $1.0 million, or 75%, to $2.3 million for Fiscal 2017 from $1.3 million for Fiscal 2016. This increase in expense was due primarily to a $0.7 million increase in headcount related costs, along with $0.3 million increase in costs for professional services related to our strategic initiatives.

Interest expense. Interest expense for Fiscal 2017 remained relatively unchanged.

Other (Expense)/Income. The increase in other (expense) for Fiscal 2017 related mainly to the loss on disposal for TeamConnect equipment.

Income tax expense. In Fiscal 2017, we recorded a noncash charge of $6.5 million primarily as a result of an adjustment to the valuation allowance against all of our deferred tax assets.

Liquidity and Capital Resources

At March 31, 2018, we had cash and cash equivalents of $98.3 million.

Our accounts receivable are heavily concentrated in one of our Tier 1 domestic carrier partners. As of March 31, 2018, our accounts receivable balance was approximately $935,000, of which approximately $494,000, or 53%, was due from a Tier 1 domestic carrier.

Net cash (used) provided by operating activities. Net cash used by operating activities was approximately $22.0 million in Fiscal 2018, $26.5 million in Fiscal 2017 and $19.8 million in Fiscal 2016. The majority of net cash used by operating activities in Fiscal 2018 resulted from the net loss of $24.6 million, partially offset by the $6.5 million tax benefit, of which $6.0 million was attributable to the Tax Cuts and Jobs Act, and by stock compensation expense of $5.6 million, depreciation and amortization of $2.8 million, as well as an increase in accounts payable and accrued expenses of $0.9 million. The majority of net cash used by operating activities in Fiscal 2017 resulted from the net loss of $39.2 million. This was partially offset by stock compensation expense of $4.7 million, deferred income taxes of $6.5 million, and depreciation and amortization of $2.2 million. The majority of net cash provided in Fiscal 2016 resulted from the net loss of $21.8 million and a decrease in accounts payable and accrued expenses of $2.6 million. These changes were partially offset by stock compensation expense of $5.0 million.

Net cash used by investing activities. Net cash used by investing activities was approximately $2.9 million, $2.4 million and $11.2 million for Fiscal 2018, Fiscal 2017 and Fiscal 2016, respectively. For the year ended March 31, 2018, the net cash used by investing activities principally resulted from $1.0 million for the buildout of our PTT networks for our TeamConnect business and $1.9 million for spectrum acquisitions. For the year ended March 31, 2017, the net cash used by investing activities principally resulted from $1.6 million for the buildout of our PTT networks for our TeamConnect business and $0.8 million for spectrum acquisitions. The majority of net cash used in investing activities during Fiscal 2016 resulted from $9.1 million for the buildout of our PTT networks for our TeamConnect business and $2.1 million for spectrum acquisitions.

Net cash (used) provided from financing activities. Net cash used by financing activities was $0.9 million in Fiscal 2018 and $0.5 million for Fiscal 2017. Net cash from financing activities was $64.5 million for Fiscal 2016. For Fiscal 2018, the net cash used by financing activities primarily resulted from the taxes withheld and paid for employee stock awards of $0.7 million and the installment payment for our note payable of $0.5 million. For Fiscal 2017, the net cash used by financing activities primarily resulted from the repayment of our note payable of $0.5 million. For Fiscal 2016, the net cash provided from financing activities primarily resulted from the follow-on public offering that was completed in May 2015.

Proceeds from the follow-on offering in May 2015. We completed a registered follow-on public offering of common stock that resulted in the sale of 1,725,000 shares at a purchase price of $40.00 per share, which included 225,000 shares sold pursuant to the underwriters' exercise of their over-allotment option. Net proceeds were approximately $64.8 million after deducting underwriting discounts and commissions and offering expenses.

Capital Requirements. Our future capital requirements will depend on many factors, including: the timeline and results of our FCC initiatives and related activities; the costs related to our implementation of the initial restructuring plan and any future restructuring actions approved by our Board of Directors for our TeamConnect and pdvConnect businesses; the revenues we generate from our TeamConnect and our pdvConnect businesses; the cost and time to identify, develop and commercialize any network and mobile communication solutions we pursue as part of our long-term business plan; and our ability to control our operating expenses.

In April 2018, we announced a shift in the focus and resources our Company to pursue the regulatory initiatives at the FCC and prepare for the future deployment of broadband and other advanced technologies and services. In light of this shift in focus, the Board also approved a chief executive officer transition plan, under which, John Pescatore, our chief executive officer and president, transitioned to the position of vice chairman and Morgan O'Brien, our then-current vice chairman, assumed the position as our new chief executive officer. In connection with the transition, we and Mr. Pescatore entered into a Continued Service, Consulting and Transition Agreement and a separate Consulting Agreement. In the quarter ended June 30, 2018, we will record a liability of $1.7 million for the cash payments under both the Transition and Consulting Agreements. These payments will be made over twenty-four months beginning October 2018. In addition, we will record a non-cash $2.8 million charge for stock compensation expense due to modifications of Mr. Pescatore's stock grants.

In June 2018, we announced an initial plan to restructure our business aimed at reducing the future operating costs of our narrowband operations and better aligning and focusing our business priorities on our spectrum initiatives aimed at modernizing and realigning the Part 90 900 MHz band to increase its usability and capacity. As part of the restructuring plan, we eliminated approximately 20 positions, or 20% of our workforce, primarily from our TeamConnect and pdvConnect businesses. Overall, we expect that the workforce reduction will decrease operating costs by $1.6 million on an annualized basis. The actions associated with today's restructuring announcement are anticipated to be completed by June 30, 2018. It is anticipated that the cash payments will occur by September 30, 2018. The reduction in costs will assist in limiting our capital requirements over the next 12 months. We believe our cash and cash equivalents on hand will be sufficient to meet our financial obligations through at least the next 12 months.

On November 3, 2016, 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 November 16, 2016, which permits us to offer up to $100 million of common stock, preferred stock, debt securities and warrants 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.

On February 6, 2018, we entered into a Controlled Equity Offering℠ Sales Agreement and a Sales Agreement (collectively, the "Sales Agreements") with Cantor Fitzgerald & Co. and B. Riley FBR, Inc., respectively (collectively, the "Agents"), and registered the sale of up to an aggregate of $40,000,000 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 sales transactions or any securities under the Shelf Registration Statement.

We cannot predict with certainty when, if ever, we will require additional capital to further fund our current or future business plans and initiatives. Presently, we intend to cover our spectrum initiatives and future operating expenses through cash on hand and from revenue derived from our planned sales of our TeamConnect services and product offerings and from our licensing, leasing or selling our spectrum consistent with our spectrum initiatives. We may experience greater than expected cash usage to support our operating activities and business plan and/or our revenues may be lower, or take more time to develop, than we anticipate. See "Risk Factors" in this Annual Report for risks and uncertainties that could cause our operating costs to be more than we currently anticipate and/or our revenue and operating results to be lower than we currently anticipate. As a result, we cannot provide assurance that we will not require additional funding in the future. In addition, we intend to acquire businesses, technologies or spectrum or license technologies from third parties for or in connection with our spectrum initiatives. We also intend to pursue the development and offering of additional next generation network and mobile communications solutions. As a result, we may decide to raise additional capital through debt or equity financing, including pursuant to our Shelf Registration Statement, to the extent we believe this is necessary to successfully complete these acquisitions or license these technologies or pursue spectrum or other business opportunities. 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 us and our stockholders. Any failure to obtain financing when required would have a material adverse effect on our business, operating results, financial condition and liquidity.

Warranties. Our agreements with our customers generally include certain provisions for indemnifying them against liabilities if our services infringe a third-party's intellectual property rights or for other specified reasons.

Contractual Obligations and Indebtedness

Leases. We are obligated under certain lease agreements for office space. These leases expire on January 7, 2019 through March 31, 2027. Rent expense amounted to $2.5 million, $1.9 million and $1.1 million for Fiscal 2018, 2017 and 2016, respectively. For Fiscal 2018, Fiscal 2017, and Fiscal 2016, $1.6 million, $1.4 million, and $0.7 million, respectively, of the total rent expense was classified in cost of revenue and the remainder of $0.9 million, $0.5 million and $0.4 million, respectively, was classified in operating expenses in the Consolidated Statements of Operations.

We entered into multiple lease agreements for tower site locations related to our TeamConnect business. The lease expiration dates range from February 28, 2020 to June 30, 2026.

As of March 31, 2018, our contractual obligations, including estimated payments due by fiscal year, are as follows:

(in thousands)	Payments due by Fiscal Year				
	Total	**2019**	**2020-2021**	**2022-2023**	**After 2023**
Operating lease obligations[1]	$ 12,966	$ 2,197	$ 3,990	$ 2,793	$ 3,986
Asset retirement obligations[2]	316	17	124	42	133
Total	$ 13,282	$ 2,214	$ 4,114	$ 2,835	$ 4,119

(1) Represents aggregate rentals, under non-cancellable leases for office and tower site locations (exclusive of real estate taxes, utilities, maintenance and other costs borne by us) for the remaining terms of the leases as described in Note 13 in the Notes to the Consolidated Financial Statements in this Annual Report for further information.
(2) Represents the asset retirement obligations we have for our tower site locations. See Note 3 in the Notes to the Consolidated Financial Statements in this Annual Report for further information.

Off-balance sheet arrangements

During Fiscal 2018, 2017 and 2016, we did not have any relationships with unconsolidated entities or financial partnerships that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Recent Accounting Pronouncements

Information regarding recent accounting pronouncements is provided in Note 3 of our Notes to Consolidated Financial Statements.

ITEM 7A. 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.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements listed in Item 15 are filed as part of this report and appear on pages F-2 through F-25. As discussed in the Explanatory Note to this Form 10-K/A and in Note 2 to the Consolidated Financial Statements, we have restated our audited Consolidated Financial Statements and related disclosures as of and for the year ended March 31, 2018 to apply the new tax provisions instituted by the Tax Cuts and Jobs Act whereby net operating losses have an indefinite carryforward period.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None as of the date of the Original Filing.

As previously reported on the Company’s Current Report on Form 8-K, filed August 7, 2018, the Company’s stockholders ratified the appointment of Grant Thornton LLP as the Company’s independent registered public accounting firm for the fiscal year ending March 31, 2019. PKF O’Connor Davies, LLP served as the Company’s independent registered public accounting firm for the fiscal year ended March 31, 2018.

The reports of PKF O’Connor Davies, LLP on the Company’s financial statements for each of the two fiscal years ended March 31, 2017 and 2018 did not contain an adverse opinion or a disclaimer of opinion, nor were the reports on the Company’s financial statements qualified or modified as to uncertainty, audit scope or accounting principles. In addition, in connection with the audits of the Company’s financial statements for the fiscal years ended March 31, 2017 and 2018, there were no “disagreements” (as that term is described in Item 304(a)(1)(iv) of Regulation S-K) between the Company and PKF O’Connor Davies, LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which, if not resolved to the satisfaction of PKF O’Connor Davies, LLP, would have caused PKF O’Connor Davies, LLP to make reference to the subject matter of the disagreement in connection with its report on the Company’s financial statements for such years. Further, in the fiscal years ended March 31, 2017 and 2018, there were no “reportable events” (as that term is described in Item 304(a)(1)(v) of Regulation S-K).

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial and accounting officer, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness, as of March 31, 2018, of the design and operation of our disclosure controls and procedures, as such term is defined in Exchange Act Rules 13a-15(e), at the time we filed our Original Filing with the SEC on June 5, 2018. Based on that evaluation, our management, including our Chief Executive Officer and our Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of March 31, 2018.

Subsequent to the evaluation made in connection with the Original Filing, our management, including our Chief Executive Officer and Chief Financial Officer, re-evaluated the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, our management, including our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of March 31, 2018 because of the material weakness in our internal control over financial reporting which existed at that date as discussed below.

Management's Annual Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) of the Exchange Act).

Internal control over financial reporting is a process designed under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Management, under the supervision of our Chief Executive Officer and our Chief Financial Officer, conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework (2013 Framework), at the time we filed our Original Filing with the SEC on June 5, 2018. Based on that assessment, our management, including our Chief Executive Officer and our Chief Financial Officer, concluded that the Company maintained effective internal control over financial reporting as of March 31, 2018.

Subsequent to filing the Original Filing, an error was discovered related to our interpretation and application of the effective dates of changes in the accounting treatment of our net operating losses in accordance with the new tax laws instituted by the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017 (the "TCJA"). This error, which was not detected timely by management, was the result of an inadequate design of controls pertaining to our review and analysis of changing tax legislation. The deficiency represents a material weakness in our internal control over financial reporting. As a result, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that we did not maintain effective internal control over financial reporting as of March 31, 2018.

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.

Changes in Internal Control Over Financial Reporting

Management has taken steps, and is actively engaged in taking additional steps, to remediate the material weakness identified above. The remediation plan includes (i) the implementation of new controls designed to evaluate the appropriateness of our income tax policies and procedures, (ii) additional training focused on new tax legislation and (iii) reviewing and evaluating tax guidelines published by the major accounting firms.

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 the Company's internal control over financial reporting, it 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.

Attestation Report on Internal Control over Financial Reporting

This Annual Report on Form 10-K/A does not include an attestation report of our independent registered public accounting firm due to the deferral allowed under the JOBS Act for emerging growth companies.

Inherent Limitations on Effectiveness of Controls

Our management, including our 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 error 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.

ITEM 9B. OTHER INFORMATION

None.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our Board of Directors

The following sets forth information regarding the business experience of our directors as of August 9, 2018:

Name	Age	Position with pdvWireless
Brian D. McAuley	77	Chairman of the Board
Morgan E. O'Brien	73	Chief Executive Officer
T. Clark Akers	60	Director
Rachelle B. Chong	59	Director
Greg W. Cominos	55	Director
Mark Hennessy	60	Lead Independent Director
Singleton B. McAllister	66	Director
Paul Saleh	61	Director

In addition to the information set forth below regarding our directors and the skills that led our Board to conclude that these individuals should serve as directors, we believe that all of our directors have a reputation for integrity, honesty and adherence to the highest ethical standards. We believe they each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to our Company and their Board duties.

Brian D. McAuley. Mr. McAuley has served as our Chairman of the Board since August 2004. Mr. McAuley is a co-founder of Nextel Communications, Inc. and held senior executive positions at Nextel from its inception in 1987 until 1996, including seven years as President and Chief Executive Officer. Upon leaving Nextel, he joined Imagine Tile, Inc., a custom tile manufacturer, where he served as Chairman and Chief Executive Officer from 1996 to 1999, and where he continues to serve as Chairman of the Board. He also served as President and Chief Executive Officer of NeoWorld Communications, Inc., a wireless telecommunications company, from 1999 until the sale of that company to Nextel in 2003. Mr. McAuley is a certified public accountant and, prior to co-founding Nextel, his positions included Chief Financial Officer of Millicom Incorporated, Corporate Controller at Norton Simon Inc. and Manager at Deloitte & Touche LLP. Mr. McAuley served on the board of directors of United Rentals (NYSE: URI) until May 4, 2017. Mr. McAuley has a Bachelor's of Business Administration Degree from Adelphi University and is a member of various finance and telecommunications industry organizations.

We believe Mr. McAuley is qualified to serve on our Board based on his prior experience in founding, building and serving as an executive officer at leading telecommunications companies, his prior experience in building a nationwide dispatch network at Nextel, and his experience serving on the boards of directors of other private and public companies.

Morgan E. O'Brien. Mr. O'Brien has served as our Chief Executive Officer since April 2018. He has also served as a member of our Board since April 2012, and as Vice Chairman from May 2014 to April 2018. In April 2018, Mr. O'Brien transitioned to serving as our Chief Executive Officer. From January 2009 to present, Mr. O'Brien has served as an independent consultant to several wireless start-ups and until June 2017 served as a member of the board of directors of GTT Communications, Inc. (NYSE: GTT). As a co-founder and chairman of Nextel, Mr. O'Brien led the creation of the first all-digital nationwide wireless network (the Nextel National Network) and brought push-to-talk ("PTT") communication to the mass business and consumer market. After the merger of Nextel with Sprint Corporation in 2004, he was a co-founder of Cyren Call Communications Corporation, where he served until January 2009. Mr. O'Brien was recognized in 1987 as New Jersey Entrepreneur of the Year and was voted the RCR Person of the Year in 1993 and again in 2006. In 2005, he was inducted into the Washington, DC Business Hall of Fame, and in 2007 he was named a Fellow of the Radio Club of America and was named by Fierce Wireless as "one of the top U.S. wireless innovators of all time." In 2016, Mr. O'Brien was awarded the Armstrong Medal, the highest award of the Radio Club of America, for demonstrated excellence and lasting contributions to radio arts and sciences. Mr. O'Brien has also served on a number of boards of other public companies including Sprint and Williams Telecommunications. He also serves on the board of several private companies and charitable organizations. Mr. O'Brien is a graduate of Georgetown University and received his law degree from Northwestern University.

We believe Mr. O'Brien is qualified to serve on our Board based on his prior experience in founding, building and serving as an executive officer at Nextel and Cyren Call Communications, his prior experience in building a nationwide dispatch network at Nextel, his expertise in FCC licensing and compliance matters, and his experience serving on the boards of directors of other private and public companies.

T. Clark Akers. Mr. Akers has served as a member of our Board since June 2014. He has served as a Managing Director, SBIC Funds Placement Division at FBR & Co., a Washington, D.C. based investment banking firm, since September 2015. His responsibilities at FBR & Co. include raising capital for Small Business Investment Company (SBIC) funds for experienced U.S. investment managers. Prior to FBR & Co., Mr. Akers was a Managing Director at Commerce Street Capital, a Dallas based investment banking firm. Mr. Akers serves on the advisory board of Pharos Capital Group, a private equity firm based in Nashville and Dallas. Mr. Akers serves on the board of the Fred Jones Companies, the automotive affiliate of Hall Capital, an Oklahoma City based family office. He also serves on the Advisory Board of Hall Capital Partners, the private equity affiliate of Hall Capital. Mr. Akers also served, from 2004 to 2009, as Vice Chairman of Intechra, the largest electronic waste and asset disposal company in the U.S. As a founder of Intechra, Mr. Akers raised $50 million of equity that was necessary for the organic and acquisitive growth which marked Intechra's rise to leadership in the e-waste business. Additionally, he was responsible for recruiting key members of Intechra's management team. Following those initiatives, he worked closely with the sales team on targeted Fortune 100 business development efforts. Prior to Intechra, Mr. Akers served as Senior Vice President of External Affairs for TeleCorp PCS, Inc., the ninth largest wireless phone company in the U.S. before its acquisition by AT&T Wireless in 2002. Mr. Akers holds Series 7, Series 63 and 24 License Registrations with the National Association of Securities Dealers, Inc. Mr. Akers received his Bachelor of Arts degree from Vanderbilt University in 1979.

We believe Mr. Akers is qualified to serve on our Board based on his prior experience as an executive in the telecommunications industry, his experience in providing fund raising and advisory services to growth companies, his knowledge of the capital markets and his experience serving on the boards of directors of other companies.

Rachelle B. Chong, J.D. Ms. Chong has served as a member of our Board since August 2018. She established and has served as the principal of the Law Office of Rachelle Chong since July 2013, focusing on representing internet, telecommunication, energy and transportation clients before the FCC, the California Public Utilities Commission and the California State Legislature. Prior to entering private practice, she was appointed and served in a number of significant Federal and State leadership positions, including Commissioner of the FCC from 1994 to 1997, Commissioner of the California Public Utilities Commission from 2006 to 2009 and Special Counsel Advanced Information and Communications Technologies, California Department of Technology from 2009 to 2011. From 2011 to 2013, she served as the Vice President, Government Affairs, California Region for Comcast Communications. She also previously served as a law partner at two international law firms, Coudert Brothers and Graham & James. She serves on the board of the CalAsian Chamber of Commerce and the California Foundation for the Economy and the Environment. She has served on various non-profit organization boards, including Big Brothers Big Sisters of the Bay Area, the Legal Services Trust Fund, and the California Emerging Technology Fund. Ms. Chong has a dual degree in Political Science and Journalism from the University of California, Berkeley, and earned her legal degree from the University of California, Hastings College of the Law.

We believe Ms. Chong is qualified to serve on our Board based on her extensive regulatory and legal experience and expertise in the telecom and public utility industries, including her prior service as a Commissioner of the FCC and Commissioner of the California Public Utilities Commission.

Greg W. Cominos. Mr. Cominos has served as a member of our Board since August 2018. He is a 32-year veteran of both the power and the oil and gas industries, most recently serving as Executive Vice President of Benchmark Electronics Corporation (NYSE: BHE). He joined Benchmark following 18 years of service with General Electric (NYSE: GE), where he held executive positions from 2009 to 2015, including President and CEO of GE's $1B Flow and Process Technologies Division (formerly Dresser Corp.) from April 2013 to June 2015, Chief Commercial Officer of GE's $8B Energy Management Division (Power Transmission, Distribution, and Control solutions) from April 2011 to May 2013, and Chief Operating Officer of GE's $3B Digital Energy Division (Smart Grid Products and Services) from March 2009 to April 2011. In these roles, Mr. Cominos led international GE organizations, managed businesses in the utility, independent power, and power ministry sectors, and was a Senior Executive of the General Electric Corporation. He engaged actively with electric industry associations, utilities, regulators, and other stakeholders to promote the benefits and paybacks of modernizing the world's electrical grids with an emphasis on smarter and cleaner technologies. In his early GE years, he held general management positions in the Turbine-Generator business where he led business development for the services segment globally. Prior to GE, Mr. Cominos spent 11 years with Siemens Power. Mr. Cominos holds a B.S. in Industrial Engineering from West Virginia University.

We believe Mr. Cominos is qualified to serve on our Board based on his prior executive leadership experience at leading companies in the power and oil and gas industries, and his expertise in developing business strategies to offer new technologies and solutions to power and other utility companies.

