

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

(Mark One)

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

For the quarterly period ended **March 31, 2024**

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 **001-09712**



**UNITED STATES CELLULAR CORPORATION**

(Exact name of Registrant as specified in its charter)

**Delaware**

**62-1147325**

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

**8410 West Bryn Mawr , Chicago , Illinois 60631**

(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (773) 399-8900

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Shares, \$1 par value	USM	New York Stock Exchange
6.25% Senior Notes due 2069	UZD	New York Stock Exchange
5.50% Senior Notes due 2070	UZE	New York Stock Exchange
5.50% Senior Notes due 2070	UZF	New York Stock Exchange

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 <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

The number of shares outstanding of each of the issuer's classes of common stock, as of March 31, 2024, is 52 million Common Shares, \$1 par value, and 33 million Series A Common Shares, \$1 par value.

United States Cellular Corporation

Quarterly Report on Form 10-Q  
For the Period Ended March 31, 2024

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**United States Cellular Corporation  
Management's Discussion and Analysis of  
Financial Condition and Results of Operations**

## **Executive Overview**

The following discussion and analysis compares United States Cellular Corporation's (UScellular) financial results for the three months ended March 31, 2024, to the three months ended March 31, 2023. It should be read in conjunction with UScellular's interim consolidated financial statements and notes included herein, and with the description of UScellular's business, its audited consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) included in UScellular's Annual Report on Form 10-K (Form 10-K) for the year ended December 31, 2023. Certain numbers included herein are rounded to millions for ease of presentation; however, certain calculated amounts and percentages are determined using the unrounded numbers.

This report contains statements that are not based on historical facts, which may be identified by words such as "believes," "anticipates," "estimates," "expects," "plans," "intends," "projects," "will" and similar expressions. These statements constitute and represent "forward looking statements" as this term is defined in the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be significantly different from any future results, events or developments expressed or implied by such forward looking statements. See the disclosure under the heading Private Securities Litigation Reform Act of 1995 Safe Harbor Cautionary Statement elsewhere in this report for additional information.

The accounting policies of UScellular conform to accounting principles generally accepted in the United States of America (GAAP). However, UScellular uses certain "non-GAAP financial measures" in the MD&A. A discussion of the reasons UScellular determines these metrics to be useful and reconciliations of these measures to their most directly comparable measures determined in accordance with GAAP are included in the disclosure under the heading Supplemental Information Relating to Non-GAAP Financial Measures within the MD&A of this report.



## UScellular Mission and Strategy

UScellular's mission is to connect its customers to what matters most to them. This includes providing exceptional wireless communication services which enhance consumers' lives, increasing the competitiveness of local businesses, and improving the efficiency of government operations in the markets UScellular serves.

UScellular's strategy is to attract and retain customers by providing a high-quality network, outstanding customer service, and competitive devices, plans and pricing - all provided with a local community focus. Strategic efforts include:

- UScellular offers economical and competitively priced service plans and devices to its customers and is focused on increasing revenues from sales of related products such as device protection plans and from services such as fixed wireless home internet. In addition, UScellular is focused on increasing tower rent revenues and expanding its solutions available to business and government customers.
- UScellular continues to enhance its network capabilities, including by deploying 5G technology. 5G technology helps address customers' growing demand for data services and creates opportunities for new services requiring high speed and reliability as well as low latency. UScellular's initial 5G deployment in 2019-2022 predominantly used low-band spectrum to launch 5G services in portions of substantially all of its markets. During 2023, UScellular continued to invest in 5G with a focus on deployment of mid-band spectrum, which largely overlaps areas already covered with low-band 5G service. During 2024, UScellular is continuing the multi-year deployment of 5G mid-band spectrum. 5G service deployed over mid-band spectrum further enhances speed and capacity for UScellular's mobility and fixed wireless services.
- UScellular assesses its existing wireless interests on an ongoing basis with a goal of maximizing the value of its assets and operational profitability. As part of this strategy, UScellular may seek attractive opportunities to acquire and divest wireless spectrum as deemed necessary.

## Strategic Alternatives Review

On August 4, 2023, TDS and UScellular announced that the Boards of Directors of both companies have decided to initiate a process to explore a range of strategic alternatives for UScellular. During the three months ended March 31, 2024, UScellular incurred third-party expenses of \$7 million related to the strategic alternatives review. At this time, UScellular cannot predict the ultimate outcome of such process or estimate the potential impact of such process on the financial statements.

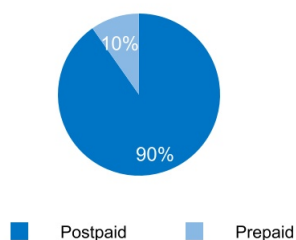
## Terms Used by UScellular

The following is a list of definitions of certain industry terms that are used throughout this document:

- **4G LTE** – fourth generation Long-Term Evolution, which is a wireless technology that enables more network capacity for more data per user as well as faster access to data compared to third generation (3G) technology.
- **5G** – fifth generation wireless technology that helps address customers' growing demand for data services and creates opportunities for new services requiring high speed and reliability as well as low latency.
- **Account** – represents an individual or business financially responsible for one or multiple associated connections. An account may include a variety of types of connections such as handsets and connected devices.
- **Auction 107** – Auction 107 was an FCC auction of 3.7-3.98 GHz wireless spectrum licenses that started in December 2020 and concluded in February 2021.
- **Churn Rate** – represents the percentage of the connections that disconnect service each month. These rates represent the average monthly churn rate for each respective period.
- **Connected Devices** – non-handset devices that connect directly to the UScellular network. Connected devices include products such as tablets, wearables, modems, fixed wireless, and hotspots.
- **EBITDA** – refers to earnings before interest, taxes, depreciation, amortization and accretion and is used in the non-GAAP metric Adjusted EBITDA throughout this document. See Supplemental Information Relating to Non-GAAP Financial Measures within this MD&A for additional information.
- **Free Cash Flow** – non-GAAP metric defined as Cash flows from operating activities less Cash paid for additions to property, plant and equipment and less Cash paid for software license agreements. See Supplemental Information Relating to Non-GAAP Financial Measures within this MD&A for additional information.
- **Gross Additions** – represents the total number of new connections added during the period, without regard to connections that were terminated during that period.
- **Net Additions (Losses)** – represents the total number of new connections added during the period, net of connections that were terminated during that period.
- **OIBDA** – refers to operating income before depreciation, amortization and accretion and is used in the non-GAAP metric Adjusted OIBDA throughout this document. See Supplemental Information Relating to Non-GAAP Financial Measures within this MD&A for additional information.
- **Postpaid Average Revenue per Account (Postpaid ARPA)** – metric which is calculated by dividing total postpaid service revenues by the average number of postpaid accounts and by the number of months in the period.
- **Postpaid Average Revenue per User (Postpaid ARPU)** – metric which is calculated by dividing total postpaid service revenues by the average number of postpaid connections and by the number of months in the period.
- **Retail Connections** – individual lines of service associated with each device activated by a postpaid or prepaid customer. Connections are associated with all types of devices that connect directly to the UScellular network.
- **Universal Service Fund (USF)** – a system of telecommunications collected fees and support payments managed by the FCC intended to promote universal access to telecommunications services in the United States.

## Operational Overview

**Retail Connections Composition  
As of March 31, 2024**



As of March 31,	2024	2023
<b>Retail Connections – End of Period</b>		
Postpaid	4,051,000	4,223,000
Prepaid	436,000	470,000
<b>Total</b>	<b>4,487,000</b>	<b>4,693,000</b>

	Q1 2024	Q1 2023	Q1 2024 vs. Q1 2023
<b>Postpaid Activity and Churn</b>			
Gross Additions			
Handsets	63,000	93,000	(32)%
Connected Devices	43,000	44,000	(2)%
<b>Total Gross Additions</b>	<b>106,000</b>	<b>137,000</b>	<b>(23)%</b>
Net Additions (Losses)			
Handsets	(47,000)	(25,000)	(88)%
Connected Devices	3,000	1,000	N/M
<b>Total Net Additions (Losses)</b>	<b>(44,000)</b>	<b>(24,000)</b>	<b>(83)%</b>
Churn			
Handsets	1.03 %	1.06 %	
Connected Devices	2.52 %	2.78 %	
<b>Total Churn</b>	<b>1.22 %</b>	<b>1.27 %</b>	

N/M - Percentage change not meaningful

Total postpaid handset net losses increased for the three months ended March 31, 2024, when compared to the same period last year due to lower gross additions as a result of continued aggressive industry-wide competition and a decrease in the pool of available customers.