Mark Hennessy. Mr. Hennessy has served as a member of our Board since May 2017 and as our Lead Independent Director since June 2018. Mr. Hennessy retired in December 2015 after a 34-year career at IBM where he served in a number of executive management and leadership positions. During his tenure at IBM, he was responsible for global integration initiatives and technology operations focused on innovation and growth. He served as General Manager for several IBM businesses, including the Asia Pacific Systems business based in Tokyo, the European business based in Zurich, and the Global Distribution Sector based at IBM corporate headquarters. Mr. Hennessy also held several IBM executive staff assignments, including Global Chief Information Officer, General Manager of Global Business Partners and General Manager of Strategy and Sales Transformation. During the last five years, Mr. Hennessy's positions at IBM included General Manager of the European business, General Manager of the Global Distribution Sector and General Manager of Global Business Partners. For the past seven years, Mr. Hennessy has served on the board of directors of Covenant House International where he has led many board activities, including strategic planning, program evaluation and site expansion. Mr. Hennessy received Covenant House International's Beacon of Hope award in 2014. Mr. Hennessy holds a B.A. in Economics from Boston College and an MBA from the University of Chicago.

We believe Mr. Hennessy is qualified to serve on our Board based on his prior experience as an executive in the technology industry, his leadership experience and his background of strategic business development and operational excellence as well as deep knowledge of global enterprise technology.

Singleton B. McAllister. Ms. McAllister has served as a member of our Board since August 2018. She is currently serving as Of Counsel at the law firm Husch Blackwell, LLP. Before joining Husch Blackwell in May 2014, Ms. McAllister served as a partner in the law firms of Williams Mullen from 2012 to 2014, Blank Rome LLP from 2010 to 2012 and LeClairRyan from 2007 to 2010. Prior to entering private practice, Ms. McAllister served for five years as the general counsel for the United States Agency for International Development and previously served in senior positions in the U.S. House of Representatives. Ms. McAllister is a director of Alliant Energy Corporation (NYSE: LNT) and the Proxy Board of Securitas Infrastructure Services, Inc. She also served as a director of United Rentals (NYSE: URI) from 2004 to May 2018, and previously chaired the National Women's Business Center. Ms. McAllister is a member of the Council on Foreign Relations and a fellow to the National Academy of Public Administration. She has also served on the Advisory Board of the African Development Foundation and has been appointed Secretary to the Virginia State Board of Elections. Ms. McAllister has a Bachelor of Arts Degree from the University of Maryland and completed Graduate Studies in International Relations and earned her law degree from Howard University.

We believe Ms. McAllister is qualified to serve on our Board based on her legal, regulatory and corporate governance experience and expertise, as well as her current and experience serving on the boards of directors of other public and private companies, including public and private utility companies.

Paul Saleh. Mr. Saleh has served as a director since December 2016. Mr. Saleh currently serves as Executive Vice President and Chief Financial Officer of DXC Technology (NYSE: DXC), which was formed in 2017 from the merger of Computer Sciences ("CSC") and Hewlett Packard Enterprise Services. Previously Mr. Saleh served as Executive Vice President and Chief Financial Officer for CSC since 2012. Prior to CSC, Mr. Saleh was the Chief Financial Officer for Gannett Co., as well as Sprint Nextel and Walt Disney International. Before joining the Walt Disney Company, he was with Honeywell Inc. for 12 years, where he held various leadership positions in finance, including Treasurer of the company. Institutional Investor Magazine named Mr. Saleh as the best Chief Financial Officer in the telecom wireless industry in 2004, 2005, 2006 and 2007. In 2005, Treasury & Risk Management magazine recognized him as one of the 100 Most Influential People in Finance. In 2006 and 2017, Mr. Saleh received the Public Company CFO of the Year Award from the Northern Virginia Technology Council. Mr. Saleh holds a Master of Business Administration with distinction in Finance; a Master of Science in Computer, Information & Control Engineering; and a Bachelor of Science in Electrical Engineering, all from the University of Michigan. He resides with his family in the Washington D.C., metropolitan area.

We believe Mr. Saleh is qualified to serve on our Board based on his prior experience as an executive in the technology and telecommunications industries, his experience in financial matters and the capital markets and his leadership experience.

Our Former Directors

The following sets forth information regarding the business experience of the individuals who previously served as directors on the Board of Directors through the date of our 2018 Annual Meeting of Stockholders held on August 7, 2018:

Name	Age	Position with pdvWireless
John C. Pescatore	54	Vice Chairman of the Board
Peter G. Schiff	66	Director
John C. Sites	66	Director

John C. Pescatore. Mr. Pescatore served as our Vice Chairman from April 2018 to August 2018, and as a director from August 2004 to August 2018. He previously served as our President and Chief Executive Officer from August 2004 until April 2018. He is a seasoned telecommunications executive with particular expertise in rapidly growing companies. Prior to his service at pdvWireless, he was Executive Vice President and Chief Operating Officer of NeoWorld Communications. NeoWorld was founded to develop and launch a nationwide dispatch system and held spectrum in major markets throughout the United States. The company was successfully sold to Nextel Communications in 2003. Prior to that, Mr. Pescatore was Executive Vice President of Operations with Expanets, Inc., one of the fastest growing voice and data communications solutions and services companies in the United States during his tenure. He was one of the key architects in building Expanets and saw the business through enormous growth by strategic acquisitions. Prior to that, Mr. Pescatore was part of the team involved in the start-up of Nextel, where he held numerous senior leadership positions including Vice President of Operations, President of the Two-Way Radio Division, and President of the New York Area during its digital system rollout. Prior to Nextel, Mr. Pescatore was a consultant with Deloitte & Touche LLP. He earned his undergraduate degree in accounting from New York University and earned his certified public accountant certification.

Peter G. Schiff. Mr. Schiff served as a member of our Board from August 2004 to August 2018. He currently serves as Managing Partner of Northwood Ventures, a private equity firm he founded in 1983. Prior to founding Northwood, Mr. Schiff worked in the private equity division of E.M. Warburg, Pincus & Co., and previously had been an officer in the corporate division of Chemical Bank (now JPMorgan Chase & Co.). He serves as a director of many of Northwood's portfolio companies. Mr. Schiff graduated from Lake Forest College and received an M.B.A. from University of Chicago's Booth School of Business with concentrations in Finance and Marketing. In 2009, he was awarded the honorary degree of Doctor of Laws by the Lake Forest College after serving as a trustee for 16 years, culminating in serving as its Chairman. Mr. Schiff also serves as a trustee of Hofstra University and as a member of the Joint Board of Overseers of the Hofstra Northwell School of Medicine. Northwood was an early investor in several enterprise focused carriers including Nextel, Dispatch Communications, NeoWorld, PowerFone and TeleCorp.

John C. Sites Jr. Mr. Sites served as a member of our Board from August 2004 to August 2018. He has been a partner at Wexford Capital since 2008, and joined Wexford Capital in 2006, where he focuses on private and public equity investing. Prior to joining Wexford in 2006, he was a general partner of Daystar Special Situations Fund and Rock Creek Partners II, Ltd for ten years. From 1981 to 1995, Mr. Sites was employed by Bear Stearns & Co., Inc., where he reached the position of Executive Vice President and was a member of the board of directors. While at Bear Stearns, Mr. Sites established the firm's mortgage and asset-backed department, served on the firm's executive and compensation committees, was co-head of the taxable fixed income group and oversaw Bear Stearns' Asset Management and the Financial Institutions Group. From 1974 to 1981, Mr. Sites worked at Trading Company of the West, First Pennco Securities, and Morgan, Keegan & Company. Mr. Sites holds a Bachelor's of Arts Degree in Economics from Rhodes College and is a member of Phi Beta Kappa.

Our Executive Officers

Name	Age	Position with pdvWireless
Brian D. McAuley(1)	77	Chairman of the Board
Morgan E. O'Brien(1)	73	Chief Executive Officer
Robert H. Schwartz	52	President and Chief Operating Officer
Timothy A. Gray	48	Chief Financial Officer

(1) See the sections entitled "Our Board of Directors" above, for a description of the business experience and educational background of Messrs. McAuley and O'Brien.

Robert H. Schwartz. Mr. Schwartz was appointed as our President and Chief Operating Officer in May 2018. He joined the Company as Chief Strategy and Development Officer in August 2015. Prior to joining our Company, beginning in October 2013, Mr. Schwartz served as Chief Executive Officer of STI Brasil, LLC, a company focused on developing shared fiber infrastructure for wireless operators in Brazil. Prior to STI, from November 2009 to September 2013, Mr. Schwartz served as a Managing Director of Unison Site Management, during which Unison acquired and managed cell site easements throughout the United States and sold its site portfolio to American Tower. From June 2006 to October 2009, Mr. Schwartz was Managing Partner of Woodmont Partners LLC, a strategic consultancy to telecom, media and technology companies including software, mobile and cable companies. Earlier Mr. Schwartz was Executive Vice President of IDT Telecom from 2001 to 2006, and led corporate development, product management, and the mobile division. In 1996, Mr. Schwartz joined The Associated Group to launch Teligent, and became Teligent's Senior Vice President of Corporate Development, leading functions including strategy, capital markets, investor relations and M&A activities through the startup, initial public offering, and the sale to Liberty Media. Mr. Schwartz also served as Director of Corporate Development at Nextel where he was responsible for supporting key strategy, M&A, and capital markets initiatives, including the strategic investment in Nextel by Craig McCaw's Eagle River in 1996. Mr. Schwartz holds an MBA from the Wharton School at the University of Pennsylvania and a Bachelor's Degree in Business Administration from George Washington University's School of Government & Business Affairs.

Timothy A. Gray. Mr. Gray joined the Company as Chief Financial Officer in June 2014. From November 2011 to May 2013, Mr. Gray served as Senior Vice President and Chief Financial Officer of MedImmune, Inc., and then served as Senior Vice President of Finance for MedImmune's Specialty Care Group until November 2013. Mr. Gray also served in various other finance roles at MedImmune since April 2008. Prior to joining MedImmune, Mr. Gray served in finance positions at AOL and Nextel and started his career at Deloitte & Touche LLP. He is also a member of the Audit Committee of the Children's Inn at the National Institutes of Health. Mr. Gray holds a BBA in Accounting from the University of Notre Dame and is a certified public accountant.

No Family Relationships

There are no family relationships between any of our officers and directors.

Governance of Our Company

We seek to maintain high standards of business conduct and corporate governance, which we believe are fundamental to the overall success of our business, serving our stockholders well and maintaining our integrity in the marketplace. Our corporate governance guidelines and code of business conduct, together with our Amended and Restated Certificate of Incorporation, as amended, and our Amended and Restated Bylaws and the charters for each of our Board committees, form the basis for our corporate governance framework. We also are subject to the Sarbanes-Oxley Act, the rules and regulations of the SEC and the corporate governance rules of the NASDAQ Stock Market. Our Board has established three standing committees to assist it in fulfilling its responsibilities to the Company and its stockholders: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee.

Corporate Governance Guidelines: Our corporate governance guidelines are designed to help ensure effective corporate governance of our Company. Our corporate governance guidelines cover topics including, but not limited to, director qualification criteria, director responsibilities, director compensation, director orientation and continuing education, communications from stockholders to our Board, succession planning and the annual evaluations of our Board and its committees. Our corporate governance guidelines are reviewed by the Nominating and Corporate Governance Committee and amended by our Board when appropriate. The full text of our corporate governance guidelines is available on our website at www.pdvwireless.com. A printed copy may also be obtained by any stockholder upon request to our Corporate Secretary.

Our Board of Directors: Our Board currently consists of eight members. The number of directors on our Board can be determined from time to time by action of our Board.

Our Board has determined that our five non-employee directors during Fiscal 2018, including Messrs. Akers, Hennessy, Saleh, Schiff and Sites, and our three new directors, including Ms. Chong, Mr. Cominos and Ms. McAllister, each meet the independence standards established by the NASDAQ Stock Market and the applicable independence rules and regulations of the SEC, including the rules relating to the independence of the members of our Audit Committee and Compensation Committee, as applicable. Our Board considers that a director is independent when the director is not an officer or employee of the Company or its subsidiaries, does not have any relationship which would, or could reasonably appear to, materially interfere with the independent judgment of such director, and the director otherwise meets the independence requirements under the listing standards of the NASDAQ Stock Market and the rules and regulations of the SEC.

Our Board believes its members collectively have the experience, qualifications, attributes and skills to effectively oversee the management of our Company, including a high degree of personal and professional integrity, an ability to exercise sound business judgment on a broad range of issues, sufficient experience and background to have an appreciation of the issues facing our Company, a willingness to devote the necessary time to their Board and committee duties, a commitment to representing the best interests of the Company and our stockholders and a dedication to enhancing stockholder value.

Our Board Committees

The following table provides membership information for each of our Board committees as of August 7, 2018:

	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
T. Clark Akers	Chair	X	—
Mark Hennessy	—	Chair	—
Paul Saleh	X	—	X
Rachelle B. Chong	—	—	X
Greg W. Cominos	X	—	—
Singleton B. McAllister	—	X	Chair

Audit Committee. The Audit Committee is comprised of three of our independent directors, T. Clark Akers, Greg W. Cominos and Paul Saleh, each of whom is able to read and understand fundamental financial statements, including our balance sheet, statements of operations, stockholders' equity and cash flows as required by the rules of the NASDAQ Stock Market. Mr. Akers is the chairperson of the Audit Committee. Mark Hennessy served on the Audit Committee during fiscal 2018 and through the date of our Annual Meeting of Stockholders on August 7, 2018. The functions of the Audit Committee include the retention of our independent registered public accounting firm, reviewing and approving the planned scope, proposed fee arrangements and results of our Company's annual audit, reviewing the adequacy of our Company's accounting and financial controls and reviewing the independence of our Company's independent registered public accounting firm. Our Board has determined that each member of the Audit Committee is, and Mr. Hennessy during his service was, an "independent director" under the listing standards of the NASDAQ Stock Market and the applicable rules and regulations of the SEC. Our Board has also determined that each of T. Clark Akers and Paul Saleh is an "audit committee financial expert" within the applicable requirements of the SEC. The Audit Committee is governed by a written charter approved by our Board, a copy of which is available on our website at www.pdvwireless.com. The charter complies with the applicable provision of the Sarbanes-Oxley Act and related rules of the SEC and the NASDAQ Stock Market

Compensation Committee. The Compensation Committee is comprised of three of our independent directors, Mark Hennessy, Singleton McAllister and T. Clark Akers. Mr. Hennessy is the chairperson of the Compensation Committee. Peter G. Schiff and John C. Sites served on the Compensation Committee during fiscal 2018 and through the date of our Annual Meeting of Stockholders on August 7, 2018. The functions of the Compensation Committee include the approval of the compensation offered to our executive officers and recommendation to the full Board of the compensation to be offered to our non-employee directors. In accordance with the listing standards of the NASDAQ Stock Market, the Compensation Committee evaluates the independence of each compensation consultant, outside counsel and advisor retained by or providing advice to the Compensation Committee. Our Board has determined that each of Messrs. Hennessy and Akers and Ms. McAllister is, and Messrs. Schiff and Sites were, an "independent director" under the listing standards of the NASDAQ Stock Market and the applicable rules of regulations of the SEC, including the additional requirements that apply to members of the Compensation Committee. In addition, the members of the Compensation Committee each qualify as "non-employee directors" for purposes of Rule 16b-3 under the Exchange Act and as "outside directors" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. The Compensation Committee is governed by a written charter approved by our Board, a copy of which is available on our website at www.pdvwireless.com.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is comprised of three of our independent directors, Singleton B. McAllister, Rachelle B. Chong and Paul Saleh. Ms. McAllister is the chairperson of the Nominating and Corporate Governance Committee. Mark Hennessy and John C. Sites served on the Nominating and Corporate Governance Committee during fiscal 2018 and through the date of our Annual Meeting of Stockholders on August 7, 2018. The functions of the Nominating and Corporate Governance Committee include the identification, recruitment and nomination of candidates for our Board and its committees, making recommendations to our Board concerning the structure, composition and functioning of our Board and its committees (including the reporting channels through which our Board receives information and the quality and timeliness of the information), developing and recommending to our Board corporate governance guidelines applicable to our Company and annually reviewing and recommending changes (as necessary or appropriate), overseeing the annual evaluation of our Board's effectiveness and performance, and periodically conducting an individual evaluation of each director. Our Board has determined that each member of the Nominating and Corporate Governance Committee is, and Messrs. Hennessy and Sites were, an "independent director" under the listing standards of the NASDAQ Stock Market and the applicable rules and regulations of the SEC. The Nominating and Corporate Governance Committee is governed by a written charter approved by our Board, a copy of which is available on our website at www.pdvwireless.com.

Compensation Committee Interlocks and Insider Participation: No member of our Compensation Committee has at any time been our employee. Except as set forth herein, none of our executive officers serves, or has served during the last fiscal year, as a member of the board of directors or compensation committee of any other entity that has one or more executive officers serving as a member of our Board or our Compensation Committee.

Code of Business Conduct: Our Board adopted a code of business conduct that applies to our officers, directors and employees. Among other matters, our code of business conduct is designed to deter unlawful or unethical behavior and to promote the following:

1. Prohibiting conflicts of interest (including protecting corporate opportunities);

2. Protecting our confidential and proprietary information and that of our customers and vendors;

3. Treating our employees, customers, suppliers and competitors fairly;

4. Encouraging full, fair, accurate, timely and understandable disclosure;

5. Protecting and properly using company assets;

6. Complying with laws, rules and regulations (including insider trading laws); and

7. Encouraging the reporting of any unlawful or unethical behavior.

Any waiver of the code of business conduct for our executive officers, directors or employees may be made only by our Nominating and Corporate Governance Committee and will be promptly disclosed on our website. We have posted a copy of our code of business conduct, and intend to post amendments to this code, on our website at www.pdvwireless.com, as permitted under SEC rules and regulations.

Board Leadership Structure: Mr. McAuley serves as Chairman of our Board, and Mr. O'Brien serves as our Chief Executive Officer. Our Board has determined that separating the positions of Chief Executive Officer and Chairman of the Board is in the best interests of the Company and its stockholders at this time. As an additional key element of its leadership structure, our Board has appointed Mr. Hennessy to serve as Lead Independent Director.

Our Board believes our leadership structure enhances the accountability of our Chief Executive Officer to our Board and encourages balanced decision making. In addition, our Board believes that this structure provides an environment in which the independent directors are fully informed, have significant input into the content of Board meetings, and are able to provide objective and thoughtful oversight of management. Our Board also separated the roles in recognition of the differences in responsibilities. While our Chief Executive Officer is responsible for the day-to-day leadership and operations of the Company, the Chairman of the Board and the Lead Independent Director provide guidance to our Board and sets the agenda for Board meetings. Our Lead Independent Director also provides performance feedback on behalf of our Board to our Chairman and Chief Executive Officer. Our Board also considered that our Audit, Compensation, and Nominating and Corporate Governance Committees, which oversee critical matters such as the integrity of our financial statements, the compensation of executive management, the selection and evaluation of directors, the development and implementation of corporate governance policies, and the oversight of the Company's compliance with laws and regulations, each consist entirely of independent directors. Our Board intends to evaluate from time to time whether our Chief Executive Officer and Chairman positions should remain separate based on what our Board determines is best for the Company and its stockholders.

Board Oversight of Risk: Our Board is actively involved in the oversight of risks that could affect the Company. Our Board as a whole has responsibility to evaluate and oversee the Company's risk management policies and procedures, with responsibility of certain areas being assigned to the relevant Board committee. Our Board satisfies this responsibility through reports by each committee chair regarding the committee's evaluations and recommendations, as well as through regular reports directly from management responsible for oversight of particular risks within the Company. Specifically, our Board committees address the following risk areas:

1. The Compensation Committee is responsible for overseeing the management of risks related to the retention and motivation of the Company's executives and their compensation plans and arrangements.

2. The Audit Committee discusses with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

3. The Nominating and Corporate Governance Committee considers risks related to regulatory and compliance matters relevant to the Company and its operations, including the Company's compliance with good corporate governance practices and the requirements established by the SEC and the NASDAQ Stock Market.

Our Board encourages management to promote a corporate culture that incorporates risk management into the Company's day-to-day business operations.

Communications with the Board of Directors: Our Board desires that the views of the Company's stockholders will be heard by our Board, its committees or individual directors, as applicable, and that appropriate responses will be provided to stockholders on a timely basis. Stockholders wishing to formally communicate with our Board, any Board committee, the independent directors as a group or any individual director may send communications directly to the Company at pdvWireless, Inc., 3 Garret Mountain Plaza, Suite 401, Woodland Park, New Jersey 07424, Attention: Corporate Secretary. All clearly marked written communications, other than unsolicited advertising or promotional materials, are logged and copied, and forwarded to the director(s) to whom the communication was addressed. Please note that the foregoing communication procedure does not apply to (i) stockholder proposals pursuant to Exchange Act Rule 14a-8 and communications made in connection with such proposals or (ii) service of process or any other notice in a legal proceeding.

Board and Committee Attendance: During Fiscal 2018 (the fiscal year ended March 31, 2018), all directors attended at least 75% or more of the aggregate of the meetings of our Board and of each of our Board committees on which they served at the time of such meetings. Our Board met six times during Fiscal 2018 and acted by written consent four times during Fiscal 2018; the Audit Committee met seven times during Fiscal 2018; the Compensation Committee met four times and acted by written consent two times during Fiscal 2018; and the Nominating and Corporate Governance Committee met three times during Fiscal 2018.

Director Attendance at the Annual Meeting: We believe the Annual Meeting provides a good opportunity for our directors to hear any feedback that our stockholders may desire to share with the Company and our Board. As a result, we encourage our directors to attend our Annual Meetings. We will reimburse our directors for the reasonable expenses they may incur in attending the Annual Meeting.

Executive Sessions: Executive sessions of our independent directors are held at each regularly scheduled meeting of our Board and at other times they deem necessary. Our Board's policy is to hold executive sessions both with and without the presence of management. Our Board committees also generally meet in executive session at the end of each committee meeting.

Stockholder Communications. We consistently and routinely interact with our stockholders on a number of matters, including receiving any feedback on our corporate governance framework and executive compensation.