Total postpaid connected device net additions increased for the three months ended March 31, 2024, when compared to the same period last year due to higher demand for fixed wireless home internet as well as a decrease in hotspot churn.

UScellular decommissioned its 3G Code Division Multiple Access (CDMA) network in the first quarter of 2024. Total net additions (losses) for the three months ended March 31, 2024 exclude a one-time adjustment to remove 11,000 connections that were dependent on the CDMA network.

### Postpaid Revenue

	Three Months Ended March 31,		
	2024	2023	2024 vs. 2023
Average Revenue Per User (ARPU)	\$ 51.96	\$ 50.66	3 %
Average Revenue Per Account (ARPA)	\$ 132.00	\$ 130.77	1 %

Postpaid ARPU increased for the three months ended March 31, 2024, when compared to the same period last year, due to a decrease in promotional discounts, an

increase in cost recovery surcharges, favorable plan and product offering mix, and an increase in device protection plan revenues.

Postpaid ARPA increased slightly for the three months ended March 31, 2024, when compared to the same period last year, due to the impacts to Postpaid ARPU, partially offset by a decrease in the number of connections per account.

## Financial Overview

The following discussion and analysis compares financial results for the three months ended March 31, 2024, to the three months ended March 31, 2023.

	Three Months Ended		
	March 31,		
	2024	2023	2024 vs. 2023
(Dollars in millions)			
Retail service	\$ 678	\$ 691	(2)%
Tower rental	25	25	3 %
Other	51	51	(1)%
Service revenues	754	767	(2)%
Equipment sales	196	219	(10)%
Total operating revenues	950	986	(4)%
System operations (excluding Depreciation, amortization and accretion reported below)	182	182	—
Cost of equipment sold	216	253	(14)%
Selling, general and administrative	331	345	(4)%
Depreciation, amortization and accretion	165	170	(2)%
(Gain) loss on asset disposals, net	6	10	(43)%
(Gain) loss on license sales and exchanges, net	(1)	—	N/M
Total operating expenses	899	960	(6)%
<b>Operating income</b>	<b>\$ 51</b>	<b>\$ 26</b>	<b>94 %</b>
Net income	\$ 24	\$ 14	64 %
Adjusted OIBDA (Non-GAAP) <sup>1</sup>	\$ 228	\$ 206	11 %
Adjusted EBITDA (Non-GAAP) <sup>1</sup>	\$ 272	\$ 252	8 %
Capital expenditures <sup>2</sup>	\$ 131	\$ 208	(37)%

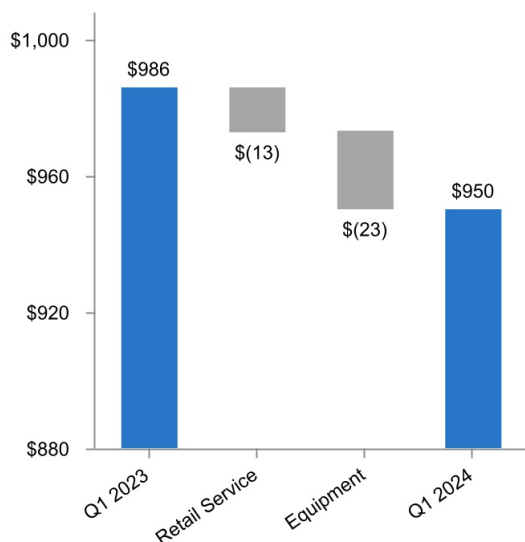
N/M - Percentage change not meaningful

<sup>1</sup> Refer to Supplemental Information Relating to Non-GAAP Financial Measures within this MD&A for a reconciliation of this measure.

<sup>2</sup> Refer to Liquidity and Capital Resources within this MD&A for additional information on Capital expenditures.

### Operating Revenues

Three Months Ended March 31, 2024 and 2023  
(Dollars in millions)



#### Service revenues consist of:

- Retail Service - Postpaid and prepaid charges for voice, data and value-added services and cost recovery surcharges
- Tower Rental - Revenues from third-party leases of tower space
- Other Service - Amounts received from the Federal USF, inbound roaming, miscellaneous other service revenues and Internet of Things (IoT)

#### Equipment revenues consist of:

- Sales of wireless devices and related accessories to new and existing customers, agents, and third-party distributors

#### Key components of changes in the statement of operations line items were as follows:

##### Total operating revenues

Retail service revenues decreased for the three months ended March 31, 2024, primarily as result of a decrease in average postpaid and prepaid connections, partially offset by an increase in Postpaid ARPU as previously discussed in the Operational Overview section.

Equipment sales revenues decreased for the three months ended March 31, 2024, due primarily to a decline in smartphone devices sold due to lower gross additions and upgrades, partially offset by a higher average price of new smartphone sales.

Wireless service providers have been aggressive promotionally and on price to attract and retain customers. This includes both traditional carriers and cable wireless companies. UScellular expects promotional aggressiveness by traditional carriers and pricing pressures from cable wireless companies to continue into the foreseeable future. Operating revenues and Operating income have been negatively impacted in current and prior periods, and are expected to be negatively impacted in future periods, by competitive promotional offers to new and existing customers.

##### Total operating expenses

Total operating expenses for the three months ended March 31, 2023, include \$10 million of severance and related expenses associated with the second quarter of 2023 reduction in workforce. These severance expenses are included in System operations expenses and Selling, general and administrative expenses.

##### System operations expenses

System operations expenses were flat for the three months ended March 31, 2024, due primarily to decreases in customer usage and employee expenses, which include the second quarter of 2023 reduction in workforce, partially offset by an increase in roaming expense. The increase in roaming expense was driven by an increase in usage partially offset by a decrease in roaming rates.

##### Cost of equipment sold

Cost of equipment sold decreased for the three months ended March 31, 2024, due primarily to a decline in smartphone upgrades and gross additions, partially offset by a higher average cost per unit sold.

### Selling, general and administrative expenses

Selling, general and administrative expenses decreased for the three months ended March 31, 2024, due primarily to decreases in employee-related expenses, which include the impact of the second quarter of 2023 reduction in workforce, commissions, and advertising expense, partially offset by a \$7 million increase related to the strategic alternatives review expenses.

### Components of Other Income (Expense)

	Three Months Ended		
	March 31,		
	2024	2023	2024 vs. 2023
(Dollars in millions)			
<b>Operating income</b>	<b>\$ 51</b>	<b>\$ 26</b>	<b>94 %</b>
<b>Investment and other income (expense)</b>			
Equity in earnings of unconsolidated entities	42	44	(5)%
Interest and dividend income	2	2	2 %
Interest expense	(43)	(47)	8 %
Total investment and other income (expense)	<u>1</u>	<u>(1)</u>	N/M
<b>Income before income taxes</b>	<b>52</b>	<b>25</b>	<b>N/M</b>
Income tax expense	<u>28</u>	<u>11</u>	N/M
<b>Net income</b>	<b>24</b>	<b>14</b>	<b>64 %</b>
Less: Net income attributable to noncontrolling interests, net of tax	<u>6</u>	<u>1</u>	N/M
<b>Net income attributable to UScellular shareholders</b>	<b><u>\$ 18</u></b>	<b><u>\$ 13</u></b>	<b>36 %</b>

N/M - Percentage change not meaningful

### Equity in earnings of unconsolidated entities

Equity in earnings of unconsolidated entities represents UScellular's share of net income from entities in which it has a noncontrolling interest and that are accounted for using the equity method or the net asset value practical expedient. UScellular's investment in the Los Angeles SMSA Limited Partnership (LA Partnership) contributed pretax income of \$16 million and \$20 million for the three months ended March 31, 2024 and 2023, respectively. See Note 6 — Investments in Unconsolidated Entities in the Notes to Consolidated Financial Statements for additional information.

### Interest expense

Interest expense decreased for the three months ended March 31, 2024 due primarily to a decrease in the average principal balance outstanding on the receivables securitization agreement and higher capitalized interest, partially offset by interest rate increases on variable rate debt. See Market Risk for additional information regarding maturities of long-term debt and weighted average interest rates.