Majority Voting for Election of Directors. Under our Amended and Restated Certificate of Incorporation, as amended, and our Amended and Restated Bylaws, in an uncontested election, directors are elected by the vote of the majority of the votes cast with respect to such director. This means that the number of shares voted "FOR" a nominee for election as director must exceed the number of votes cast "AGAINST" that director nominee. If such a director nominee fails to receive "***FOR***" votes representing at least a majority of votes cast and is an incumbent director, the Bylaws would require the director to tender his or her resignation to the Board if not already tendered pursuant to the Company's conditional resignation policy set forth in our Corporate Governance Guideline, subject to acceptance by the Board. The Nominating and Corporate Governance Committee of the Board would then be charged with making a recommendation to the Board as to whether to accept or reject the tendered resignation, or whether other action should be taken. In contested elections, where the number of director nominees exceeds the number of directors to be elected, the plurality voting standard would continue to apply.

Stock Ownership Guidelines. All of our executive officers and non-employee Directors are subject to stock ownership guidelines approved by the Board. Our Chief Executive Officer is required to beneficially own a number of shares of the Company's common stock with a value equal to five times (5x) his base salary. All other executive officers are required to beneficially own a number of shares with a value equal to three times (3x) their base salary. Non-employee Directors are required to beneficially own a number of shares of the Company's common stock with a value equal to three times (3x) the annual cash retainer paid to them for service as a member of our Board. Each of our executive officers and each of our non-employee directors who have been a member of the Board for more than one year are in compliance with the stock ownership guidelines, although formal compliance is not required until the end of Fiscal 2022.

Succession Plan. The Board has amended our Corporate Governance Guidelines to provide for a formal succession planning process for the Company's Chief Executive Officer and its other key executives.

Consideration of Director Nominees

General: In evaluating nominees for membership on our Board, our Nominating and Corporate Governance Committee applies our Board membership criteria set forth in our Corporate Governance Guidelines. Under these criteria, the Committee takes into account many factors, including an individual's business experience and skills (including skills in core areas such as operations, management, technology, accounting and finance, capital markets and strategic planning), as well as independence, judgment, knowledge of our business and industry, professional reputation, leadership, integrity and ability to represent the best interests of the Company's stockholders. In addition, the Nominating and Corporate Governance Committee will also consider the ability of the nominee to represent the best interests of the Company and its stockholders and to commit sufficient time and attention to the activities of our Board, as well as the absence of any potential conflicts with the Company's interests. The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. Our Board does not have a formal policy with respect to the diversity of nominees. Rather, our Nominating and Corporate Governance Committee considers Board membership criteria as a whole and seeks to achieve diversity of occupational and personal backgrounds, experience and expertise on our Board. Our Board is responsible for selecting candidates for election as directors based on the recommendation of the Nominating and Corporate Governance Committee.

Our Nominating and Corporate Governance Committee and Board of Directors regularly assesses the appropriate size of our Board, and whether any vacancies on our Board are expected due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the Nominating and Corporate Governance Committee will consider various potential nominees who may come to the attention of the Committee through current Board members, professional search firms, stockholders or other persons. Each potential nominee brought to the attention of the Committee, regardless of who recommended such potential nominee, is considered on the basis of the criteria set forth in our Corporate Governance Guidelines.

Stockholder Nominees: The Nominating and Corporate Governance Committee will review a reasonable number of candidates for director recommended by a single stockholder who has held over 2.0% of the Company's common stock for over one year and who satisfies the notice, information and consent provisions set forth in the Company's Amended and Restated Bylaws. Our

Board will use the same evaluation criteria and process for director nominees recommended by stockholders as it uses for other director nominees. There has been no change to the procedures by which stockholders may recommend nominees to our Board.

Recent Corporate Governance Changes

Our Board has taken the following actions to further strengthen our corporate governance framework.

Additional Independent Directors. Our Board added a new independent director in fiscal 2017, Paul Saleh, and another new independent director in fiscal 2018, Mark Hennessy. Additionally, the Board has nominated, and the Company's stockholders have voted to elect three additional independent directors at our August 7, 2018 Annual Meeting, including Rachelle B. Chong, Greg W. Cominos and Singleton B. McAllister. Given the election of the full slate of the Board's recommended director nominees, the Board currently is comprised of six independent directors and two management directors.

Board Diversity and Refreshment. As part of its continued efforts to add directors with relevant skills, experience, expertise and diversity, the Board nominated the following three new independent directors for election at the August 7, 2018 Annual Meeting. Ms. Chong has extensive regulatory and legal experience and expertise in the telecom and public utility industries, including previously serving as a Commissioner of the FCC and as a Commissioner of the California Public Utilities Commission. Mr. Cominos is a 32-year veteran of both the power and the oil and gas industries, with expertise in developing business strategies to offer new technologies and solutions to power and other utility companies. Ms. McAllister is a regulatory and corporate governance expert, with experience in serving on the boards of both public and private utility companies. As noted above, these new director nominees have been elected to serve on our Board of Directors, and we believe that they each will add considerable additional diversity of occupational and personal backgrounds, experience and expertise that will further facilitate objective and thoughtful oversight of management and the Company's business plans and strategies. These directors will also reduce the average tenure of the service on the Board from 9 to 4 years.

Lead Independent Director. As an additional key element of its leadership structure, our Board has appointed Mr. Hennessy to serve as Lead Independent Director. As Lead Independent Director, Mr. Hennessy will preside at meetings of the non-management and independent Board members. He also will advise management on the agenda for Board meetings, and provide such other functions as the Board may direct.

Stockholder Communications. We proactively interact with our stockholders to obtain their feedback on our operations, including meeting with a number of our large stockholders on a regular basis.

ITEM 11. EXECUTIVE COMPENSATION

The following tables summarize information concerning the compensation awarded to, earned by, or paid for services rendered in all capacities by our named executive officers during Fiscal 2018 (the fiscal year ended March 31, 2018) and Fiscal 2017 (the fiscal year ended March 31, 2017). As an emerging growth company, our named executive officers include: John C. Pescatore, our principal executive officer during Fiscal 2018, and Morgan E. O’Brien and Robert H. Schwartz, our two most highly compensated executive officers (other than our principal executive officer) who were serving as executive officers at the end of Fiscal 2018. In April 2018, our Board of Directors approved a chief executive officer transition plan, under which John C. Pescatore, our chief executive officer and president, transitioned to the position of vice chairman and Morgan E. O’Brien, our then-current vice chairman, assumed the position as our new chief executive officer. In May 2018, our Board of Directors appointed Robert H. Schwartz to serve as our president and chief operating officer.

In addition, as an emerging growth company, we have elected to adopt the reduced compensation disclosure requirements permitted under the JOBS Act. As a result, we are permitted and will rely on exemptions from certain disclosure requirements. Nevertheless, our Board and Compensation Committee each believe that adopting appropriate and sound compensation programs and practices are fundamental to the overall success of our business and aligning the interests of our executives with the interests of our stockholders.

Our Board of Directors has established a Compensation Committee comprised of three independent directors in accordance with the rules and regulations established by the SEC and the NASDAQ Stock Market. Our Board has delegated to the Compensation Committee the authority to establish the Company’s executive compensation program and to approve all compensation received by the Company’s executive officers and the other members of its management team. In 2015, the Compensation Committee retained Pearl Meyer, as its independent compensation consultant, to assist it in evaluating the Company’s executive compensation program and selecting an appropriate peer group of comparable companies for purposes of setting executive compensation.

Executive Compensation Program. Based on the advice of its independent compensation consultant, our Compensation Committee has established an executive compensation program consisting of: (i) an annual base salary, (ii) an annual performance-based cash bonus program and (iii) a long-term equity award plan consisting of time-based and performance-based equity awards. In establishing this program, the Compensation Committee focused on designing a program that would attract, retain, and incentivize talented executives, motivate them to achieve our key financial, operational, and strategic goals, and reward them for superior performance. The Compensation Committee also focused on ensuring that our executive compensation program aligns our executive officers’ and key employee’s interests with those of our stockholders by basing a significant portion of their compensation on the achievement of certain pre-established corporate and individual performance goals.

Determination of Executive Compensation. The Compensation Committee did not target compensation to a particular percentile for our executive officers in Fiscal 2018. Although it did not target a particular percentile, the Compensation Committee considered the Company’s net operating losses and the benefits to the Company and its stockholders of conserving the Company’s cash resources and extending its operating runway. Based on these factors, the Compensation Committee determined to generally offer our executives below median annual salaries and total target cash compensation and median long-term equity incentives.

In setting executive compensation, the Compensation Committee considered benchmark data from the peer group it established, relevant publicly available market data and the compensation reports provided by Pearl Meyer. The Compensation Committee also considered the compensation recommendations of our Chief Executive Officer (other than with respect to determining his own compensation), as well as the Company’s overall performance, each executive officer’s responsibilities and individual performance, and the Company’s financial status and operating runway for each individual executive. In addition, the Committee considered the benefits of maintaining pay parity among our executive officers.

Base Salary: The base salaries of our executive officers depend on their job responsibilities, the rate of compensation paid by our peer group of companies, the pay offered to the other executive officers, and the Company’s financial position and business performance. To help conserve the Company’s cash resources, the Compensation Committee set the base salaries for our executive officers for Fiscal 2018 below median based on peer group data.

Performance-Based Cash Bonus Awards: As part of our compensation program, our executive officers and other key employees are eligible to participate in a performance-based cash bonus award program. The Compensation Committee determines the annual performance-based cash bonus awards based on the executive’s individual performance and the Company’s actual performance compared to the corporate goals approved by the Compensation Committee. For Fiscal 2018, the Compensation Committee set the annual target bonuses for our then serving Chief Executive Officer at 100% of his base salary, for our Chairman and our then serving Vice Chairman at 75% of their respective base salaries and for other executives at 40% to 60% of their respective base salaries. The Compensation Committee also determined that 50% of the annual performance-based cash incentive award for each of our executives, other than our sales team executives, would be based on corporate performance goals and 50% would be based on their individual performance. For our sales team executives, the Compensation Committee adjusted the weighting of the annual performance-based cash incentive award to be 60% based on the achievement of the corporate performance goals and 40% based on individual performance.

For Fiscal 2018, our Compensation Committee established the following four corporate performance goals, and assigned the following percentages to each goal:

Performance Goal	Executive Officers	Sales Team Executives
Net Customer Additions Target	15%	32.5%
Total Revenue Target	5%	7.5%
Adjusted EBITDA Target[(i)]	15%	10%
Net Cash Balance Target	15%	10%

(i) (i) The Company defines Adjusted EBITDA as net income (loss) with adjustments for depreciation and amortization, interest income (expense)-net, other income (expense)-net, income taxes and stock-based compensation.

The Compensation Committee provided that the target bonus percentages for the Net Customer Additions and Total Revenue Targets would increase by 4% for each 1% positive variance from the established performance target, and decrease by 4% for each 1% negative variance from the established performance target. The Compensation Committee provided that the maximum payouts for the Net Customer Additions and Total Revenue Targets could not exceed 125% of the respective target percentages, and the maximum payouts for meeting or exceeding the EBITDA and Net Cash Balance Targets could not exceed 100% of the target percentages.

For Fiscal 2018, the Compensation Committee evaluated the Company's performance relative to each of these corporate performance goals. For performance goals with minimum base performance levels, the Compensation Committee assigned a zero percentage to those performance goals if the Company did not meet the minimum base performance level. Based on this evaluation, the Compensation Committee assigned the following values to the corporate performance goals: (i) 0% for the Net Customer Additions Target because the Company did not meet the minimum base performance level, (ii) 108% related to the Total Revenue Target, (iii) 100% to the Adjusted EBITDA Target and (iv) 100% to the Net Cash Balance Target. Based on these scores and the relative weights applied to each goal, the Company achieved an overall aggregate of 35.4% for our non-sales team executives and 28.1% for our sales team executives. Our Compensation Committee expected that the objectives it set as the corporate performance goals at the target level of performance would be challenging and require effective execution by the Company's management team.

The Compensation Committee then considered the respective performance of each of our executive officers and other key employees in achieving their individual target and stretch performance goals. Based on this evaluation and its evaluation of the Company performance goals discussed above, the Compensation Committee awarded annual performance awards to our executives ranging from 63.1% to 145.6% of their target bonuses.

Long-Term Equity Awards: Equity ownership by our executive officers and key employees encourages them to create long-term value and also aligns their interests with those of our stockholders. Historically, our executive officers have not received long-term equity awards on an annual basis. During Fiscal 2015 (the period from April 1, 2014 to March 31, 2015), the Company completed a recapitalization, closed a private placement financing in which it raised net proceeds of approximately $202 million, purchased its spectrum assets from Sprint Corporation and qualified to become a publicly traded company. In connection with these activities, the Company's executive officers were issued time-based stock option awards in Fiscal 2015 that reflected the Company's recapitalization and the fact that several of our executive officers were new hires and received their initial equity awards upon joining the Company. Because our executive officers received stock option awards in Fiscal 2015, our Compensation Committee elected not to grant equity awards to our executive officers at the beginning of Fiscal 2016 (the period from April 1, 2015 to March 31, 2016).

During mid-Fiscal 2016, the Compensation Committee again retained Pearl Meyer as its independent compensation consultant, and requested Pearl Meyer to evaluate the Company's executive compensation program. Based on this evaluation, the Compensation Committee determined that one of the components of the Company's executive compensation program should be the consideration of the annual issue of equity awards, with the issuance to take place at the beginning of each new fiscal year as may be determined by the Compensation Committee. In designing the equity award program, the Compensation Committee determined that the equity awards should consist of both time-based and performance-based equity awards, with 50% of the grant date fair value being assigned to each type of award. The Compensation Committee then evaluated how to best transition to the "annual" grant of equity awards since it had not granted equity awards at the beginning of Fiscal 2016, and most of the Company's executive officers had not received equity-awards since June 2014 or the date they first joined the Company. With input from Pearl Meyer, the Compensation Committee elected to grant the Company's executive officers equity awards in January 2016. Although these equity awards were granted during Fiscal 2016, the Compensation Committee intended these equity awards to cover the period from January 2016 through March 31, 2017 (i.e., the end of Fiscal 2017). As a result, the Compensation Committee did not grant annual equity awards to the Company's executive officers, other than Mr. Schwartz during Fiscal 2017, and so the compensation tables included herein for Messrs. O'Brien and Pescatore do not include any equity awards for Fiscal 2017. To reflect his performance and his assumption of additional responsibilities in support of the Company's spectrum initiatives, the Compensation Committee issued 10,000 time-based restricted stock units to Mr. Schwartz on June 28, 2016 and an additional 2,058 restricted stock units on January 13, 2017. The restricted stock units vest over a four-year period, with 25% of the restricted stock units vesting on the one year anniversary of the respective grant dates, and the remainder of the restricted stock units vesting in three equal annual installments thereafter.

For Fiscal 2018 (i.e., the period from April 1, 2017 to March 31, 2018) and future years, the Compensation Committee determined that the Company's executive compensation program should provide for the issuance of equity awards to the Company's executive officers each fiscal year. Consistent with this program, the Compensation Committee granted our executive officers time-based and performance based equity awards during Fiscal 2018.

In Fiscal 2016 and 2018, the Compensation Committee determined that 50% of the grant date fair value of the equity awards should be time-based and the remaining 50% should be performance-based. The time-based equity awards each vest in four equal annual installments over a four-year period measured from the grant date. The performance-based equity awards vest contingent upon the Company's satisfaction of each of the following conditions on or before January 13, 2020:

1. achievement of a final order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses, and

2. the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the final order.

Summary Compensation Table

The following table summarizes information concerning the compensation awarded to, earned by, or paid for services rendered in all capacities by our named executive officers during Fiscal 2018 and Fiscal 2017. The compensation described in this table does not include medical, group life insurance, or other benefits which are available generally to all of our salaried employees.

Name and Principal Position	Year	Salary ($)	Bonus (3) ($)	Stock Awards (4) ($)	Option Awards (4) ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Morgan E. O'Brien	2018	325,000	163,922	—	553,623 (5)	—	—	1,042,545
Chief Executive Officer (1)	2017	325,000	135,000	—	—	—	—	460,000
John C. Pescatore,	2018	400,000	269,001	550,000 (6)	621,449 (7)	—	19,665 (8)	1,860,115
Vice Chairman (1)	2017	400,000	210,000	—	—	—	—	610,000
Robert H. Schwartz	2018	255,625	117,250	225,000 (9)	248,580 (10)	—	—	846,455
President and Chief Operating Officer (2)	2017	250,000	59,508	250,409 (11)	—	—	—	559,917

(1) On April 23, 2018, the Company announced that its Board of Directors had determined that it was in the best interests of the Company and its stockholders to shift the Company's focus and resources to pursuing its regulatory initiatives at the FCC and preparing for the future deployment of broadband and other advanced technologies and services. In light of this shift in focus, the Board also approved a chief executive officer transition plan, under which, John C. Pescatore, the Company's chief executive officer and president, transitioned to the position of vice chairman and Morgan E. O'Brien, the Company's then-current vice chairman, assumed the position as the Company's new chief executive officer, effective as of April 23, 2018.

(2) On May 15, 2018, the Company announced its Board of Directors appointed Robert H. Schwartz to serve as its president and chief operating officer. Mr. Schwartz previously served as the Company's chief strategy and development officer.

(3) The amounts shown reflect payments pursuant to the Company's annual performance-based cash incentive program. Under this program, the Company's executive officers are eligible to receive an annual cash bonus based on a percentage of their base salaries contingent upon their achievement of certain pre-established corporate and individual performance goals approved and evaluated by the Compensation Committee.

(4) These amounts represent the grant date fair value of equity-based stock awards granted by the Company during the periods presented, determined in accordance with FASB ASC Topic 718. All awards are amortized over the vesting life of the award. For the assumptions used in our valuations, see "Note 11 – Stock Acquisition Rights, Stock Options and Warrants" of our notes to the consolidated financial statements in our Annual Report on Form 10-K/A for the year ended March 31, 2018, filed with the SEC on August 9, 2018.

(5) Represents a grant of a 54,945 stock options (in lieu of time-based restricted units) granted on May 22, 2017, with an exercise price equal to the closing market price of the Company's common stock on the grant date, and vesting over a four-year period measured from the grant date. Amount does not include an award of 54,945 performance-based stock options also granted on May 22, 2017, with an exercise price equal to the closing market price of the Company's common stock on that date, with performance criteria that were considered not probable to be met as of March 31, 2018. If the performance criteria are achieved, the grant date fair value of the performance-based stock option award would have been $553,623.

(6) Represents the grant of 24,176 time-based restricted stock units granted on May 22, 2017 and vesting over a four-year period measured from the grant date. Amount does not include the grant of 24,176 performance-based restricted stock units with performance criteria that were considered not probably to be met as of March 31, 2018. If the performance criteria are achieved, the grant date fair value of the performance-based restricted stock units would have been $550,000.

(7) Represents the grant of a 50,000 stock options (in lieu of time-based restricted units) granted on August 17, 2017, with an exercise price equal to the closing market price of the Company's common stock on the grant date, and vesting over a four-year period measured from the grant date. Amount does not include an award of 50,000 performance-based stock option awards also granted on August 17, 2017, with an exercise price equal to the closing market price of the Company's common stock on that date, with performance criteria that were considered not probable to be met as of March 31, 2018. If the performance criteria are achieved, the grant date fair value of the performance-based stock option award would have been $621,449.

(8) Represents the amount of life insurance paid by the Company.

(9) Represents the grant of 9,890 time-based restricted stock units granted on May 22, 2017 and vesting over a four-year period measured from the grant date. Amount does not include the grant of 9,890 performance-based restricted stock units with performance criteria that were considered not probably to be met as of March 31, 2018. If the performance criteria are achieved, the grant date fair value of the performance-based restricted stock units would have been $225,00.

(10) Represents a grant of a 20,000 stock options (in lieu of time-based restricted units) granted on August 17, 2017, with an exercise price equal to the closing market price of the Company's common stock on the grant date, and vesting over a four-year period measured from the grant date. Amount does not include an award of 25,000 performance-based stock options also granted on August 17, 2017, with an exercise price equal to the closing market price of the Company's common stock on that date, with performance criteria that were considered not probable to be met as of March 31, 2018. If the performance criteria are achieved, the grant date fair value of the performance-based stock option award would have been $248,580.

(11) Represents the grant of 10,000 time-based restricted stock units granted on June 28, 2016 and the grant of 2,058 time-based shares of restricted stock units granted on January 13, 2017. The restricted stock units vest over a four-year period measured from their respective grant dates.

Narrative to Summary Compensation Table

The compensation program established for the Company’s executive officers consisted of the following elements for Fiscal 2018 and Fiscal 2017:

Morgan E. O’Brien, Chief Executive Officer: The salary and bonus amounts represent Mr. O’Brien’s annual base salary and annual cash bonus payment pursuant to the Company’s executive compensation program established by the Compensation Committee. Based on his achievement of certain pre-established corporate and individual performance goals approved and evaluated by the Compensation Committee, Mr. O’Brien received an annual cash bonus award equal to 69.7% of his target bonus for Fiscal 2018. During Fiscal 2018, Mr. O’Brien was granted a stock option award to purchase 54,945 shares of the Company’s common stock with an exercise price equal to $22.75 per share. 25% of the option shares vested on May 22, 2018, and the remainder of the option shares will vest in three equal annual installments thereafter. In addition, Mr. O’Brien was granted a performance-based stock option to purchase 54,945 shares of our common stock with an exercise price equal to $22.75 per share. The option shares will vest in full upon attainment of the performance goal established by the Compensation Committee. The performance goal requires the Company to receive prior to January 13, 2020: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company’s Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

John C. Pescatore, Vice Chairman: The salary and bonus amounts for Fiscal 2017 represent Mr. Pescatore’s annual base salary and annual cash bonus payment pursuant to the Company’s executive compensation program established by the Compensation Committee. For Fiscal 2018, Mr. Pescatore’s annual cash bonus amount was set at 65% of his target bonus based on the Continued Service, Consulting and Transition Agreement, dated April 23, 2018, between the Company and Mr. Pescatore. During Fiscal 2018, Mr. Pescatore received 24,176 restricted stock units that vest over four years, with 25% that vested on May 22, 2018, and the remainder of the restricted units vesting in three equal annual installments thereafter. Mr. Pescatore received 24,176 performance-based stock units. The performance-based stock units will vest in full upon attainment of the performance goal established by the Compensation Committee. The performance goal requires the Company to receive prior to January 13, 2020: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company’s Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order. During Fiscal 2018, Mr. Pescatore was also granted a stock option award to purchase 50,000 shares of the Company’s common stock with an exercise price equal to $28.10 per share. 25% of the option shares that will vest on August 17, 2018, and the remainder of the option shares will vest in three equal annual installments thereafter. In addition, Mr. Pescatore was granted a performance-based stock option to purchase 50,000 shares of our common stock with an exercise price equal to $28.10 per share. The option shares will vest in full upon attainment of the performance goal established by the Compensation Committee. The performance goal requires the Company to receive prior to January 13, 2020: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order. Mr. Pescatore did not receive an equity-based award during Fiscal 2017.