### Income tax expense

Income tax expense increased for the three months ended March 31, 2024 due primarily to the increase in Income before income taxes.

## Liquidity and Capital Resources

### Sources of Liquidity

UScellular operates a capital-intensive business. In the past, UScellular's existing cash and investment balances, funds available under its financing agreements, and cash flows from operating and certain investing and financing activities, including sales of assets or businesses, provided sufficient liquidity and financial flexibility for UScellular to meet its day-to-day operating needs and debt service requirements, to finance the build-out and enhancement of markets and to fund wireless spectrum license acquisitions. There is no assurance that this will be the case in the future. UScellular has incurred negative free cash flow at times in past periods, and this could occur in future periods.

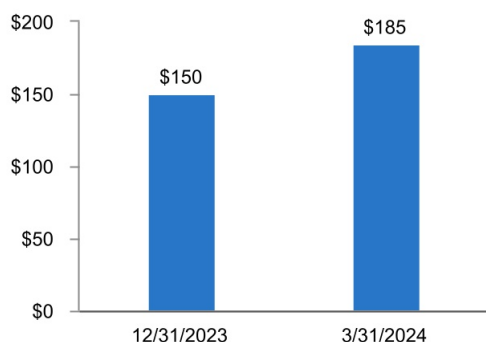
UScellular believes that existing cash and investment balances, funds available under its financing agreements, its ability to obtain future external financing, potential dispositions and expected cash flows from operating and investing activities will provide sufficient liquidity for UScellular to meet its day-to-day operating needs and debt service requirements. UScellular may require substantial additional funding for, among other uses, capital expenditures, acquisitions of providers of wireless telecommunications services, wireless spectrum license acquisitions, agreements to purchase goods or services, leases, repurchases of shares, or making additional investments. It may be necessary from time to time to increase the size of its existing credit facilities, to amend existing or put in place new credit agreements, to obtain other forms of financing, issue equity securities, or to divest assets in order to fund potential expenditures. UScellular will continue to monitor the rapidly changing business and market conditions and is taking and intends to take appropriate actions, as necessary, to meet its liquidity needs.

### Cash and Cash Equivalents

Cash and cash equivalents include cash and money market investments. The primary objective of UScellular's Cash and cash equivalents investment activities is to preserve principal.

#### Cash and Cash Equivalents

(Dollars in millions)



The majority of UScellular's Cash and cash equivalents are held in bank deposit accounts and in money market funds that purchase only debt issued by the U.S. Treasury or U.S. government agencies. Refer to the Consolidated Cash Flow Analysis for additional information related to changes in Cash and cash equivalents.

In addition to Cash and cash equivalents, UScellular had available undrawn borrowing capacity from the following debt facilities at March 31, 2024. See the Financing section below for further details.

(Dollars in millions)

Revolving Credit Agreement	\$	300
Receivables Securitization Agreement		310
<b>Total available undrawn borrowing capacity</b>	<b>\$</b>	<b>610</b>

## Financing

### Receivables Securitization Agreement

UScellular, through its subsidiaries, has a receivables securitization agreement that permits securitized borrowings using its equipment installment plan receivables. Amounts under the agreement may be borrowed, repaid and reborrowed from time to time until September 2025. Unless the agreement is amended to extend the maturity date, repayments based on receivable collections commence in October 2025. During the three months ended March 31, 2024, UScellular borrowed \$40 million and repaid \$50 million under the agreement. As of March 31, 2024, the outstanding borrowings under the agreement were \$140 million and the unused borrowing capacity was \$310 million, subject to sufficient collateral to satisfy the asset borrowing base provisions of the agreement.

In April 2024, UScellular repaid an additional \$75 million under the agreement.

### Debt Covenants

The revolving credit agreement, term loan agreements, export credit financing agreement and receivables securitization agreement require UScellular to comply with certain affirmative and negative covenants, which include certain financial covenants that may restrict the borrowing capacity available. UScellular is required to maintain the Consolidated Leverage Ratio as of the end of any fiscal quarter at a level not to exceed the following: 4.25 to 1.00 from January 1, 2023 through March 31, 2024; 4.00 to 1.00 from April 1, 2024 through March 31, 2025; 3.75 to 1.00 from April 1, 2025 and thereafter. UScellular is also required to maintain the Consolidated Interest Coverage Ratio at a level not lower than 3.00 to 1.00 as of the end of any fiscal quarter. UScellular believes that it was in compliance as of March 31, 2024 with all such financial covenants.