Robert H. Schwartz, President and Chief Operating Officer: The salary and bonus amounts represent Mr. Schwartz's annual base salary and annual cash bonus payment pursuant to the Company's executive compensation program established by the Compensation Committee. Based on his achievement of certain pre-established corporate and individual performance goals approved and evaluated by the Compensation Committee, Mr. Schwartz received an annual cash bonus award equal to 145.6% of his target bonus for Fiscal 2018. During Fiscal 2017, Mr. Schwartz was issued 10,000 time-based restricted stock units on June 28, 2016 and an additional 2,058 restricted stock units on January 13, 2017. The restricted stock units vest over a four-year period, with 25% of the restricted stock units vesting on the one year anniversary of the respective grant dates, and the remainder of the restricted stock units vesting in three equal annual installments thereafter. During Fiscal 2018, Mr. Schwartz received 9,890 restricted stock units that vest over four years, with 25% that vested on May 22, 2018, and the remainder of the restricted units vesting in three equal annual installments thereafter. Mr. Schwartz received 9,890 performance-based stock units. The performance-based stock units will vest in full upon attainment of the performance goal established by the Compensation Committee. The performance goal requires the Company to receive prior to January 13, 2020: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order. During Fiscal 2018, Mr. Schwartz was also granted a stock option award to purchase 20,000 shares of the Company's common stock with an exercise price equal to $28.10 per share. 25% of the option shares that will vest on August 17, 2018, and the remainder of the option shares will vest in three equal annual installments thereafter. In addition, Mr. Schwartz was granted a performance-based stock option to purchase 25,000 shares of our common stock with an exercise price equal to $28.10 per share. The option shares will vest in full upon attainment of the performance goal established by the Compensation Committee. The performance goal requires the Company to receive prior to January 13, 2020: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

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Outstanding Equity Awards at Fiscal Year End

The following table sets forth information regarding outstanding equity awards held by our named executive officers at March 31, 2018.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price	Option Expiration Date	Number of Shares That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested (1)	Number of Units or Shares Vested But Not Delivered	Market Value of Units or Shares Vested But Not Delivered (1)
Morgan E. O'Brien	—	54,945 (2)	$ 22.75	5/22/2027	—	—	—	—
	—	54,945 (3)	$ 22.75	5/22/2027	—	—	—	—
	—	50,000 (4)	$ 25.81	1/13/2026	—	—	—	—
	25,000 (5)	25,000 (5)	$ 25.81	1/13/2026	—	—	—	—
	48,750 (6)	16,250 (6)	$ 25.00	1/29/2025	—	—	—	—
	100,000 (7)	—	$ 25.00	1/29/2025	—	—	—	—
	101,250 (8)	33,750 (8)	$ 20.00	5/14/2024	—	—	—	—
John C. Pescatore	—	—	—	—	24,176 (9)	$ 721,654	—	—
	—	—	—	—	24,176 (10)	$ 721,654	—	—
	—	50,000 (11)	$ 28.10	8/17/2027	—	—	—	—
	—	50,000 (12)	$ 28.10	8/17/2027	—	—	—	—
	—	—	—	—	19,373 (13)	$ 578,284	—	—
	—	—	—	—	9,687 (14)	$ 289,157	—	—
	225,000 (8)	75,000 (8)	$ 20.00	5/14/2024	—	—	—	—
	12,985 (15)	—	$ 13.25	12/17/2020	—	—	—	—
Robert H. Schwartz	—	—	—	—	9,890 (9)	$ 295,217	—	—
	—	—	—	—	9,890 (10)	$ 295,217	—	—
	—	25,000 (11)	$ 28.10	8/17/2027	—	—	—	—
	—	20,000 (12)	$ 28.10	8/17/2027	—	—	—	—
	15,000 (16)	15,000 (16)	$ 24.45	2/23/2026	—	—	—	—
	35,000 (17)	35,000 (17)	$ 26.59	8/11/2025	—	—	—	—
	—	—	—	—	1,544 (18)	$ 46,088	—	—
	—	—	—	—	7,500 (19)	$ 223,875	—	—

(1) The market value of the stock awards is determined by multiplying the number of shares underlying the stock awards by the closing stock price of our common stock of $29.85 on March 31, 2018.

(2) Performance-based stock options granted on May 22, 2017 that will vest conditioned upon the Company's receipt prior to January 13, 2020 of : (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

(3) Stock options granted on May 22, 2017 that have vested or will vest as follows: 25% on each of May 22, 2018, May 22, 2019, May 22, 2020, and May 24, 2021.

(4) Performance-based stock options granted on January 13, 2016 that will vest conditioned upon the Company's receipt prior to January 13, 2020 of : (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

(5) Stock options granted on January 13, 2016 that have vested or will vest as follows: 25% on each of January 13, 2017, January 16, 2018, January 14, 2019 and January 13, 2020.

(6) Stock options granted on January 29, 2015 that have vested or will vest as follows: 25% on each of January 29, 2016, January 30, 2017, January 29, 2018 and January 29, 2019.

(7) Stock options granted on January 29, 2015 which are fully vested.

(8) Stock options granted on May 14, 2014 that will be fully vested on May 14, 2018.

(9) Performance-based restricted stock units granted May 22, 2018 that will vest conditioned upon the Company's receipt prior to January 13, 2020 of: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

(10) Restricted stock units granted on May 22, 2017 that have vested or will vest as follows: 25% on each of May 22, 2108, May 22, 2019, May 22, 2020, and May 24, 2021.

(11) Performance-based stock options granted on August 17, 2017 that will vest conditioned upon the Company's receipt prior to January 13, 2020 of : (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

(12) Stock options granted on August 17, 2017 that have vested or will vest as follows: 25% on each of August 17, 2018, August 19, 2019, August 17, 2020, and August 17, 2021.

(13) Performance-based restricted stock units granted on January 13, 2016 that will vest conditioned upon the Company’s receipt prior to January 13, 2020 of: (i) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (ii) the lack of objection by the Company’s Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

(14) Restricted stock units granted on January 13, 2016 that have vested or will vest as follows: 25% on each of January 13, 2017, January 16, 2018, January 14, 2019 and January 13, 2020.

(15) Stock options granted on December 17, 2010 that are fully vested.

(16) Stock options granted on February 23, 2016 that have vested or will vest as follows: 25% on each of February 23, 2017, February 23, 2018, February 29, 2019 and February 24, 2020.

(17) Stock options granted on August 11, 2015 that have vested or will vest as follows: 25% on each of August 11, 2016, August 11, 2017, August 13, 2018 and August 12, 2019.

(18) The restricted units granted on January 13, 2017 that will vest as follows: 25% on each of January 16, 2018, January 14, 2019, January 13, 2020 and January 13, 2021.

(19) The restricted units granted on June 27, 2016 that will vest as follows: 25% on each of June 27, 2017, June 27, 2018, June 27, 2019 and June 29, 2020.

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Option Exercises and Stock Vested

The following table sets forth the number of shares acquired and the value realized upon exercise of stock options and vesting of stock awards during Fiscal 2018 by each of our named executive officers.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercised (#)	Value Realized on Exerxise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (1) ($)
Morgan E. O’Brien	—	—	7,549	226,847
John C. Pescatore	—	—	29,001	878,260
Robert H. Schwartz	—	—	3,014	91,290

(1) The value realized on vesting is determined by multiplying the number of shares that vested during Fiscal 2018, times the closing price of our common stock on The NASDAQ Capital Market on the applicable vesting date.

Pension and Nonqualified Deferred Compensation

We do not provide any retirement benefits, other than under our 401(k) Plan, nor do we sponsor or maintain any nonqualified defined contribution or deferred compensation plans. Effective January 1, 2018, the Company increased the company match for all employees participating in the 401 (k) Plan from 1% to 2% of annual cash compensation.

Potential Payments upon Termination or Change in Control

The table below describes the potential payments or benefits to our named executive officers upon termination of employment by us without cause or for good reason (each as defined in the Executive Severance Plan), as if each executive’s employment terminated as of March 31, 2018. See “Severance Arrangements with our Named Executive Officers” below for additional information.

	Acceleration on Vesting (1)					
Name	Stock Options ($)	RSU's & PSU's ($)	Base Salary ($)	Health ($)	Other ($)	Total ($)
Morgan E. O’Brien						
Severance absent a change of control	448,546	—	650,000 (2)	34,974	512,500 (4)	1,646,020
Severance in connection with a change of control	902,360	—	650,000 (2)	34,974	512,500 (4)	2,099,834
John C. Pescatore						
Severance absent a change of control	747,865	90,310	800,000 (2)	34,974	825,000 (4)	2,498,149
Severance in connection with a change of control	826,250	1,010,811	800,000 (2)	34,974	825,000 (4)	3,497,035
Robert H. Schwartz						
Severance absent a change of control	34,094	30,728	386,250 (3)	34,974	179,500 (5)	665,546
Severance in connection with a change of control	230,100	415,930	386,250 (3)	34,974	179,500 (5)	1,246,754

(1) Represents value of immediate vesting of unvested stock options and stock awards.

(2) Represents 2 times the base salary.

(3) Represents 1.5 times the base salary.

(4) Represents 2 times target annual bonus and outplacement support.

(5) Represents 1.5 times target annual bonus and outplacement support.

Severance Arrangements with our Named Executive Officers

Severance Plan Participation Agreement

In March 2015, we entered into a Severance Plan Participation Agreement (the “Participation Agreement”) with each of our executive officers and certain key employees pursuant to our Executive Severance Plan (the “Severance Plan”) approved by our Compensation Committee, which replaced any prior existing employment agreements or severance arrangements with our executives. The Severance Plan establishes the amount of severance payments and benefits available in the event of a (i) termination of employment by the Company without Cause or by the participant for Good Reason and (ii) termination of employment by the Company without Cause or by the participant for Good Reason within six months before or within 24 months after a Change in Control (as defined in the Severance Plan).

The Severance Plan establishes two tiers of executives. As of the end of Fiscal 2018, the Company’s Tier 1 executives included Morgan E. O’Brien, the then Vice Chairman of the Board and John C. Pescatore, the then President and Chief Executive Officer and the Company’s Tier 2 executives included: Robert H. Schwartz, the then Chief Strategy and Development Officer.

Upon termination of employment by the Company without Cause or by the participant for Good Reason, each (i) Tier 1 executive is eligible for a cash severance payment equal to 2.0 times and each Tier 2 executive at 1.5 times the sum of the executive’s base salary plus target bonus, paid in installments over 24 months, plus a pro-rated target bonus for the fiscal year in which the termination occurs. Additionally, for equity awards granted prior to February 18, 2015 (the “Effective Date”), each Tier 1 and Tier 2 executive will receive full accelerated vesting of such equity awards and a 2-year time period to exercise any stock options. For equity awards granted after the Effective Date, each Tier 1 and Tier 2 executive will receive pro-rated accelerated vesting of such equity awards to reflect their actual time-based services to the Company measured from the grant date and a 9-month time period to exercise any stock options included in such equity awards.

Upon termination of employment by the Company without Cause or by the executive for Good Reason within 6 months before or within 24 months after a Change in Control (as defined in the Severance Plan), each (i) Tier 1 executive is eligible for a cash severance payment equal to 2.0 times and each Tier 2 executive at 1.5 times the sum of the executive’s base salary plus target bonus, paid in a lump sum, plus a pro-rated target bonus for the fiscal year in which the termination occurs. In addition, each Tier 1 and Tier 2 executive will receive full accelerated vesting of all outstanding equity grants and a 2-year time period to exercise any stock options included in such equity awards.

The Severance Plan also provides for payment of health benefits continuation for a maximum of 18 months for Tier 1 and Tier 2 executives and outplacement services for a maximum of 12 months and $25,000 for Tier 1 and Tier 2 executives.

Employee Benefit Plans

401(k) Plan

Our employees are eligible to participate in a 401(k) Plan. Effective January 1, 2018, the Company increased the company match for all employees participating in the 401(k) Plan from 1% to 2% of annual cash compensation.

DIRECTOR COMPENSATION

Our directors play a critical role in guiding our strategic direction and overseeing the management of our Company. Ongoing developments in corporate governance and financial reporting have resulted in an increased demand for highly qualified and productive public company directors. The varied responsibilities, the substantial time commitment and the potential risks of serving as a director for a public company require that we provide adequate compensation for the continued performance of our non-employee directors by offering them compensation that is commensurate with the workload and the demands we place on them. Our non-employee directors are compensated based upon their Board and Board Committee responsibilities. Messrs. McAuley, O'Brien and Pescatore, who are each executive officers of the Company, receive no separate compensation for their service as directors.

Our director compensation is overseen by the Compensation Committee, which makes recommendations to our Board of Directors on the appropriate structure for our non-employee director compensation program and the appropriate amount of compensation to offer to our non-employee directors. Our Board of Directors is responsible for final approval of our non-employee director compensation program and the compensation paid to our non-employee directors. The Compensation Committee retained Pearl Meyer as its independent compensation consultant to assess the Company's non-employee director compensation program. With the assistance of Pearl Meyer, the Compensation Committee and Board of Directors established the Company's philosophy to target total compensation for our non-employee directors at the 50th percentile of the market, based on the same peer group used in benchmarking the compensation of our executive officers.

Non-Employee Director Compensation

For Fiscal 2018, our non-employee director compensation program consisted of: (i) annual cash retainers for Board service and for service as the chair of one of the standing Board Committees and (ii) long-term equity awards consisting of restricted stock awards granted on an annual basis to continuing non-employee directors immediately following the annual meeting of stockholders or upon their initial appointment to the Board for new directors. Our non-employee directors are not entitled to any Board or Board Committee meeting fees.

Annual Cash Retainers: Under our non-employee director compensation program, our non-employee directors received the following annual cash retainers: $50,000 for service on the Board, $18,000 for service as the Audit Committee chair, $12,000 for service as the Compensation Committee chair, and $8,000 for service as the Nominating and Corporate Governance Committee chair. These annual retainers are payable in four equal quarterly installments on the first day of each new calendar quarter.

Our non-employee director compensation program provides that newly appointed non-employee directors receive annual cash retainers on a pro rata basis, based on the fiscal quarter in which the director is appointed to the Board and each Board committee.

Long-Term Equity Awards: Under our non-employee director compensation program, each of our non-employee directors are issued annual restricted stock awards with a grant date fair market value equal to approximately $65,000. Each such annual award will vest on the earlier of (i) immediately prior to the commencement of the next regularly scheduled annual meeting of stockholders or (ii) 12 months from the grant date, subject to accelerated vesting of all unvested amounts in the event of (x) a change of control of the Company or (y) the director's death, resignation or removal from the Board without cause. On August 3, 2017, immediately following the 2017 annual meeting of stockholders, each of our continuing non-employee directors received restricted stock awards for 2,611 shares of common stock with a fair value of $24.90 per share, which was the closing bid price of our common stock on the NASDAQ Capital Market on the date of grant.

Our non-employee director compensation program provides that newly appointed non-employee directors receive an annual restricted stock grant, with the fair market value on the grant date calculated on pro-rata basis, based on the fiscal quarter in which the director is appointed to the Board.

Reimbursement: Our directors are entitled to reimbursement for their reasonable travel and lodging expenses for attending Board and Board Committee meetings.

Narrative Discussion of the Director Compensation Table

The following table summarizes information concerning the compensation awarded to, earned by, or paid for services rendered in all capacities by our non-employee directors during Fiscal 2018 (the fiscal year ended March 31, 2018).

Name and Principal Position	Year	Fee (1) ($)	Stock Awards (2) ($)	Total ($)
T. Clark Akers	2018	68,000	65,014 (3)	133,014
Mark Hennessy	2018	44,643	97,514 (4)	142,157
Paul Saleh	2018	50,000	65,014 (3)	115,014
Peter G. Schiff	2018	62,000	65,014 (3)	127,014
John C. Sites	2018	54,000	65,014 (3)	119,014

(1) Represents annual cash retainers for Board service and for service as the chair of one of the standing Board Committees, if applicable. Cash retainers are paid on a quarterly basis in four equal installments.

(2) These amounts represent the grant date fair value of restricted stock awards granted by the Company during the period presented, determined in accordance with FASB ASC Topic 718. All restricted stock awards are amortized over the vesting life of the award. For the assumptions used in our valuations, see “Note 11 – Stock Acquisition Rights, Stock Options and Warrants” of our notes to consolidated financial statements in our Annual Report on Form 10-K/A for the year ended March 31, 2018 filed with the SEC on August 9, 2018.

(3) Represents 2,611 restricted stock awards granted on August 3, 2017, immediately following the 2017 annual meeting of stockholders. The closing stock price on the date of the grant, which represents the fair value of a share of restricted stock, was $24.90 per share.

(4) Represents 1,410 restricted stock awards granted on May 8, 2017 upon Mr. Hennessy’s initial appointment to the Board. The closing stock price on the date of the grant, which represents the fair value of a share of restricted stock, was $23.05 per share. Also, includes 2,611 restricted stock awards granted on August 3, 2017, immediately following the 2017 annual meeting of stockholders. The closing stock price on the date of the grant, which represents the fair value of a share of restricted stock, was $24.90 per share.

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information about the beneficial ownership of our common stock by (i) each of our directors and director nominees, (ii) each of our named executive officers named in the Summary Compensation Table under "Executive Compensation," (iii) all our directors and executive officers as a group, and (iv) each person or group known by us to own more than 5% of our common stock. The percentages reflect beneficial ownership, as determined in accordance with the SEC's rules, as of June 18, 2018 and are based on 14,509,370 shares of common stock outstanding as of June 18, 2018. Except as noted below, the address for all beneficial owners in the table below is 3 Garret Mountain Plaza, Suite 401, Woodland Park, New Jersey 07424.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership[1]	Percent of Class	
Directors and Executive Officers:			
Brian D. McAuley[2]	551,219	3.75	%
Morgan E. O'Brien[3]	334,778	2.26	%
John C. Pescatore[4]	379,581	2.56	%
Robert H. Schwartz[5]	78,268	*	
T. Clark Akers[6]	12,250	*	
Rachelle B. Chong	—	*	
Greg W. Cominos	—	*	
Mark Hennessy	4,021	*	
Singleton B. McAllister	—	*	
Paul Saleh	5,320	*	
Peter Schiff[7]	249,538	1.72	%
John C. Sites[8]	48,506	*	
All directors and executive officers as a group (16 persons)	1,948,069	12.40	%
5% or more Stockholders (not disclosed above):			
Cerberus Capital Management, L.P.[9]	3,506,458	24.17	%
Owl Creek Asset Management L.P.[10]	2,542,092	17.52	%
FIE II LLC[11]	1,500,000	10.34	%
TSSP Sub-Fund HoldCo LLC[12]	1,323,415	9.12	%
Great American[13]	1,090,969	7.52	%
The Vanguard Group[14]	812,251	5.60	%

* Represents less than 1% of the number of shares of our common stock outstanding as of June 18, 2018.

(1) We determined the number of shares of common stock beneficially owned by each person under rules promulgated by the SEC, based on information obtained from Company records and filings with the SEC. In calculating the number of shares beneficially owned by an individual or entity and the percentage ownership of that individual or entity, shares underlying options, warrants or restricted stock units held by that individual or entity that are either currently exercisable or exercisable or to be settled within 60 days from June 18, 2018 are deemed outstanding. These shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other individual or entity. Unless otherwise indicated and subject to community property laws where applicable, the individuals and entities named in the table above have sole voting and investment power with respect to all shares of our common stock shown as beneficially owned by them.

(2) Includes 11,305 shares of common stock held by certain trusts for the benefit of Mr. McAuley's children of which Mr. McAuley is the trustee and 3,836 shares held by Mr. McAuley's spouse. In addition, Mr. McAuley's spouse is a Trustee of Trusts established for each of their five grandchildren. The Trusts hold an aggregate of 16,000 shares that were gifted to them by Mr. McAuley and as to which he disclaims any beneficial ownership. Includes 135,000 shares of common stock underlying an option that are all exercisable as of May 14, 2018 at an exercise price of $20.00 per share. Also includes 48,7500 shares of common stock underlying an option that are all exercisable as of January 29, 2018 at an exercise price of $25.00 per share, with 16,250 additional shares subject to vesting in one remaining annual installment.

(3) Includes 135,000 shares of common stock underlying an option that are all exercisable as of May 14, 2018 at an exercise price of $20.00 per share. Includes 148,750 shares of common stock underlying an option that are all exercisable as of January 29, 2018 at an exercise price of $25.00 per share, with 16,250 additional shares subject to vesting in one remaining annual installment. Also includes 25,000 shares of common stock underlying an option that are all exercisable as of January 13, 2018 at an exercise price of $25.81, with 12,500 additional shares vesting in two equal annual installments. In addition, includes 13,736 shares of common stock underlying an option that are all exercisable as of May 22, 2018 at an exercise price of $22.75, with 41,209 additional shares vesting in three equal annual installments.

(4) Includes outstanding options to purchase 12,985 shares of common stock at an exercise price of $13.25 per share and 1,809 shares of common stock held by certain of Mr. Pescatore's children. Includes 300,000 shares of common stock underlying an option that are all exercisable as of May 14, 2018 at an exercise price of $20.00 per share. Also includes 12,500 restricted stock units that are vested as of August 17, 2018, with 37,500 additional shares subject to vesting in three equal installments.

(5) Includes 52,500 shares of common stock underlying an option that are exercisable on August 11, 2018 at an exercise price of $26.59, with 17,500 additional shares subject to vesting in one annual installment. Includes an option to purchase 15,000 shares of common stock that are exercisable as of February 23, 2018 at an exercise price of $24.45 per share with an additional 15,000 shares vesting in two equal annual installments. Includes 2,500 restricted stock units that are vested as of June 28, 2018, with 5,000 additional shares subject to vesting in two equal installments. Also, include 5,000 shares of common stock underlying an option that are exercisable on August 18, 2018 at an exercise price of $28.10, with 15,000 additional shares vesting in three equal installments.

(6) Includes an option to purchase 2,500 shares of common stock held by Mr. Akers at an exercise price of $20.00 per share, which is fully vested.

(7) Includes (i) 36,089 shares of common stock held by Northwood Capital Partners, LLC, of which Mr. Schiff has shared dispositive and voting power, (ii) 179,027 shares of common stock held by Northwood Ventures, LLC of which Mr. Schiff has shared dispositive and voting power, (iii) 5,711 shares of common stock held by SK Partners, of which Mr. Schiff has shared dispositive and voting power and (iv) 5,711 shares of common stock held by Southfield Communications, of which Mr. Schiff has shared dispositive and voting power. Also includes an option to purchase 5,000 shares of common stock held by Mr. Schiff at an exercise price of $20.00 per share, which is fully vested.

(8) Includes an option to purchase 5,000 shares of common stock held by Mr. Sites at an exercise price of $20.00 per share, which is fully vested.

(9) Includes shares of common stock held by Cerberus Institutional Partners V, L.P., Cerberus International II Master Fund, L.P., Cerberus Partners II, L.P. and Cerberus Institutional Partners VI, L.P. We have been informed by the stockholder that Stephen Feinberg, through one or more intermediaries, exercises sole voting and dispositive power over the shares held by Cerberus Institutional Partners V, L.P., Cerberus International II Master Fund, L.P., Cerberus Partners II, L.P and Cerberus Institutional Partners VI, L.P. The address for Cerberus Capital Management, L.P. is 875 Third Avenue, New York, New York 10022.

(10) Includes shares of common stock held by Owl Creek Overseas Master Fund, Ltd., Owl Creek II, L.P., Owl Creek SRI Master Fund, Ltd., Owl Creek Credit Opportunities Master Fund, L.P., and Owl Creek I, L.P., each of which are controlled by Owl Creek Advisors, LLC. Owl Creek Advisors, LLC, is the general partner of each of Owl Creek I, L.P., Owl Creek II, L.P., Owl Creek Overseas Master Fund, Ltd., Owl Creek SRI Master Fund, Ltd., and Owl Creek Credit Opportunities Master Fund, L.P. Owl Creek Asset Management, L.P. is the investment manager with respect to the shares of common stock held by each of Owl Creek I, L.P., Owl Creek II, L.P., Owl Creek Overseas Master Fund, Ltd., Owl Creek SRI Master Fund, Ltd., and Owl Creek Credit Opportunities Master Fund, L.P. Jeffrey A. Altman is the managing member of the general partner of Owl Creek Asset Management, L.P. and is the managing member of Owl Creek Advisors, LLC. We have been informed by the stockholder that Jeffrey A. Altman, Owl Creek Asset Management, L.P. and Owl Creek Advisors, LLC each disclaim any direct ownership of the shares held by the stockholders. The address for Owl Creek Asset Management, L.P. is 640 Fifth Avenue, 20th Floor, New York, NY 10019.

(11) PIMCO BRAVO Fund II, L.P. is the sole member of FIE II LLC. PIMCO GP XII, LLC is the sole general partner of PIMCO BRAVO Fund II, L.P. Pacific Investment Management Company LLC, or PIMCO, is the sole manager of PIMCO GP XII, LLC and has ultimate voting and investment control over the shares held by FIE II LLC, but disclaims beneficial ownership except to the extent of its pecuniary interest therein. PIMCO is an indirect subsidiary of Allianz SE, which is a publicly held company in Germany. The address for FIE II LLC is 650 Newport Center Drive, Newport Beach, California 92660.

(12) TSSP Sub-Fund HoldCo LLC, is the sole member of TOP III SPV GP, LLC, a Delaware limited liability company, which is the manager of PBB Investments I, LLC, a Delaware limited liability company, which directly holds 1,323,415 shares of common stock of the Company. Because of TSSP Sub-Fund HoldCo's relationship to the PBB Investments I, LLC, TSSP Sub-Fund HoldCo may be deemed to beneficially own the shares. TSSP Sub-Fund HoldCo is managed by its board of directors, whose members are David Bonderman, James G. Coulter and Alan Waxman. Messrs. Bonderman, Coulter and Waxman disclaim beneficial ownership of the shares except to the extent of their pecuniary interest therein. The address for TSSP Sub-Fund HoldCo is c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102.

(13) Includes shares of common stock held by Great American Insurance Company and Great American Life Insurance Company. Each of Great American Life Insurance Company and Great American Insurance Company is a wholly owned subsidiary of American Financial Group, Inc. The board of directors of American Financial Group, Inc. consists of Carl H. Linder III, S. Craig Linder, Kenneth C. Ambrecht, John B. Berding, Joseph E. Consolino, Virginia C. Drosos, James E. Evans, Terry S. Jacobs, Gregory G. Joseph, William W. Verity and John Von Lehman who exercise voting and investment control over the shares held by the stockholder. The address for Great American is 301 East 4th Street, Cincinnati, Ohio 45202.

(14) Includes shares held by Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of The Vanguard Group, Inc. and Vanguard Investments Australia, Ltd., a wholly-owned subsidiary of The Vanguard Group, Inc. The address for The Vanguard Group, Inc. is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

Changes in Control: We are not aware of any, nor are we a party to, arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change of control of us.

Section 16(a) Beneficial Ownership Reporting Compliance: Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors and persons who beneficially own more than 10% of our common stock to file initial reports of beneficial ownership and reports of changes in beneficial ownership with the SEC. Such persons are required by SEC regulations to furnish us with copies of all Section 16(a) forms filed by such persons. Based solely on a review of copies of reports provided to the Company pursuant to Rule 16a-3(e) of the Exchange Act and representations of such reporting persons, the Company believes that during Fiscal 2018, such SEC filing requirements were satisfied.

ITEM 13. CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

We have not engaged in any related party transaction since April 1, 2017 in which the amount involved exceeds $120,000 and in which any of our directors, named executive officers or any holder of more than 5% of our common stock, or any member of the immediate family of any of these persons or entities controlled by any of them, had or will have a direct or indirect material interest, other than the compensation arrangements described in “Executive Compensation.”

Related Party Transaction Policy

Pursuant to our Code of Business Conduct and Ethics, our executive officers, directors, and principal stockholders, including their immediate family members and affiliates, will be prohibited from entering into a related party transaction with us without the prior approval of our Audit Committee or our independent directors. Any request for us to enter into a transaction with an executive officer, director, principal stockholder, or any of such persons’ immediate family members or affiliates, in which the amount involved exceeds $120,000, must first be presented to our Audit Committee for review, consideration and approval. In approving or rejecting the proposed agreement, our Audit Committee will consider the relevant facts and circumstances available and deemed relevant, including, but not limited, to the risks, costs and benefits to us, the terms of the transaction, the availability of other sources for comparable services or products, and, if applicable, the impact on a director’s independence. Our Audit Committee shall approve only those agreements that, in light of known circumstances, are in, or are not inconsistent with, our best interests, as our Audit Committee determines in the good faith exercise of its discretion.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table shows the aggregate fees paid or accrued by the Company for the audit and other services provided by PKF O’Connor Davies, LLP for Fiscal 2018 and Fiscal 2017.

	2018	2017
Audit fees	$ 171,275	$ 204,050
Audit-related fees	—	—
Tax fees	—	7,100
Other fees	—	—
Total	$ 171,275	$ 211,150

Audit Fees. Audit fees consist of fees billed for the audit of our annual consolidated financial statements, the review of the interim consolidated financial statements, and related services that are normally provided in connection with registration statements, including (i) the prospectus supplement filed in February 2018 in connection with the Company’s ATM program as a supplement to the November 2016 Form S-3 registration statements and (ii) the Company’s November 2016 Form S-3 registration statement.

Audit-Related Fees. There were no such fees incurred in Fiscal 2018 or Fiscal 2017.

Tax Fees. Tax fees consist of fees for professional services, including tax consulting and compliance performed by PKF.

All Other Fees. We did not incur any other fees in Fiscal 2018 or Fiscal 2017.

Policy on Audit Committee Pre-Approval of Audit and Permitted Non-Audit Services of Independent Auditors

The Audit Committee has determined that all services provided by PKF O’Connor Davies, LLP to date were compatible with maintaining the independence of such audit firm. The charter of the Audit Committee requires advance approval of all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by our independent registered public accounting firm, subject to any exception permitted by law or regulation

PART IV.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following consolidated financial statements of the Company appear on pages F-2 through F-25 of this report and are incorporated by reference in Part II, Item 8:

Report of Independent Registered Public Accounting Firm

Consolidated Financial Statements (As Restated)

Consolidated Balance Sheets as of March 31, 2018 (As Restated) and 2017

Consolidated Statements of Operations for each of the three Years Ended March 31, 2018 (As Restated), 2017, and 2016

Consolidated Statements of Stockholders' Equity for each of the three Years Ended March 31, 2018 (As Restated), 2017 and 2016

Consolidated Statements of Cash Flows for each of the three Years Ended March 31, 2018 (As Restated), 2017, and 2016

Notes to Consolidated Financial Statements (As Restated)

(a)(2) All schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions or are inapplicable and therefore have been omitted.

(a)(3) The exhibits listed in the accompanying Exhibit Index are either filed with this Annual Report or incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized in Woodland Park, State of New Jersey, on August 9, 2018.

pdvWireless, Inc.

By: /s/ Morgan E. O'Brien
Morgan E. O'Brien
Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Morgan E. O'Brien and Timothy A. Gray, and each of them individually, as the undersigned's true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place, and stead, in any and all capacities, to sign any and all amendments to this Report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming that all said attorneys-in-fact and agents, or any of them or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Report has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Brian D. McAuley Brian D. McAuley	Chairman of the Board	August 9, 2018
/s/ Morgan E. O'Brien Morgan E. O'Brien	Chief Executive Officer (Principal Executive Officer)	August 9, 2018
/s/ Timothy A. Gray Timothy A. Gray	Chief Financial Officer (Principal Financial and Accounting Officer)	August 9, 2018
/s/ T. Clark Akers T. Clark Akers	Director	August 9, 2018
/s/ Rachelle B. Chong Rachelle B. Chong	Director	August 9, 2018
/s/ Greg W. Cominos Greg W. Cominos	Director	August 9, 2018
/s/ Mark Hennessy Mark Hennessy	Director	August 9, 2018
/s/ Singleton B. McAllister Singleton B. McAllister	Director	August 9, 2018
/s/ Paul Saleh Paul Saleh	Director	August 9, 2018

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
3.1	Amended and Restated Certificate of Incorporation of pdvWireless, Inc. (the "Company") (filed as Exhibit 3.1 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
3.1.1	Certificate of Amendment No 1. to Amended and Restated Certificate of Incorporation of the Company (filed as Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827) on November 5, 2015 and incorporated herein by reference.
3.2	Amended and Restated Bylaws of the Company (filed as Exhibit 3.2 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
4.1	Form of Common Stock Certificate of the Company (filed as Exhibit 4.1 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
4.2	Registration Rights Agreement, dated June 10, 2014, by and among the Company, certain of the Company's executive officers named therein, and FBR Capital Markets & Co., on behalf of the investors participating in the June 2014 private placement (filed as Exhibit 4.2 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
4.3	Amended and Restated Investor Rights Agreement, dated October 2010, by and among the Company and investors named therein (filed as Exhibit 4.3 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
4.4	Amendment and Waiver of Rights under Amended and Restated Investor Rights Agreement, approved May 30, 2014, by and among the Company and the investors named therein (filed as Exhibit 4.4 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.1+	2004 Stock Plan, as amended (filed as Exhibit 10.1 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.2+	Form of Stock Option Agreement under 2004 Stock Plan (filed as Exhibit 10.2 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.3+	2010 Stock Plan, as amended (filed as Exhibit 10.3 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.4+	Form of Stock Option Agreement under 2010 Stock Plan (filed as Exhibit 10.4 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.5+	Form of Restricted Stock Bonus Agreement under 2010 Stock Plan (filed as Exhibit 10.5 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.6+	2014 Stock Plan (filed as Exhibit 10.6 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.7+	Executive Form of Notice of Grant of Stock Option and Stock Option Agreement under 2014 Stock Plan (filed as Exhibit 10.7 to the Annual Report on Form 10-K for the year ended March 31, 2015, filed with the SEC on June 10, 2015 and incorporated herein by reference)
10.8+	Non-employee Director Form of Notice of Grant of Stock Option and Stock Option Agreement under 2014 Stock Plan (filed as Exhibit 10.8 to the Annual Report on Form 10-K for the year ended March 31, 2015, filed with the SEC on June 10, 2015 and incorporated herein by reference)
10.9+	Non-employee Director Form of Notice of Grant of Restricted Stock Units and Restricted Stock Units Agreement under 2014 Stock Plan (filed as Exhibit 10.9 to the Annual Report on Form 10-K for the year ended March 31, 2015, filed with the SEC on June 10, 2015 and incorporated herein by reference)
10.10+	Form of Notice of Grant of Restricted Stock Units and Restricted Stock Units Agreement under 2014 Stock Plan (filed as Exhibit 10.8 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.11+	Form of Indemnification Agreement by and among the Company and its officers and directors (filed as Exhibit 10.9 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.12†	Asset Purchase Agreement, dated May 13, 2014, by and among the Company and FCI 900, Inc., ACI 900, Inc., Machine License Holding, LLC, Nextel WIP License Corp., and Nextel License Holdings 1, Inc. (filed as Exhibit 10.14 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.13	Letter Amendment to the Asset Purchase Agreement, dated May 28, 2014, by and among the Company and FCI 900, Inc., ACI 900, Inc., Machine License Holding, LLC, Nextel WIP License Corp., and Nextel License Holdings 1, Inc. (filed as Exhibit 10.15 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.14†	Management Services Agreement, dated September 15, 2014, by and between Sprint Spectrum, L.P. and the Company (filed as Exhibit 10.18 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))

10.15†	License Agreement, dated September 15, 2014, by and between Sprint/United Management Company and the Company (filed as Exhibit 10.19 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.16†	Spectrum Rights Agreement, dated September 8, 2014, by and between PDV Spectrum Holding Company, LLC and Motorola Solutions, Inc. (filed as Exhibit 10.20 to the Registration Statement on Form S-1, filed with the SEC on December 19, 2014 and incorporated herein by reference (File No. 333-201156))
10.17+	pdvWireless, Inc. Executive Severance Plan (filed as Exhibit 99.1 to the Current Report on Form 8-K, filed with the SEC on March 27, 2015 and incorporated herein by reference (File No. 001-36827-15731791))
10.18+	Form of pdvWireless, Inc. Executive Severance Plan Participation Agreement (filed as Exhibit 99.2 to the Current Report on Form 8-K, filed with the SEC on March 27, 2015 and incorporated herein by reference (File No. 001-36827-15731791))
10.19+	Executive Form of Performance-Based Stock Option Agreement and Grant Notice under the 2014 Stock Plan (filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015, filed with the SEC on February 16, 2016 and incorporated herein by reference)
10.20+	Executive Form of Performance-Based Restricted Stock Units Agreement and Grant Notice under the 2014 Stock Plan (filed as Exhibit 10.2 to the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015, filed with the SEC on February 16, 2016 and incorporated herein by reference)
10.21+	Non-employee Director Form of Restricted Stock Award Agreement and Grant Notice under the 2014 Stock Plan (filed as Exhibit 10.3 to the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015, filed with the SEC on February 16, 2016 and incorporated herein by reference)
10.22+	Executive Form of Time-Based Stock Option Agreement and Grant Notice under the 2014 Stock Plan (filed as Exhibit 10.4 to the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015, filed with the SEC on February 16, 2016 and incorporated herein by reference)
10.23+	Executive Form of Time-Based Restricted Stock Award Agreement and Grant Notice under the 2014 Stock Plan (filed as Exhibit 10.5 to the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015, filed with the SEC on February 16, 2016 and incorporated herein by reference)
10.24+	Continued Service, Consulting and Separation Agreement, dated April 23, 2018, by and between the Company and John Pescatore (filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on April 23, 2018 and incorporated herein by reference)
10.25+	Consulting Agreement dated April 23, 2018, by and between the Company and John Pescatore (filed as Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on April 23, 2018 and incorporated herein by reference)
21.1	Subsidiaries of the Registrant (filed as Exhibit 21.1 to the Annual Report on Form 10-K for the fiscal year ended March 31, 2017, filed with the SEC on June 6, 2017 and incorporated herein by reference)
23.1#	Consent of PKF O'Connor Davies, LLP Independent Registered Public Accounting Firm relating to the Consolidated Financial Statements of the Company
24.1#	Power of Attorney (included on signature page hereto)
31.1#	Certification of Principal Executive Officer pursuant to Rules 13a-14 and 15-d-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 15-d-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 and 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#	XBRL Instance Document
101.SCH#	XBRL Taxonomy Extension Schema
101.CAL#	XBRL Taxonomy Extension Calculation Linkbase
101.DEF#	XBRL Taxonomy Extension Definition Linkbase
101.LAB#	XBRL Taxonomy Extension Label Linkbase
101.PRE#	XBRL Taxonomy Extension Presentation Linkbase

\+ Management Contract or Compensatory Plan.

† Portions of this exhibit have been omitted pursuant to a request for confidential treatment pursuant to Rule 406 under the Securities Act of 1933, as amended, which request has been granted by the SEC.

* The certification furnished in Exhibit 32.1 hereto is deemed to accompany this Annual Report on Form 10-K/A 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.

\# Filed herewith.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
pdvWireless, Inc.
Woodland Park, NJ

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of pdvWireless, Inc. (the “Company”) as of March 31, 2018 and 2017, and the related consolidated statements of operations, stockholders’ equity and cash flows for each of the three years in the period ended March 31, 2018, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Restatement of Previously Issued Financial Statements

As discussed in Notes 2 and 10 to the consolidated financial statements, the March 31, 2018 consolidated financial statements have been restated to correct a misstatement.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company’s auditor since 2008.

/s/ PKF O’Connor Davies, LLP

New York, New York

June 5, 2018, except for the effects of the restatement as discussed in Notes 2 and 10 to the consolidated financial statements, as to which the date is August 9, 2018.

pdvWireless, Inc.
Consolidated Balance Sheets
March 31, 2018 (As Restated) and 2017
(dollars in thousands, except share data)

	2018 (As Restated)	2017
ASSETS		
Current Assets		
Cash and cash equivalents	$ 98,318	$ 124,083
Accounts receivable, net of allowance for doubtful accounts of $29 and $53, respectively	935	636
Inventory	173	128
Prepaid expenses and other current assets	850	874
Total current assets	**100,276**	**125,721**
Property and equipment	12,775	14,509
Intangible assets	106,606	104,676
Capitalized patent costs, net	197	210
Other assets	486	370
Total assets	**$ 220,340**	**$ 245,486**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 4,322	$ 3,399
Accounts payable - officers	94	36
Current portion of note payable	—	497
Deferred revenue	813	789
Total current liabilities	**5,229**	**4,721**
Noncurrent liabilities		
Deferred revenue	4,257	5,033
Deferred income taxes	—	6,498
Other liabilities	2,325	1,338
Total liabilities	**11,811**	**17,590**
Commitments and contingencies		
Stockholders' equity		
Preferred stock, $0.0001 par value per share, 10,000,000 shares authorized and no shares outstanding at March 31, 2018 and March 31, 2017	—	—
Common stock, $0.0001 par value per share, 100,000,000 shares authorized and 14,487,650 shares issued and outstanding at March 31, 2018 and 14,358,564 shares issued and outstanding at March 31, 2017	1	1
Additional paid-in capital	335,767	330,566
Accumulated deficit	(127,239)	(102,671)
Total stockholders' equity	**208,529**	**227,896**
Total liabilities and stockholders' equity	**$ 220,340**	**$ 245,486**

See accompanying notes to consolidated financial statements.

pdvWireless, Inc.
Consolidated Statements of Operations
Years Ended March 31, 2018 (As Restated), 2017 and 2016
(dollars in thousands, except share data)

	2018 (As Restated)	2017	2016
Operating revenues			
Service revenue	$ 4,796	$ 3,618	$ 2,625
Spectrum lease revenue	729	729	729
Other revenue	830	440	190
Total operating revenues	6,355	4,787	3,544
Cost of revenue			
Sales and service	7,898	7,049	3,469
Gross (loss) profit	(1,543)	(2,262)	75
Operating expenses			
General and administrative	20,864	22,553	16,726
Sales and support	6,967	5,652	3,956
Product development	2,352	2,316	1,323
Total operating expenses	30,183	30,521	22,005
Loss from operations	(31,726)	(32,783)	(21,930)
Interest expense	(3)	(5)	(3)
Interest income	741	128	104
Other (expense) income	(78)	(28)	1
Loss before income taxes	(31,066)	(32,688)	(21,828)
Income tax expense (benefit)	(6,498)	6,498	—
Net loss	$ (24,568)	$ (39,186)	$ (21,828)
Net loss per common share basic and diluted	$ (1.70)	$ (2.72)	$ (1.54)
Weighted-average common shares used to compute basic and diluted net loss per share	14,450,715	14,390,641	14,156,848

See accompanying notes to consolidated financial statements.

pdvWireless, Inc.
Consolidated Statement of Stockholders' Equity
Years Ended March 31, 2018 (As Restated), 2017 and 2016
(dollars in thousands, except share data)

	Number of Shares						
	Preferred stock series AA	Common stock	Preferred stock series AA	Common stock	Additional paid-in capital	Accumulated deficit	Total
Balance at March 31, 2015	—	12,614,297	$ —	$ 1	$ 255,863	$ (41,657)	$ 214,207
Issuance of stock, net of closing costs	—	1,725,000	—	—	64,792	—	64,792
Equity based compensation*	—	41,991	—	—	4,970	—	4,970
Stock option exercises	—	3,306	—	—	45	—	45
Net loss	—	—	—	—	—	(21,828)	(21,828)
Balance at March 31, 2016	—	14,384,594	—	1	325,670	(63,485)	262,186
Equity based compensation*	—	49,774	—	—	4,744	—	4,744
Stock option exercises	—	8,000	—	—	152	—	152
Net loss	—	—	—	—	—	(39,186)	(39,186)
Balance at March 31, 2017	—	14,442,368	—	1	330,566	(102,671)	227,896
Equity based compensation*	—	31,542	—	—	4,934	—	4,934
Stock option exercises	—	13,740	—	—	267	—	267
Net loss	—	—	—	—	0	(24,568)	(24,568)
Balance at March 31, 2018 (As Restated)	—	14,487,650	$ —	$ 1	$ 335,767	$ (127,239)	$ 208,529

* includes restricted shares issued.