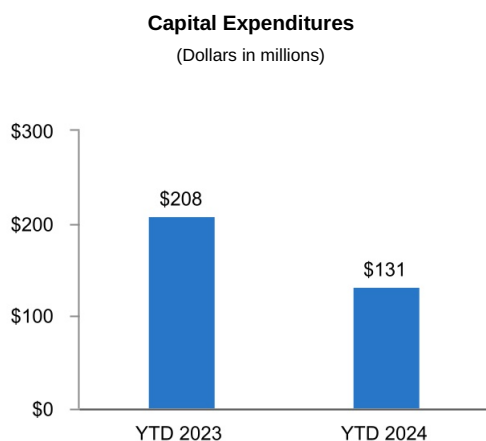
### Other Long-Term Financing

UScellular has an effective shelf registration statement on Form S-3 to issue senior or subordinated debt securities, preferred shares and depositary shares.

See Note 7 — Debt in the Notes to Consolidated Financial Statements for additional information related to the financing agreements.

## Capital Expenditures

Capital expenditures (i.e., additions to property, plant and equipment and system development expenditures; excludes wireless spectrum license additions), which include the effects of accruals and capitalized interest, for the three months ended March 31, 2024 and 2023, were as follows:



Capital expenditures for the full year 2024 are expected to be between \$550 million and \$650 million. These expenditures are expected to be used principally for the following purposes:

- Enhance and maintain UScellular's network capacity and coverage, including continued deployment of 5G with a focus on mid-band spectrum to provide additional speed and capacity to accommodate increased data usage by current customers; and
- Invest in information technology to support existing and new services and products.

UScellular intends to finance its capital expenditures for 2024 using primarily Cash flows from operating activities, existing cash balances and, as required, additional debt financing from its existing agreements and/or other forms of available financing.

## Acquisitions, Divestitures and Exchanges

UScellular may be engaged in negotiations (subject to all applicable regulations) relating to the acquisition, divestiture or exchange of companies, properties, assets, or wireless spectrum licenses. In general, UScellular may not disclose such transactions until there is a definitive agreement.

**Other Obligations**

UScellular will require capital for future spending on existing contractual obligations, including long-term debt obligations; lease commitments; commitments for device purchases, network facilities and transport services; agreements for software licensing; long-term marketing programs; and other agreements to purchase goods or services.

**Variable Interest Entities**

UScellular consolidates certain “variable interest entities” as defined under GAAP. See Note 8 — Variable Interest Entities in the Notes to Consolidated Financial Statements for additional information related to these variable interest entities. UScellular may elect to make additional capital contributions and/or advances to these variable interest entities in future periods to fund their operations.

## Consolidated Cash Flow Analysis

UScellular operates a capital-intensive business. UScellular makes substantial investments to acquire wireless spectrum licenses and properties and to construct and upgrade wireless telecommunications networks and facilities with a goal of creating long-term value for shareholders. In recent years, rapid changes in technology and new opportunities have required substantial investments in potentially revenue-enhancing and cost-saving upgrades to UScellular's networks. Revenues from certain of these investments are long-term and in some cases are uncertain. To meet its cash-flow needs, UScellular may need to delay or reduce certain investments or sell assets. Refer to Liquidity and Capital Resources within this MD&A for additional information. Cash flows may fluctuate from quarter to quarter and year to year due to seasonality, timing and other factors. The following discussion summarizes UScellular's cash flow activities for the three months ended March 31, 2024 and 2023.

### 2024 Commentary

UScellular's Cash, cash equivalents and restricted cash increased \$31 million. Net cash provided by operating activities was \$203 million due to net income of \$24 million adjusted for non-cash items of \$175 million, distributions received from unconsolidated entities of \$22 million, and changes in working capital items which decreased net cash by \$18 million. The working capital changes were primarily driven by payment of associate bonuses and timing of vendor payments, partially offset by reduced receivable and inventory balances and the timing of future tax payments.

Cash flows used for investing activities were \$144 million, due primarily to payments for property, plant and equipment of \$133 million.