See accompanying notes to consolidated financial statements.

pdvWireless, Inc.
Consolidated Statements of Cash Flows
Years Ended March 31, 2018 (As Restated), 2017 and 2016
(dollars in thousands)

	2018 (As Restated)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (24,568)	$ (39,186)	$ (21,828)
Adjustments to reconcile net loss to net cash (used) provided by operating activities			
Depreciation and amortization	2,845	2,232	556
Non-cash compensation expense attributable to stock awards	5,602	4,744	4,970
Deferred income taxes	(6,498)	6,498	—
Bad debt expense	22	58	—
Accretion expense	14	12	—
Loss on disposal of assets	86	29	—
Changes in operating assets and liabilities			
Accounts receivable	(320)	(166)	(133)
Inventory	(45)	(35)	(93)
Prepaid expenses and other assets	(91)	(276)	(312)
Accounts payable and accrued expenses	923	(239)	(2,620)
Accounts payable-officers	58	(8)	3
Accrued interest expense	—	—	(3)
Deferred revenue	(752)	(786)	(722)
Other liabilities	738	619	388
Net cash (used) provided by operating activities	(21,986)	(26,504)	(19,794)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of intangible assets	(1,931)	(750)	(2,068)
Purchases of equipment	(950)	(1,640)	(9,077)
Payments for patent costs	—	(1)	(12)
Net cash used by investing activities	(2,881)	(2,391)	(11,157)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from follow-on offering	—	—	64,792
Payment of notes payable	(497)	(495)	(297)
Proceeds from stock option exercises	267	153	45
Taxes withheld and paid on employee stock awards	(668)	(143)	—
Net cash (used by) provided from financing activities	(898)	(485)	64,540
Net change in cash and cash equivalents	(25,765)	(29,380)	33,589
CASH AND CASH EQUIVALENTS			
Beginning of the year	**124,083**	**153,463**	**119,874**
End of the year	**$ 98,318**	**$ 124,083**	**$ 153,463**

See accompanying notes to consolidated financial statements.

1. **Nature of Operations**

pdvWireless, Inc. (the "Company") is a private wireless communications company focused on developing and offering its spectrum assets for the deployment of next generation network and mobile communication solutions designed to meet the needs of critical infrastructure and enterprise customers. The Company is the largest holder of licensed spectrum in the Part 90 900 MHz band (i.e., 896-901 MHz paired with 935-940 MHz) throughout the contiguous United States, plus Hawaii, Alaska and Puerto Rico.

The Company's first priority involves pursuing regulatory initiatives at the Federal Communications Commission ("FCC") with the goal of modernizing and realigning the 900 MHz band to increase its usability and capacity, including for the future potential deployment of broadband and other advanced technologies and services. At the same time, the Company is exploring and developing network and mobile communication solutions, leveraging its spectrum to address the unmet needs of its targeted critical infrastructure and enterprise customers. For its first offering, the Company has deployed push-to-talk ("PTT") networks and offers its Team Connect℠, which we initially branded and marketed as DispatchPlus™, two-way radio service to businesses in seven major metropolitan market areas throughout the United States, including Atlanta, Baltimore/Washington, Chicago, Dallas, Houston, New York and Philadelphia. TeamConnect allows enterprise customers to increase the productivity of their field-based workers and the efficiency of their dispatch and call center operations. The Company is pursuing opportunities to enable additional network and mobile communication solutions for use by critical infrastructure and enterprise customers with its existing spectrum and currently available non-broadband technologies and, if the Company is successful with its FCC efforts, utilizing its spectrum assets to enable broadband and other advanced wireless service offerings.

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. The Company maintains offices in Woodland Park, New Jersey, Reston, Virginia and San Diego, California. It also maintains a sales office in West Conshohocken, Pennsylvania.

TeamConnect and pdvConnect Businesses

During the year ended March 31, 2016, the Company began offering its TeamConnect service in seven major metropolitan areas throughout the United States. The Company developed TeamConnect to address the needs of enterprises that value a tailored PTT solution addressing the management of their mobile workforce. The operation of the Company's TeamConnect business is separate from, and not contingent on, the initiatives it is pursuing at the FCC or its other spectrum-related activities.

The Company's revenues are derived substantially from its TeamConnect and pdvConnect™ offerings. The TeamConnect service combines pdvConnect, a proprietary suite of mobile communication and workforce management applications, with advanced digital network architecture and mobile devices supplied by Motorola Solutions, Inc. and/or its subsidiaries ("Motorola"). Developed for dispatch-centric businesses, and historically offered to customers who utilize Tier 1 cellular networks, pdvConnect is an efficient mobile communication and workforce management solution that enables businesses to locate and communicate with their field workers and improve the documentation of work events and job status. Also built with the commercial dispatch customer in mind, Motorola's digital network architecture allows the Company to provide reliable, instant and wide-area PTT communication services to its customers.

To date, sales of the Company's TeamConnect service have been slower to ramp-up than initial expectations. The Company primarily markets its TeamConnect service to customers indirectly through third-party dealers selected from Motorola's nationwide dealer network and other select wireless dealers. The Company has historically supported its indirect sales representatives by providing them with training, marketing and advertising support from its internal sales and marketing team. The Company typically enters into contracts directly with end users of its TeamConnect communication solutions, including those introduced to it through its indirect dealer network.

Spectrum Initiatives

The Company's spectrum is its most valuable asset. Although the Company can use its spectrum for its existing TeamConnect business and for other narrowband and wideband wireless services, many of the future business opportunities that the Company has identified require higher bandwidth than allowed by the current configuration of its spectrum. As a result, the Company is pursuing a number of initiatives to increase the usability and capacity of its spectrum.

In November 2014, the Company and the Enterprise Wireless Alliance ("EWA") submitted a Joint Petition for Rulemaking to the FCC to propose the realignment of a portion of the 900 MHz band from narrowband to broadband. In response to the Joint Petition, the FCC issued a public notice requesting comments from interested parties and asked a number of questions about the proposal. A number of parties, including several incumbent licensees, filed comments with the FCC expressing their views, including both support and opposition. In May 2015, the Company and the EWA filed proposed rules with the FCC related to the Joint Petition. Comments on the proposed rules were filed in June 2015, and reply comments in July 2015.

On August 4, 2017, the FCC issued a Notice of Inquiry ("NOI") that the Company believes signified the FCC's interest in conducting a serious and comprehensive evaluation of the current and future rules governing the 900 MHz band. In the NOI, the FCC announced that it had commenced a proceeding to examine whether it would be in the public interest to change the existing rules governing the 900 MHz band to enable increased access to spectrum, improved spectrum efficiency and expanded flexibility for a variety of potential uses and applications, including broadband and other advanced technologies and services. The FCC stated that the purpose of the NOI was to gather information from interested parties to assist the FCC in its decision-making process. The FCC requested interested parties, including the Company, to comment on a number of questions related to three potential options for the 900 MHz band: (i) retaining the current configuration of the 900 MHz band, but increasing operational flexibility, (ii) reconfiguring a portion or all of the 900 MHz band to support broadband and other advanced technologies and services or (iii) retaining the current 900 MHz band licensing and eligibility rules. Because the FCC requested information on multiple options for the 900 MHz band, the NOI effectively supersedes the Joint Petition and other pending proposals that involved the 900 MHz band. However, a broadband reconfiguration option included in the NOI was consistent with the Company's Joint Petition proposal, and all information the Company previously provided to the FCC to support the realignment and modernization of the 900 MHz band remained relevant.

The Company and EWA filed a joint response to the FCC's NOI on October 2, 2017 and reply comments on November 1, 2017. On May 1, 2018, the Company and the EWA augmented elements of their initial joint response to the NOI based on the Company's discussions and interactions with incumbents and other interested parties to the NOI proceeding. This filing was intended to address and resolve issues and concerns expressed by incumbents in and adjacent to the portion of the 900 MHz band proposed for broadband use. The Company's most recent responsive filing also proposed a means to increase the alternatives through which licenses for a new 3 X 3 900 MHz broadband service could be put to use by utilities and other members of the critical infrastructure industry, as well as by other private enterprise companies. The Company believes these alternatives add elements of flexibility and, ideally, could shorten the time required to introduce important broadband communication capabilities to these market segments.

Specifically, the Company's most recent responsive filing proposes that: (i) during the first year after FCC adoption of the relevant licensing rules, utilities and other Business/Industrial/Land Transportation ("B/ILT") applicants would have the exclusive opportunity to secure Private Enterprise Broadband ("PEBB") licenses, and could utilize the traditional frequency coordination process to do so, based on acquiring control of the requisite 240 discrete 900 MHz channels (the number of channels equivalent to a 3 X 3 MHz broadband allocation) through combining any of their own licensed channels with any they might purchase or lease from third party licensees and those they might be assigned from the FCC's available channel inventory; (ii) successful applicants then could obtain frequency coordinator approval to exchange such channels for a 3 X 3 MHz PEBB license to be issued by the FCC, which could be deployed, operated and maintained, in accordance with applicable service rules, either solely by the applicant licensee, or with the assistance and/or participation of third parties and (iii) the coverage territory for such a PEBB license would correspond (a) in urbanized areas (defined to be the top 306 Cellular Market Areas; "CMAs"), to a metropolitan statistical area ("MSA") and (b) in non-urbanized areas (the remaining CMAs) to individual counties, which the Company believes, in each case, represent geographic areas that will more closely match up with the service territories of most utilities and the areas of business focus for other private enterprises. In addition, the Company's most recent responsive filing proposes shifting the contemplated 3 X 3 MHz broadband allocation 400 kHz down to a new location in the 900 MHz band, a change that has addressed the concern regarding potential interference previously expressed by incumbents in the narrowband PCS spectrum immediately above the top end of the Company's portion of the 900 MHz band. It also will allow for greater separation between any co-located frequencies in narrowband systems.

The Company and the EWA have responded to all outstanding requests for information from the FCC, and are currently awaiting FCC action. Based on its discussions with the staff of the FCC, the Company believes that the proceeding is under active consideration. The FCC's next step could be issuance of a Notice of Proposed Rulemaking based on the NOI and the record developed in response to it, a request for additional information, a decision to close the proceeding without further action, or some other action, and the timing of any such next step also remains uncertain. Moreover, certain of the matters proposed in the Company's most recent further responsive filing are contingent on other developments, such as formalizing our tentative agreement with the Association of American Railroads to exchange their frequencies, some of which are located immediately below the lower end of the originally proposed 900 MHz broadband allocation, for the Company's frequencies further down in the 900 MHz band, to accommodate the proposed 400 kHz shift of that allocation. In addition, all aspects of potential changes in the configuration and/or use of frequencies in the 900 MHz band remain subject to necessary FCC approvals.

The Company continues to believe in the merits of its broadband approach, and that it would be in the public interest for the FCC to realign the 900 MHz band to enable broadband and other advanced technologies and services. Nevertheless, obtaining a favorable result from the FCC may take a significant amount of time and resources. Moreover, there is no assurance that following the conclusion of the NOI process, the FCC will ultimately propose and adopt rules that will allow utilization of the Company's licensed 900 MHz spectrum to offer broadband and other advanced technologies and services.

The full text of the NOI, further comments and related correspondences are available on the FCC's public website at https://www.fcc.gov/document/900-mhz-notice-inquiry, and the Company's filed comments and responses, as well as those of others submitting comments and/or responses in the NOI proceeding, also are available on the FCC's public website.

To prepare for the filings its has submitted with the FCC and to build support for a 900 MHz broadband realignment, the Company has met, and intends to continue to meet, with a number of incumbent licensees, critical infrastructure businesses and other interested parties in the 900 MHz band. The Company has provided business proposals to several incumbents to assist with their communication needs. The goals of these discussions have been: (i) building consensus for the proposed reconfiguration of the 900 MHz band to support broadband and other advanced technologies and services; (ii) resolving any technology or other concerns raised by incumbent licensees; (iii) educating critical infrastructure businesses on how broadband capabilities could enhance their operations and initiatives (for example, supporting grid modernization requirements or monitoring and/or controlling their own system or network elements via machine-to-machine type services); (iv) gaining a better understanding of the size of the operational incumbent base and the nature of the systems they are currently operating; (v) to refine and modify aspects of the Company's proposal to seek to minimize potential concerns and problems expressed by certain incumbents; (vi) to gain additional support for the Company's proposal (as so refined and modified); (vii) to accelerate the availability of a sub-1 GHz broadband spectrum allocation for use in a private network context designed to meet the specialized requirements of utilities, other critical infrastructure industry members and private enterprise users; and (viii) evaluating and proposing voluntary license relocation opportunities to certain incumbent licensees. With certain incumbent licensees, the Company is continuing to attempt to build consensus and to resolve any concerns they have expressed regarding its broadband initiatives; with others, the Company is soliciting their support and cooperation to structure and implement mutually beneficial relocations; and with select critical infrastructure enterprises, the Company is jointly investigating how the future broadband capabilities it is pursuing could be employed to meet their anticipated needs and future operating plans. A number of critical infrastructure and enterprise companies have put on the record their needs and unique requirements for networks and services utilizing broadband and other next generation technologies. The Company anticipates that the NOI proceeding will continue to afford these companies and other similarly situated companies with the opportunity to put on the record their needs and unique requirements for broadband and other next generation technologies.

2. Restatement of Previously Issued Consolidated Financial Statements

In connection with preparing its financial statements for the quarter ended June 30, 2018, the Company determined that it incorrectly interpreted the effective dates of changes in the accounting treatment of its net operating losses ("NOLs") according to the new tax provisions instituted by the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017 (the "TCJA"). The TCJA, among other items: (i) increased the NOL carryforward period from 20-years to an indefinite carryforward period and (ii) limited the percentage of NOLs that may be used to offset taxable income to 80%.

Under the TCJA, the 80% limitation applies to NOLs arising in taxable years "beginning after" December 31, 2017, which for the Company would be its fiscal year commencing on April 1, 2018 and ending on March 31, 2019 ("Fiscal 2019"). The TCJA, however, provides that the indefinite carryforward period applies to NOLs arising in taxable years "ending after" December 31, 2017, which for the Company would be its fiscal year beginning on April 1, 2017 and ending on March 31, 2018 ("Fiscal 2018"). Based on these dates, NOLs generated by the Company during Fiscal 2018 would both (i) not be subject to the 80% limitation and (ii) have an indefinite life.

In preparing its financial statements for the quarter ended December 31, 2017 and the year ended March 31, 2018 (the "Relevant Periods"), the Company, in consultation with its third-party tax firm, determined that it was unlikely that Congress intended to provide this double benefit to the NOLs generated by the Company during Fiscal 2018. As a result, the Company determined that an appropriate approach would be to continue to limit the carryforward period during Fiscal 2018 to 20 years, rather than apply an indefinite life to these NOLs.

Based on its review of available accounting literature in connection with preparing its financial statements for the quarter ended June 30, 2018, the Company determined that it should apply the accounting changes implemented by the TCJA in accordance with the effective dates set forth in the TCJA. Specifically, the Company determined that, based on the current language of the TCJA, the correct accounting treatment for the NOLs it generated during Fiscal 2018 is to apply an indefinite life to these NOLs.

Applying an indefinite life to the NOLs the Company generated during Fiscal 2018 enables the Company to utilize an increased amount of NOLs to offset the deferred tax liability created by the Company's amortization of its indefinite-lived intangibles. The Company determined that it should recognize an additional deferred tax benefit of $5.6 million for the three months ended December 31, 2017 and $6.0 million for the fiscal year ended March 31, 2018.

Although these changes are non-cash items and do not change the Company's reported operating revenues or reported operating costs and expenses, the Company determined that these changes have a material impact on the as filed financial statements for the Relevant Periods. As a result, on August 9, 2018, the Company filed an amended Quarterly Report on Form 10-Q/A for the quarter ended December 31, 2017 and this amended Annual Report on Form 10-K/A for the year ended March 31, 2018, with amended and restated financial statements and financial information for these periods.

The table below sets forth the consolidated balance sheet, including the balances originally reported, the adjustments and the as restated balances for the fiscal year ended March 31, 2018 (in thousands):

	As of March 31, 2018		
	As Originally Reported	Adjustments	As Restated
Liabilities			
Deferred income tax liability	$ 6,060	$ (6,060)	$ —
Total liabilities	17,871	(6,060)	11,811
Stockholders' Equity			
Accumulated deficit	$ (133,299)	$ 6,060	$ (127,239)
Total stockholders' equity	202,469	6,060	208,529

The table below sets forth the consolidated statements of operations, including the balance originally reported, the adjustment and the as restated balance for the fiscal year ended March 31, 2018 (in thousands, except per share data):

	Year ended March 31, 2018		
	As Originally Reported	Adjustments	As Restated
Income tax benefit	$ (438)	$ (6,060)	$ (6,498)
Net loss	(30,628)	6,060	(24,568)
Net loss per common share basic and diluted	$ (2.12)	$ 0.42	$ (1.70)

The table below sets forth the consolidated statement of stockholders' equity, including the balances originally reported, the adjustments and the as restated balances for the fiscal year ended March 31, 2018 (in thousands):

	Accumulated Deficit	Total Stockholders' Equity
Balance at March 31, 2018, As Reported	$ (133,299)	$ 202,469
Adjustments	6,060	6,060
Balance at March 31, 2018, As Restated	$ (127,239)	$ 208,529

The table below sets forth the consolidated statements of cash flows from operating activities, including the balances originally reported, the adjustments and the as restated balances for the year ended March 31, 2018 (in thousands):

	Year ended March 31, 2018		
	As Originally Reported	Adjustments	As Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (30,628)	$ 6,060	$ (24,568)
Adjustments to reconcile net loss to net cash used by operating activities			
Deferred Income Tax	(438)	(6,060)	(6,498)
Net cash flows used by operating activities	$ (21,986)	—	$ (21,986)

The restatement had no impact on cash flows from investing activities or financing activities for the reported period.

In addition to the restated Consolidated Financial Statements, the information contained in Note 10 – Income Taxes has been amended and restated.

3. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates relate to allowance for doubtful accounts, estimated useful lives of depreciable assets, asset retirement obligations, the carrying amount of long-lived assets under construction in process, valuation allowance on the Company’s deferred tax assets, and recoverability of intangible assets. The Company is also required to make certain estimates with regard to the valuation of awards and forfeiture rates for its share-based award programs. 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.

Reclassifications

Certain prior year amounts have been reclassified to conform to the presentation of the corresponding amounts in the financial statements for the year ended March 31, 2018. These reclassifications had no effect on previously reported results of operations, cash flows, assets, liabilities or equity for the years presented.

Cash and Cash Equivalents

All highly liquid investments with maturities of three months or less at the time of purchase are considered cash equivalents. Cash equivalents are stated at cost, which approximates the quoted market value and include amounts held in money market funds.

Allowance for Doubtful Accounts

An allowance for uncollectible receivables is estimated based on a combination of write-off history, aging analysis and any specific known troubled accounts. The Company reviews its allowance for uncollectible receivables on a quarterly basis. Past due balances meeting specific criteria are reviewed individually for collectability. At March 31, 2018 and March 31, 2017, management provided an allowance of approximately $29,000 and $53,000, respectively, for certain slow paying accounts.

Inventory

Inventories, which consist of vehicle-mounted devices, handsets, and accessories are valued at the lower of cost or net realizable value, with net realizable value being defined as replacement value using the First In, First Out method. Provisions are made periodically to reduce any excess, obsolete or slow moving inventory to its net realizable value.

Property and Equipment

Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the shorter of the estimated useful lives of the assets or the applicable lease term. The carrying amount at the balance sheet date of long-lived assets under construction in process include construction costs to date on capital projects that have not been completed, assets being constructed that are not ready to be placed into service, and assets that are not currently in service. On a periodic basis costs within construction in process are reviewed and a determination is made if the assets being developed will be put into use. If it is concluded that the asset will not be put into use, the costs will be expensed. If the asset will be put into use, the costs are transferred to property and equipment when substantially all of the activities necessary to prepare the assets for their intended use are completed. Depreciation commences upon completion.

Accounting for Asset Retirement Obligations

An asset retirement obligation is evaluated and recorded as appropriate on assets for which the Company has a legal obligation to retire. The Company records a liability for an asset retirement obligation and the associated asset retirement cost at the time the underlying asset is acquired and put into service. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation, if any. Over time, the liability is accreted to its present value and the capitalized cost is depreciated over the estimated useful life of the asset.

The Company enters into long-term leasing arrangements primarily for tower site locations. The Company constructs assets at these locations and, in accordance with the terms of many of these agreements, the Company is obligated to restore the premises to their original condition at the conclusion of the agreements, generally at the demand of the other party to these agreements. The Company recognizes the fair value of a liability for an asset retirement obligation and capitalizes that cost as part of the cost basis of the related asset, depreciating it over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to retire the asset and the recorded liability is recognized in the Consolidated Statement of Operations.

As of March 31, 2018, the Company had an asset retirement obligation of approximately $0.3 million.

Changes in the liability for the asset retirement obligations for the years ended March 31, 2018 and 2017 are summarized below (in thousands):

	2018	2017
Balance at beginning of the year	$ 268	$ 204
Additional liabilities accrued	34	52
Accretion expense	14	12
Balance at end of the year	$ 316	$ 268

Intangible Assets

Intangible assets are wireless licenses that will be used to provide the Company with the exclusive right to utilize designated radio frequency spectrum to provide wireless communication services. While licenses are issued for only a fixed time, generally ten years, such licenses are subject to renewal by the FCC. License renewals have occurred routinely and at nominal cost in the past. There are currently no legal, regulatory, contractual, competitive, economic or other factors that limit the useful life of the Company's wireless licenses. As a result, the Company has determined that the wireless licenses should be treated as an indefinite-lived intangible asset. The Company will evaluate the useful life determination for its wireless licenses each year to determine whether events and circumstances continue to support their treatment as an indefinite useful life asset.

The licenses are tested for impairment on an aggregate basis, as the Company will be utilizing the wireless licenses on an integrated basis as a part of developing its nationwide network. Before employing detailed impairment testing, the Company first evaluates the likelihood of impairment by considering relevant qualitative factors that may have a significant bearing on fair value. If it determines that it is more likely than not that the wireless licenses are impaired, it will apply a quantitative analysis including detailed testing methodologies. Otherwise, it concludes that no impairment exists. In the event a quantitative analysis is required, the Company considers estimates of valuation methods to perform the test of the fair values of the wireless licenses using, among other things, market based and discounted cash flow approaches.

Patent Costs

Costs to acquire a patent on certain aspects of the Company's technology have been capitalized. These amounts are amortized, subject to periodic evaluation for impairment, over statutory lives following award of the patent. Gross patent costs are approximately $572,000 at March 31, 2018 and March 31, 2017 and the associated accumulated amortization amounted to approximately $375,000 and $362,000, respectively. Amortization expense was approximately $13,000, $13,000, and $11,000 for the years ended March 31, 2018, 2017 and 2016, respectively. The amortization expense is estimated to aggregate $13,000 per year over the next five year period. Renewal costs are expensed when incurred.

Long-Lived Asset Impairment

The Company evaluates long-lived assets, other than intangible assets with indefinite lives, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. Asset groups are determined at the lowest level for which identifiable cash flows are largely independent of cash flows of other groups of assets and liabilities. When the carrying amount of a long-lived asset group is not recoverable and exceeds its fair value, an impairment loss is recognized equal to the excess of the asset group's carrying value over the estimated fair value.

Fair Value of Financial Instruments

Financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses are carried at cost, which management believes approximates fair value because of the short term maturity of these instruments.

Revenue Recognition

The Company recognizes revenue in the period that persuasive evidence of an arrangement exists, delivery of the product has occurred or services have been rendered, it is able to determine the amount of revenue and when the collection of such amount is considered probable. In accordance with the guidance provided in Accounting Standards Codification ("ASC") Topic 605-45-45, (*Revenue Recognition – Principal Agent Considerations*), the Company has determined that it is the primary obligor with respect to the service revenue derived from sales of the Company's software applications through its Tier I domestic carrier partners. As a result, revenue is recorded at the gross amount billed to end-user customers for sales through these carrier partners. The Company also sells service and applications directly to end-users, which are billed and collected directly by the Company.

In September 2014, Motorola paid the Company an upfront, fully-paid leasing fee of $7.5 million in order to lease a portion of the Company's wireless spectrum licenses. The payment of the fee is accounted for as deferred revenue on the Company's Consolidated Balance Sheets. The Company recognizes leasing revenue in accordance with ASC Topic 840, (*Leases)*. The fee is amortized using the straight-line method over the lease term of approximately ten years, which represents the time period in which the benefits of the leased property are expected to be depleted.

The Company evaluates certain transactions for its TeamConnect service offering to determine whether they should be viewed as a Multiple Element Arrangement provided in ASC Topic 605-25. Judgment is required to properly identify the accounting units of the multiple deliverable transactions and to determine the manner in which revenue should be allocated among the units of accounting. Multiple deliverable arrangements are presumed to be bundled transactions, and the total consideration is measured and allocated to the separate transactions based on their relative selling price with certain limitations. The relative selling price for each deliverable is determined using vendor-specific objective evidence ("VSOE") of selling price or third-party evidence of selling price if VSOE does not exist. If neither VSOE nor third party evidence of selling price exist, the Company uses its best estimate of the selling price for the deliverable. The Company has determined that the rental of user devices in connection with service contracts for its TeamConnect service are multiple deliverable arrangements.

Cost of Revenue

The Company's cost of revenue relating to sales of its software applications through its wireless carrier partners includes the portion of service revenue retained by its domestic Tier 1 carrier partners pursuant to its agreements with these parties, which may include network services, connectivity, SMS service, sales, marketing, billing and other ancillary services. With respect to its TeamConnect service offering, the Company's cost of revenue includes the costs of operating its dispatch network and its cloud-based solutions and to a lesser degree, the costs associated with the sales of the relevant user devices.

Shipping and Handling Costs

Costs associated to shipping and handling of two-way radios and accessories to dealers or end-user customers are recognized as incurred and included in cost of revenue in the Consolidated Statements of Operations.

Indirect Sales Commissions

Cash consideration given to a dealer is presumed to be a reduction of revenue unless the Company receives, or will receive, an identifiable benefit in exchange for the consideration, and the fair value of such benefit can be reasonably estimated, in which case the consideration will be recorded as a selling expense. The Company compensates its indirect sales representatives with an upfront commission and residual fees based on a customer's continued use of its TeamConnect service. When a commission is earned solely due to the selling activity relating to the Company's TeamConnect service, the cost is recorded as a selling expense. The Company reviews and records the estimated incentives payable to the indirect sales representatives as accrued expense on a monthly basis.

Product Development Costs

The Company charges all product and development costs to expense as incurred. Types of expense incurred in product and development costs include employee compensation, consulting, travel, facility costs and equipment and technology costs.

Advertising and Promotional Expense

The Company expenses advertising and promotional costs as incurred. Cooperative advertising reimbursements from vendors are recorded net of advertising and promotional expense in the period in which the related advertising and promotional expense is incurred. Advertising and promotional expense was approximately $155,000 for the year ended March 31, 2018, approximately $103,000 for the year ended March 31, 2017, and approximately $161,000 for the year ended March 31, 2016.

Stock Compensation

The Company accounts for stock options in accordance with US GAAP, which requires the measurement and recognition of compensation expense, based on the estimated fair value of awards granted to consultants, employees and directors. The Company estimates the fair value of share-based awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense in the Company's statements of operations over the requisite service periods. In the event the participant's employment by or engagement with (as a director or otherwise) the Company terminates before exercise of the options granted, the stock options granted to the participant shall immediately expire and all rights to purchase shares thereunder shall immediately cease and expire and be of no further force or effect, other than applicable exercise rights for vested shares that may extend past the termination date as provided for in the participant's applicable option award agreement. Additionally, the Compensation Committee adopted an Executive Severance Plan (the "Severance Plan") in February 2015, and the Company subsequently entered into Severance Plan Participation Agreements with its executive officers and certain key employees. In addition to providing participants with severance payments, the Severance Plan provides for accelerated vesting and extends the exercise period for outstanding equity awards if the Company terminates a participant's service for reasons other than cause, death or disability or the participant terminates his or her service for good reason, whether before or after a change of control (each of such terms as defined in the Severance Plan).

To calculate option-based compensation, the Company uses the Black-Scholes option-pricing model. The Company's determination of fair value of option-based awards on the date of grant using the Black-Scholes model is affected by assumptions regarding a number of subjective variables.

The fair value of restricted stock, restricted stock units and performance units are measured based upon the quoted closing market price for the stock on the date of grant. The compensation cost for the restricted stock and restricted stock units is recognized on a straight-line basis over the vesting period. The compensation cost for the performance units is recognized when the performance criteria are expected to be complete.

No tax benefits have been attributed to the share-based compensation expense because the Company maintains a full valuation allowance for all net deferred tax assets.

Effective April 1, 2017, the Company adopted ASU No. 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting* ("ASU 2016-09"), which simplifies several aspects of the accounting for employee share-based payment transactions, including the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. Under the new guidance, all excess tax benefits and tax deficiencies, including tax benefits of dividends on share-based payment awards, should be recognized as income tax expense or benefit in the income statement, eliminating the notion of the additional paid-in capital ("APIC") pool. The excess tax benefits will be classified as operating activities along with other income tax cash flows rather than financing activities in the statement of cash flows. The tax effects of exercised or vested awards should be treated as discrete items in the reporting period in which they occur. ASU 2016-09 also allows entities to elect to either estimate the total number of awards that are expected to vest or account for forfeitures when they occur. Additionally, ASU 2016-09 clarifies that cash payments to tax authorities in connection with shares withheld to meet statutory tax withholding requirements should be presented as a financing activity in the statement of cash flows. The Company has elected to continue its past practice of estimating the total number of awards expected to vest and adopted the provisions of ASU 2016-09 related to changes in the consolidated statements of cash flows on a retrospective basis.

Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities as well as from net operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. A valuation allowance is established when it is estimated that it is more likely than not that the tax benefit of a deferred tax asset will not be realized.

Accounting for Uncertainty in Income Taxes

The Company recognizes the effect of tax positions only when they are more likely than not to be sustained. Management has determined that the Company had no uncertain tax positions that would require financial statement recognition or disclosure. The Company is no longer subject to U.S. federal, state or local income tax examinations for periods prior to 2014.

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, convertible notes payable-affiliated entities, stock options, restricted stock and warrants are considered to be potentially dilutive securities. Because the Company has reported a net loss for the years ended March 31, 2018, 2017 and 2016, 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 1,002,000, 709,000 and 900,000 at March 31, 2018, 2017 and 2016, respectively, and have not been included in the dilutive weighted average shares of common stock outstanding, as their effects are anti-dilutive.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*. This standard, along with its related amendments, requires companies to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which they expect to be entitled in exchange for those goods or services. This new standard will be adopted by the Company for annual and interim reporting periods beginning with the first quarter of fiscal year 2019.

The FASB allows two adoption methods under ASC 606. Companies are permitted to either apply the requirements retrospectively to all prior periods presented, or apply the requirements in the year of adoption, through a cumulative adjustment. The Company currently plans to adopt the standard in the first quarter of fiscal year 2019, using the "modified retrospective method." Under that method, the Company will apply the rules to all contracts existing as of April 1, 2018, recognizing, in beginning retained earnings, a cumulative-effect adjustment to include the establishment of contract asset and contract liability accounts with a corresponding adjustment to retained earnings. The Company will also provide additional disclosures comparing revenue recognized under ASC 606 to revenue as reported prior to the adoption of the standard.

During the first quarter of Fiscal 2019, the Company will record a cumulative adjustment to accumulated deficit that is primarily composed of the following:

- a net contract asset related to the portion of the Company's revenues associated with service plans that are sold concurrently with a subsidized handset; and
- an asset related to costs incurred to acquire a contract, which primarily relates to the deferral of commission expenses.

The timing of expense recognition related to certain of the Company's contract acquisition costs, primarily sales commissions, will be impacted as these expenses will be capitalized and amortized under the new standard rather than being expensed as incurred under existing authoritative guidance. The Company expensed approximately $0.7 million of contract acquisition costs during the year ended March 31, 2018.

While the Company has reached conclusions on the key accounting assessments related to adopting this standard, it is continuing to finalize its assessment of the resulting quantitative impacts. Based on currently available information, the Company estimates that its opening accumulated deficit balance on April 1, 2018 will decrease by between $0.7 million and $0.9 million, primarily related to the deferral of previously expensed contract acquisition costs. The Company does not expect to recognize a material net contract asset.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments - Recognition and Measurement of Financial Instruments and Financial Liabilities*. This update requires that equity investments (except those accounted for under the equity method of accounting or those that result in consolidation) be measured at fair value with changes in fair value recognized in net income. The amendments in this update also simplify the impairment assessment of equity investments without readily determinable fair values. This update is effective for the fiscal year beginning April 1, 2018. The adoption of this guidance is not expected to have an effect on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases*. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize operating leases with a term greater than one year on their balance sheet as a right-of-use asset and corresponding lease liability, measured at the present value of the lease payments. The ASU also requires disclosure of key information about leasing arrangements to increase the transparency and comparability among organizations. The accounting for lessors does not fundamentally change except for changes to conform and align guidance to the lessee guidance as well as to the new revenue recognition guidance in ASU 2014-09. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. ASU 2016-02 requires reporting organizations to take a modified retrospective transition approach (as opposed to a full retrospective transition approach). The Company decided not to early adopt the ASU. The Company is evaluating the potential impact that ASU 2016-02 will have on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 addresses how certain cash receipts and cash payments are presented and classified in the statement of cash flows under *Topic 230, Statement of Cash Flows, and Other Topics*. ASU 2016-15 is effective for annual reporting periods, and interim periods therein, beginning after December 15, 2017. The adoption of this guidance is not expected to have an effect on the Company's consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, *Intangibles - Goodwill and Other: Simplifying the Test for Goodwill Impairment*. ASU 2017-04 eliminated Step 2 from the goodwill impairment test which required entities to compute the implied fair value of goodwill by determining the fair value of the reporting unit's assets and liabilities as if they were assets acquired and liabilities assumed in a business combination. Instead of Step 2, entities performing their annual impairment test will recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. Entities will continue to have the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. The adoption of this guidance is not expected to have an effect on the Company's consolidated financial statements.

In May 2017, the FASB issued ASU 2017-09, *Compensation - Stock Compensation (Topic 718) Scope of Modification Accounting*. The amendments in ASU 2017-09 provide guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718. The adoption of ASU 2017-09 will become effective for annual periods beginning after December 15, 2017 with prospective application. Although the Company is currently evaluating the potential impact Topic 718 may have on its financial position, it does not believe there will be a material impact on the consolidated financial statements.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the Original Filing and has concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements, other than those described in Note 17.

4. Inventory

Inventory consists of the following at March 31, 2018 and March 31, 2017 (in thousands):

	2018	2017
Mobile devices	$ 88	$ 39
Handsets	51	65
Accessories	34	24
Total inventory	$ 173	$ 128

5. Property and Equipment

Property and equipment consists of the following at March 31, 2018 and March 31, 2017 (in thousands):

	Estimated useful life	2018	2017
Network sites and equipment	5-10 years	$ 15,263	$ 13,999
Computer equipment	5-7 years	184	944
Computer software	1-3 years	10	13
Furniture and fixture and other equipment	2-5 years	1,418	1,091
Leasehold improvements	Shorter of the lease term or 10 years	344	141
		17,219	16,188
Less accumulated depreciation		5,468	3,590
		11,751	12,598
Construction in process		1,024	1,911
Property and equipment, net		$ 12,775	$ 14,509

Depreciation expense for the years ended March 31, 2018, 2017 and 2016 amounted to approximately $2.8 million, $2.2 million and $0.5 million, respectively; approximately $2.6 million, $2.0 million and $0.4 million, respectively, of such depreciation expense was classified as cost of revenue while the remainder was classified as operating expenses in the Company's Consolidated Statements of Operations. Leasehold improvements include certain allowances for tenant improvements related to the expansion of the Company's corporate headquarters. Construction in process includes the expenditures related to the costs to establish the Company's dedicated, wide-area, two-way radio dispatch networks in certain metropolitan areas. During the year ended March 31, 2018, $0.5 million costs in construction in process were expensed for assets that were not put into use.

6. 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. The Company believes that no impairment indicators existed as of March 31, 2018 for which the Company would recognize any impairment.

During the year ended March 31, 2018, the Company entered into agreements with several third parties in multiple U.S. markets to acquire wireless licenses for cash consideration, upon FCC approval. In addition, during the year ended March 31, 2017, the Company entered into a barter agreement whereby it will provide the use of the Company's network, radios, and installation of equipment in exchange for wireless licenses.

Intangible assets consist of the following at March 31, 2018 and March 31, 2017 (in thousands):

		Wireless Licenses
Balance at March 31, 2016	$	103,655
Acquisitions		1,021
Balance at March 31, 2017	$	104,676
Acquisitions		1,931
Balance at March 31, 2018	$	106,606

7. Accounts Payable and Accrued Expenses

The table below provides additional information related to the Company's accounts payable and accrued expenses at March 31, 2018 and March 31, 2017 (in thousands).

		2018		2017
Accounts payable and accrued expenses				
Accounts payable	$	569	$	670
Accrued employee related expenses		2,337		2,385
Accrued expenses		630		222
Other		787		122
Total accounts payable and accrued expenses	$	4,322	$	3,399

8. Accounts Payable - officers

Accounts payable - officers represents unreimbursed expenses including travel and entertainment expense incurred by the Company's officers. At March 31, 2018 and March 31, 2017, the accounts payable to officers amounted to approximately $94,000 and $36,000, respectively.

9. Note Payable

During the year ended March 31, 2016, the Company entered into a promissory note in the amount of $1,289,013 with a third party in exchange for wireless licenses. The term of the note was through March 15, 2018 and bore a fixed rate of interest of 0.55% per annum, which was based on the Short-Term Applicable Federal Rate on the closing date. For the years ended March 31, 2018 and 2017, the Company had repaid $497,265 and $494,545, respectively, in principal. There was no outstanding borrowings on the promissory note as of March 31, 2018.

For the fiscal years 2018, 2017 and 2016, total interest expense on all notes payable was approximately $3,000, $5,000 and $3,000, respectively.

10. Income Taxes – As Amended and Restated

On December 22, 2017, President Trump signed the Tax Cuts and Jobs Act of 2017 ("TCJA") into legislation. The TCJA includes numerous changes to existing tax law, including a permanent reduction in the federal corporate income tax rate from 35% to 21%. The rate reduction is effective as of January 1, 2018. Another provision included in the law is that operating losses incurred in years ending after December 31, 2017 may be carried forward indefinitely. The Company now can consider indefinite lived assets and the associated deferred tax liability as a source of future taxable income when assessing the potential to realize future tax deductions from indefinite carryforwards of net operating losses and interest expense.

The Company had federal and state net operating loss carryforwards of approximately $90.0 million at March 31, 2017, expiring in varying amounts from 2019 through 2037. For the year ended March 31, 2018, the Company incurred an operating loss of approximately $34.2 million which, per the provision in the TCJA does not expire and is not subject to the 80% of taxable income limitation upon usage.

The Company has deferred tax assets of approximately $30.9 million and $33.9 million relating principally to these net operating loss carryforwards at March 31, 2018 and 2017, respectively. Federal net operating loss carryforwards may be subject to limitations as a result of the change in ownership that occurred in the year ended March 31, 2015 as defined under Internal Revenue Code Section 382. State net operating loss carryforwards are subject to limitations which differ from federal law in that they may not allow the carryback of net operating losses, and have shorter carryforward periods.

Accounting Standards Codification Topic 740, *Income Taxes*, requires that a valuation allowance be recorded to reduce deferred tax assets when it is more likely than not that the tax benefit of the deferred tax assets will not be realized. The evaluation includes the consideration of all available evidence, both positive and negative, regarding historical operating results including recent years with reported losses, the estimated timing of future reversals of existing taxable temporary differences, estimated future taxable income exclusive of reversing temporary differences and carryforwards, and potential tax planning strategies which may be employed to prevent an operating loss or tax credit carryforward from expiring unused. In situations where a three-year cumulative loss condition exists, accounting standards limit the ability to consider projections of future results as positive evidence to assess the realizability of deferred tax assets. In Fiscal 2018, the Company's financial results reflected a three-year cumulative loss. The three-year cumulative loss constitutes significant negative evidence, limiting the Company's ability to consider other positive evidence, such as the Company's projections for future growth. Based upon the aforementioned TCJA provision related to the net operating loss arising from years ending after December 31, 2017, the Company now can consider indefinite lived assets and the associated deferred tax liability as a source of future taxable income when assessing the potential to realize future tax deductions from indefinite carryforwards of net operating losses. Consequently, in Fiscal 2018 the Company recorded a non-cash benefit of $6.0 million primarily resulting from a reduction in valuation allowance against substantially all of its deferred tax assets. This valuation allowance has no effect on the Company's ability to utilize the deferred tax assets to offset future taxable income, if generated. As required by GAAP, the Company will continue to assess the likelihood that the deferred tax assets will be realizable in the future and the valuation allowance will be adjusted accordingly. The tax benefits relating to any reversal of the valuation allowance on the net deferred tax assets in a future period will be recognized as a reduction of future income tax expense in that period.

In response to the enactment of TCJA in late 2017, the SEC issued Staff Accounting Bulletin No. 118 ("SAB 118") to address situations where the accounting is incomplete for certain income tax effects of TCJA upon issuance of an entity's financial statements for the reporting period in which TCJA was enacted. Under SAB 118, a company may record provisional amounts during a measurement period for specific income tax effects of the TCJA for which the accounting is incomplete but a reasonable estimate can be determined, and when unable to determine a reasonable estimate for any income tax effects, report provisional amounts in the first reporting period in which a reasonable estimate can be determined. The Company has recorded the impact of the tax effects of TCJA relying on estimates where the accounting is incomplete as of March 31, 2018. As guidance and technical corrections are issued in the upcoming quarters, the Company will record updates to its original provisional estimates.

In May 2018, the Company received notice from the Internal Revenue Service that it would be auditing the Company's tax return for the period ended March 31, 2016. The audit is to begin at the end of June 2018.

Net deferred tax assets and liabilities consist of the following as of March 31, 2018 and 2017 (in thousands):

	2018 (As Restated)	2017
Deferred tax asset		
Allowance for uncollectible accounts	$ 7	$ 14
Deferred rent	513	409
Accrued expenses	198	240
Deferred revenue	1,213	2,095
Asset retirement obligations	7	99
Net operating loss carryforward	30,925	33,933
Stock compensation expense	88	766
Total deferred tax asset	32,951	37,556
Deferred tax liability		
Property and equipment	(375)	(640)
Definite-lived intangible assets	(1)	(8)
Indefinite-lived intangible assets	(6,060)	(6,498)
Total deferred tax liability	(6,436)	(7,146)
Total deferred tax assets and liabilities	26,515	30,410
Valuation allowance	(26,515)	(36,908)
Net deferred tax assets and liabilities	$ —	$ (6,498)

The components of the income tax expense for the years ended March 31, 2018 and 2017 are as follows (in thousands):

	2018 (As Restated)	2017
Current:		
Federal	$ —	$ —
State	—	—
Total current	—	—
Deferred:		
Federal	(5,971)	5,971
State	(527)	527
Total deferred	(6,498)	6,498
Total income tax (benefit) expense	$ (6,498)	$ 6,498

The differences between the United States federal statutory tax rate and the Company's effective tax rate for the years ended March 31, 2018 and 2017 are as follows (in thousands):

	2018 (As Restated)		2017	
Statutory federal tax	$ (10,563)	34%	$ (11,114)	34%
State income taxes, net of federal benefit	(932)	3%	(981)	3%
Other permanent differences	2,071	-7%	1,772	-5%
Restricted stock shortfall	(118)	0%	80	0%
Prior-year adjustments	58	0%	—	0%
Change in valuation allowance	2,986	-10%	16,719	-52%
Other	—	0%	22	0%
	$ (6,498)	21%	$ 6,498	-20%

11. Stock Acquisition Rights, Stock Options and Warrants

The Company established the pdvWireless 2014 Stock Plan (the “2014 Stock Plan”) to attract, retain and reward individuals who contribute to the growth and profitability of the Company. This 2014 Stock Plan superseded previous stock plans although under such previous plans, 42,766 stock options were outstanding and vested as of March 31, 2018.

The Company’s Board of Directors has reserved 3,511,695 shares of common stock for issuance under its 2014 Stock Plan as of March 31, 2018. The number of shares will continue to automatically increase each January 1st through January 1, 2024 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 of Directors.

Restricted Stock and Restricted Stock Units

A summary of non-vested restricted stock activity for the years ended March 31, 2018 and 2017 is as follows:

	Restricted Stock	Weighted Average Grant Day Fair Value
Non-vested restricted stock outstanding at March 31, 2016	140,872	$ 26.47
Granted	44,898	21.59
Forfeited	(4,200)	(29.85)
Vested	(54,113)	(25.38)
Non-vested restricted stock outstanding at March 31, 2017	127,457	25.10
Granted	144,482	24.41
Forfeited	(1,638)	24.28
Vested	(52,488)	24.94
Non-vested restricted stock outstanding at March 31, 2018	217,813	$ 24.69

The Company recognizes compensation expense for restricted stock on a straight-line basis over the explicit vesting period. Vested restricted stock units are settled and issuable upon the earlier of the date the employee ceases to be an employee of the Company or a date certain in the future. Stock compensation expense related to restricted stock was approximately $1.9 million for the year ended March 31, 2018 and $1.5 million for the year ended March 31, 2017. Stock compensation expense for restricted stock is accounted for in general and administrative expense in the Company's Consolidated Statement of Operations. At March 31, 2018, there was $4.4 million of unvested compensation expense of the restricted stock, which is expected to be recognized over a weighted average period of 2.7 years.

Performance Stock Units

During the year ended March 31, 2018, the Company awarded 71,843 performance stock units under the 2014 Stock Plan. These performance stock units represent the number of shares of the Company's common stock that the recipient would receive upon the Company's attainment of the applicable performance goals. The units will vest in full upon attainment of the performance goals. Performance is based upon achievement, prior to January 13, 2020, of (A) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (B) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

A summary of the Performance stock activity for the years ended March 31, 2018 and 2017 is as follows:

	Performance Stock	Weighted Average Grant Day Fair Value
Performance stock outstanding at March 31, 2016	37,295	$ 25.81
Granted	—	—
Forfeited	—	—
Vested	—	—
Performance stock outstanding at March 31, 2017	37,295	25.81
Granted	71,843	22.75
Forfeited	—	—
Vested	—	—
Performance stock outstanding at March 31, 2018	109,138	$ 23.80

For the year end March 31, 2018, there was no stock compensation expense recognized for the performance units. At March 31, 2018, there was approximately $2.6 million of unvested compensation expense.

Stock Options

A summary of Stock Option activity for the years ended March 31, 2018 and 2017 is as follows:

	Options	Weighted Average Exercise Price	Weighted Average Contractual Term	Aggregate Intrinsic Value
Options outstanding at March 31, 2016	1,693,200	$ 22.91		
Options granted	110,000	24.59		
Options exercised	(16,000)	(19.58)		
Options forfeited/expired	(53,605)	(31.04)		
Options outstanding at March 31, 2017	1,733,595	22.79		
Options granted	252,945	25.39		
Options exercised	(5,740)	(18.69)		
Options forfeited/expired	(12,426)	(26.91)		
Options outstanding at March 31, 2018	1,968,374	$ 23.11	6.87	$ 14,913,414
Exercisable at March 31, 2018	1,252,882	$ 22.32	6.42	$ 10,328,871
Total vested or expected to vest at March 31, 2018	1,952,859	$ 23.09	6.86	$ 14,838,577

The intrinsic value of options exercised was approximately $73,000 at March 31, 2018.

The stock options to purchase shares of common stock awarded during the fiscal year ended March 31, 2018 have a ten-year contractual life and 25% will vest on the first anniversary of grant, and the remainder will vest in three equal annual installments thereafter. In addition, a stock option to purchase 100,000 shares of common stock awarded to a consultant during the twelve months ended March 31, 2018 vest monthly over four years. Shares granted to employees are subject to vesting, future settlement conditions and other such terms as determined by the Board of Directors and set forth in the applicable award agreements.

Additional information regarding stock options outstanding at March 31, 2018 is as follows:

Exercise Prices				Number Outstanding	Weighted Average Remaining Life in Years	Weighted Average Exercise Price		Options Exercisable	Weighted Average Exercise Price of Shares Exercisable	
$	13.25	-	$ 20.00	1,127,378	6.05	$	19.75	859,065	$	19.67
	20.01	-	46.23	760,445	8.05		25.49	350,579		25.65
	46.24	-	72.85	80,551	7.09		47.87	43,238		47.96
				1,968,374	6.87	$	23.11	1,252,882	$	22.32

The fair value of options granted is estimated on the date of grant using the Black-Scholes option valuation model. This stock-based compensation expense valuation model requires the Company to make assumptions and judgments regarding the variables used in the calculation. These variables include the expected term, the expected volatility of the Company’s common stock, expected risk-free interest rate, forfeiture rate and expected dividends. The Company calculates it expected term and volatility from the historical volatilities and terms of selected comparable public companies within its industry along with the Company’s short history regarding these variables. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option. The Company estimates its forfeiture rate based on an analysis of its actual forfeitures and will continue to evaluate the appropriateness of the forfeiture rate based on actual forfeiture experience, analysis of employee turnover and other factors. The Company has never paid, and does not anticipate paying, any cash dividends in the foreseeable future, and therefore uses an expected dividend yield of zero in the option-pricing model.

The following assumptions were used to calculate the fair value of options:

	Year Ended March 31, 2018	Year Ended March 31, 2017
Risk-free interest rate	1.76% to 2.73%	1.07% to 2.39%
Dividend yield	-%	-%
Volatility	49.05%	46%
Expected term	5 years	5 years
Forfeiture rate	3%	2%

Performance Stock Options

During the year ended March 31, 2018, the Company awarded options to purchase 129,945 shares of common stock with an average exercise price of $25.84 that vest immediately upon meeting certain performance conditions. These options have a ten-year contractual life. The performance options will vest in full upon attainment of the performance goals. Performance is based upon achievement, prior to January 13, 2020, of (A) a Final Order from the FCC providing for the creation and allocation of licenses for spectrum in the 900 MHz band consisting of paired blocks of contiguous spectrum, each containing at least 3 MHz of contiguous spectrum, authorized for broadband wireless communications uses and (B) the lack of objection by the Company's Board of Directors to the terms and conditions (including, but not limited to, the rebanding, clearing and relocation procedures, license assignment and award mechanisms, and technical and operational rules) set forth or referenced in the Final Order.

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A summary of the Performance Stock Options as of March 31, 2018 and 2017 is as follows:

	Performance Options	Weighted Average Exercise Price	Weighted Average ContractualTerm	Aggregate Intrinsic Value
Performance Options outstanding at March 31, 2016	50,000	$ 25.81		
Performance Options granted	—	—		
Performance Options exercised	—	—		
Performance Options forfeited/expired	—	—		
Performance Options outstanding at March 31, 2017	50,000	25.81		
Performance Options granted	129,945	25.84		
Performance Options exercised	—	—		
Performance Options forfeited/expired	—	—		
Performance Options outstanding at March 31, 2018	179,945	$ 25.83	8.87	$ —

Stock compensation expense related to the amortization of the fair value of service based stock options issued was approximately $3.7 million, $3.2 million and $4.6 million for the years ended March 31, 2018, 2017, and 2016 respectively. There was no stock compensation expense related to the performance stock options issued. Stock compensation expense is included as part of general and administrative expense in the accompanying Consolidated Statement of Operations. The weighted average fair value for the stock option awards granted for the fiscal year ended March 31, 2018 was $11.63. As of March 31, 2018, there was approximately $5.0 million of unrecognized compensation cost related to non-vested share options granted under the Company's stock option plans, of which $3.0 million pertains to the non-performance based stock options. The cost of the service based stock options is expected to be recognized over a weighted-average period of 2.7 years.

Warrants

A summary of Warrant activity is as follows:

	Warrants	Weighted Average Exercise Price
Warrants outstanding at March 31, 2016	6,039	$ 82.79
Expired	(6,039)	(82.79)
Warrants outstanding at March 31, 2017	—	$ —
Issued, cancelled, expired	—	—
Warrants outstanding at March 31, 2018	—	$ —

The outstanding warrants expired in June 2016.

Motorola Investment

On September 15, 2014, Motorola invested $10.0 million to purchase 500,000 Class B Units of the Company's subsidiary, PDV Spectrum Holding Company, LLC (at a price equal to $20.00 per unit). The Company owns 100% of the Class A Units in this subsidiary. Motorola has the right at any time to convert its 500,000 Class B Units into 500,000 shares of the Company's common stock. The Company also has the right to force Motorola's conversion into shares of its common stock. Motorola is not entitled to any assets, profits or distributions from the operations of the subsidiary. In addition, Motorola's conversion ratio from Class B Units to shares of the Company's common stock is fixed on a one-for-one basis, and is not dependent on the performance or valuation of either the company or the subsidiary. The Class B Units have no redemption or call provisions and can only be converted into shares of the Company's common stock. Management has determined that this investment does not meet the criteria for temporary equity or non-controlling interest due to the limited rights that Motorola has as a holder of Class B Units, and accordingly has presented this investment as part of its permanent equity within Additional Paid-in Capital in the accompanying financial statements.

12. Supplemental Disclosure of Cash Flow Information

For the year ended March 31, 2018, the Company paid in cash approximately $95,000 in taxes and approximately $3,000 in interest. The Company paid in cash approximately $40,000 in taxes and approximately $5,000 in interest during the year ended March 31, 2017. The Company paid approximately $4,000 in taxes and approximately $3,000 in interest payments for the year ended March 31, 2016.

During the year ended March 31, 2017, the Company entered into a barter transaction with a third party whereby it acquired wireless licenses valued at approximately $307,000 consisting of approximately $269,000 related to use of the Company's network along with radios and approximately $39,000 in cash. The Company capitalized asset retirement obligations that amounted to approximately $34,000 and $52,000, respectively, for the years ended March 31, 2018 and March 31, 2017.

During the 2016 fiscal year, the Company purchased wireless licenses valued at $1.5 million consisting of $200,000 in cash and approximately $1.3 million in the form of a promissory note (see Note 9). The Company capitalized asset retirement obligations that amounted to approximately $204,000.

13. Commitments and contingencies

Leasing Obligations

The Company is obligated under certain lease agreements for office space whose leases expire on various dates from January 7, 2019 through March 31, 2027, which includes a ten-year lease extension for the corporate office. The Company entered into multiple lease agreements for tower space related to its TeamConnect business. The lease expiration dates range from February 28, 2020 to June 30, 2026.

Rent expense amounted to approximately $2.5 million, approximately $1.9 million, and approximately $1.1 million for the years ended March 31, 2018, 2017, and 2016, respectively, of which approximately $1.6 million, approximately $1.4 million, and approximately $0.7 million, respectively, was classified as cost of revenue and the remainder of approximately $0.9 million, approximately $0.5 million, and approximately $0.4 million, respectively, was classified in operating expenses in the Consolidated Statements of Operations. At March 31, 2018, accumulated deferred rent payable amounted to approximately $2.1 million and is included as part of other liabilities in the accompanying Consolidated Balance Sheet.

Aggregate rentals, under non-cancelable leases for office and tower space (exclusive of real estate taxes, utilities, maintenance and other costs borne by the Company) for the remaining terms of the leases for year ended March 31, 2018 are as follows (in thousands):

		2018
2019	$	2,197
2020		2,144
2021		1,846
2022		1,487
2023		1,306
After 2023		3,986
Total	$	12,966

Severance Plan Participation Agreement

On March 27, 2015, the Company entered into a Severance Plan Participation Agreement (the “Participation Agreement”) with its executive officers and certain key employees pursuant to the Company’s Executive Severance Plan (the “Severance Plan”) approved by the Compensation Committee of the Board of Directors. The Severance Plan establishes the amount of severance payments and benefits available in the event of a (i) termination of employment by the Company without Cause or by the participant for Good Reason and (ii) termination of employment by the Company without Cause or by the participant for Good Reason 6 months before or within 24 months after a Change in Control (as defined in the Severance Plan).

The Severance Plan establishes three tiers of executives: Tier 1, Tier 2 and Tier 3. Within each tier the Severance Plan stipulates the severance payments payable to each employee, the effect of equity awards granted, and the provisions for health insurance.

Litigation

In addition to commitments and obligations in the ordinary course of business, the Company may be subject, from time to time, to various claims and pending and potential legal actions arising out of the normal conduct of its business. The Company assesses contingencies to determine the degree of probability and range of possible loss for potential accrual in its financial statements. Because litigation is inherently unpredictable and unfavorable resolutions could occur, assessing litigation contingencies is highly subjective and requires judgments about future events. When evaluating contingencies, the Company may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matters. In addition, damage amounts claimed in litigation against it may be unsupported, exaggerated or unrelated to possible outcomes, and as such are not meaningful indicators of its potential liability.

The Company regularly reviews contingencies to determine the adequacy of its accruals and related disclosures. During the period presented, the Company has not recorded any accrual for loss contingencies associated with such claims or legal proceedings; determined that an unfavorable outcome is probable or reasonably possible; or determined that the amount or range of any possible loss is reasonably estimable. However, the outcome of legal proceedings and claims brought against the Company is subject to significant uncertainty. Therefore, although management considers the likelihood of such an outcome to be remote, if one or more of these legal matters were resolved against the Company in a reporting period, the Company's consolidated financial statements for that reporting period could be materially adversely affected.

14. 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.

The Company sells its pdvConnect product and extends credit predominately to two third-party carriers. The Company maintains allowances for doubtful accounts based on factors surrounding the write-off history, aging analysis, and any specific known troubled accounts.

15. Business Concentrations

For the year ended March 31, 2018, the Company had one Tier 1 domestic carrier that accounted for approximately 39% of operating revenue. For the years ended March 31, 2017 and March 31, 2016, two Tier 1 carriers accounted for approximately 38% and 10% and 39% and 20%, respectively, of operating revenue. For the 2018, 2017, and 2016 fiscal years, operating revenues principally were from domestic sales.

As of March 31, 2018, and 2017, the Company had one Tier 1 domestic carrier that accounted for approximately 53% and 67%, respectively, of its accounts receivable.

16. Selected Quarterly Financial Data

Selected financial data by quarter was as follows (in thousands, except per share data):

Fiscal Year 2018 ended March 31, 2018	First Quarter (Unaudited)	Second Quarter (Unaudited)	Third Quarter (As Restated) (Unaudited)	Fourth Quarter (As Restated) (Unaudited)	Full Year (As Restated)
Operating revenues	$ 1,465	$ 1,513	$ 1,601	$ 1,776	$ 6,355
Gross loss	$ (235)	$ (398)	$ (415)	$ (495)	$ (1,543)
Net loss	$ (7,910)	$ (8,199)	$ (99)	$ (8,360)	$ (24,568)
Net loss per common share basic and diluted	$ (0.55)	$ (0.57)	$ (0.01)	$ (0.59)	$ (1.70)

Fiscal Year 2017 ended March 31, 2017	First Quarter (Unaudited)	Second Quarter (Unaudited)	Third Quarter (Unaudited)	Fourth Quarter (Unaudited)	Full Year
Operating revenues	$ 1,045	$ 1,141	$ 1,335	$ 1,264	$ 4,787
Gross profit (loss)	$ (539)	$ (534)	$ (497)	$ (694)	$ (2,262)
Net loss	$ (10,052)	$ (7,833)	$ (7,288)	$ (14,014)	$ (39,186)
Net loss per common share basic and diluted	$ (0.70)	$ (0.54)	$ (0.51)	$ (0.97)	$ (2.72)

17. Subsequent Events

CEO Transition and Consulting Agreements

On April 23, 2018, the Company announced that its Board of Directors had determined that it was in the best interests of the Company and its stockholders to shift the Company's focus and resources to pursuing its regulatory initiatives at the FCC and preparing for the future deployment of broadband and other advanced technologies and services. In light of this continued shift in focus, the Board also approved a chief executive officer transition plan, under which, John Pescatore, the Company's chief executive officer and president, transitioned to the position of vice chairman and Morgan O'Brien, the Company's then-current vice chairman, assumed the position as the Company's new chief executive officer, effective as of April 23, 2018.

In connection with the transition, the Company and Mr. Pescatore entered into a Continued Service, Consulting and Transition Agreement and a separate Consulting Agreement. Under the Transition Agreement, Mr. Pescatore transitioned to serving as vice chairman and will continue serving as an employee of the Company through September 30, 2018, during which time he will receive his prorated annual salary and bonus. As part of the Consulting Agreement, Mr. Pescatore will receive $66,667 per month for the first 24 months of consulting services and no fees for the remaining 12 months of consulting services. Mr. Pescatore will also receive a bonus of $260,000 under the Company's short-term incentive plan for his services to the Company during the fiscal year ended March 31, 2018. The Company has agreed to pay Mr. Pescatore $140,000 on September 30, 2018 for his delivery of a Mutual Bring-Down Release.

In the quarter ended June 30, 2018, the Company will record a liability of $1.7 million for the cash payments under both the Transition and Consulting Agreements. In addition, the Company will record an additional $2.8 million non-cash, stock compensation expense due to modifications of Mr. Pescatore's stock grants.

Restructuring Plan

On June 1, 2018, the Company's Board of Directors approved an initial plan to restructure its business aimed at reducing the future operating costs of its TeamConnect and pdvConnect businesses and better aligning and focusing its business priorities on its spectrum initiatives, including increasing the efficiency and capacity of its spectrum to enable the future deployment of broadband and other advanced technologies and services. As part of the restructuring plan, the Company eliminated approximately 20 positions, or 20% of its workforce, primarily from its TeamConnect and pdvConnect businesses. The Company expects to record a restructuring charge in the first quarter of fiscal 2019 of approximately $0.3 million, primarily related to employee severance and benefit costs. The actions associated with the restructuring announcement are anticipated to be completed by June 30, 2018.

Loss of pdvConnect Revenues

In addition, the Company received information from one of its Tier 1 carrier partners that the largest customer of its pdvConnect service planned to discontinue its use of that service during Fiscal 2019. The revenues generated from this customer were $2.4 million, $1.8 million, and $1.4 million for the years ended March 31, 2018, 2017, and 2016, respectively, which represented 37%, 37% and 38% of total operating revenues for those same fiscal years, respectively.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-214417 and No. 333-201156) and Form S-8 (No. 333-222890, No. 333-215934, No. 333-209543 and No. 333-201699) of our report dated June 5, 2018 (except for the effects of the restatement as discussed in Notes 2 and 10 to the consolidated financial statements, as to which the date is August 9, 2018), relating to our audits of pdvWireless, Inc., as of March 31, 2018 and 2017 and for each of the three years ended March 31, 2018, 2017 and 2016 which appear in this Form 10-K/A.

/s/ PKF O'Connor Davies, LLP

New York, NY
August 9, 2018

Exhibit 31.1

CERTIFICATIONS UNDER SECTION 302

I, Morgan E. O'Brien, Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-K/A of pdvWireless, 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 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) 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

   c) 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 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.

Dated: August 9, 2018

/s/ Morgan E. O'Brien
Morgan E. O'Brien
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS UNDER SECTION 302

I, Timothy A. Gray, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-K/A of pdvWireless, 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 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) 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

    c) 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 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.

Dated: August 9, 2018

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

Exhibit 32.1

**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 annual report of pdvWireless, Inc. (the “Company”) on Form 10-K/A for the period ended March 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), we, Morgan E. O’Brien, Chief Executive Officer of the Company, and Timothy A. Gray, Chief Financial Officer of the Company, certify, pursuant to 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.

Dated: August 9, 2018	/s/ Morgan E. O’Brien Morgan E. O’Brien Chief Executive Officer (Principal Executive Officer)
Dated: August 9, 2018	/s/ Timothy A. Gray Timothy A. Gray Chief Financial Officer (Principal Financial and Accounting Officer)

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

This certification accompanies the Form 10-K/A 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 pdvWireless, 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 Form 10-K/A), irrespective of any general incorporation language contained in such filing.