Cash flows used for financing activities were \$28 million, due primarily to \$55 million in repayments on the receivables securitization agreement and term loan agreements and cash paid for software license agreements of \$9 million, partially offset by a borrowing of \$40 million on the receivables securitization agreement.

### 2023 Commentary

UScellular's Cash, cash equivalents and restricted cash decreased \$108 million. Net cash provided by operating activities was \$41 million due to net income of \$14 million adjusted for non-cash items of \$171 million, distributions received from unconsolidated entities of \$20 million, and changes in working capital items which decreased net cash by \$164 million. The working capital changes were primarily driven by timing of vendor payments and payment of associate bonuses, partially offset by a decrease in customer and agent receivable balances.

Cash flows used for investing activities were \$192 million, which included payments for property, plant and equipment of \$196 million.

Cash flows provided by financing activities were \$43 million, due primarily to \$115 million borrowed under the receivables securitization agreement, partially offset by a \$60 million repayment on the EIP receivables repurchase agreement and cash paid for software license agreements of \$7 million.

## Consolidated Balance Sheet Analysis

The following discussion addresses certain captions in the consolidated balance sheet and changes therein. This discussion is intended to highlight the significant changes and is not intended to fully reconcile the changes. Notable balance sheet changes during 2024 were as follows:

### Property, plant and equipment

The gross basis of Property, plant and equipment as well as the related Accumulated depreciation and amortization, decreased by \$1,239 million and \$1,203 million, respectively, due primarily to the decommissioning of fully depreciated assets no longer in service related to the CDMA network shutdown.

### Accrued compensation

Accrued compensation decreased \$51 million due primarily to associate bonus payments in March 2024.

## Supplemental Information Relating to Non-GAAP Financial Measures

UScellular sometimes uses information derived from consolidated financial information but not presented in its financial statements prepared in accordance with GAAP to evaluate the performance of its business. Specifically, UScellular has referred to the following measures in this report:

- EBITDA
- Adjusted EBITDA
- Adjusted OIBDA
- Free cash flow

These measures are considered “non-GAAP financial measures” under U.S. Securities and Exchange Commission Rules. Following are explanations of each of these measures.

### EBITDA, Adjusted EBITDA and Adjusted OIBDA

EBITDA, Adjusted EBITDA and Adjusted OIBDA are defined as Net income (loss) adjusted for the items set forth in the reconciliation below. EBITDA, Adjusted EBITDA and Adjusted OIBDA are not measures of financial performance under GAAP and should not be considered as alternatives to Net income (loss) or Cash flows from operating activities, as indicators of cash flows or as measures of liquidity. UScellular does not intend to imply that any such items set forth in the reconciliation below are infrequent or unusual; such items may occur in the future.

Management uses Adjusted EBITDA and Adjusted OIBDA as measurements of profitability, and therefore reconciliations to applicable GAAP income measures are deemed appropriate. Management believes Adjusted EBITDA and Adjusted OIBDA are useful measures of UScellular’s operating results before significant recurring non-cash charges, nonrecurring expenses, gains and losses, and other items as presented below as they provide additional relevant and useful information to investors and other users of UScellular’s financial data in evaluating the effectiveness of its operations and underlying business trends in a manner that is consistent with management’s evaluation of business performance. Adjusted EBITDA shows adjusted earnings before interest, taxes, depreciation, amortization and accretion, gains and losses, and expenses related to the strategic alternatives review of UScellular, while Adjusted OIBDA reduces this measure further to exclude Equity in earnings of unconsolidated entities and Interest and dividend income in order to more effectively show the performance of operating activities excluding investment activities. The following table reconciles EBITDA, Adjusted EBITDA and Adjusted OIBDA to the corresponding GAAP measures, Net income and Operating income.

	Three Months Ended	
	March 31,	
	2024	2023
(Dollars in millions)		
<b>Net income (GAAP)</b>	<b>\$ 24</b>	<b>\$ 14</b>
Add back:		
Income tax expense	28	11
Interest expense	43	47
Depreciation, amortization and accretion	165	170
<b>EBITDA (Non-GAAP)</b>	<b>260</b>	<b>242</b>
Add back or deduct:		
Expenses related to strategic alternatives review	7	—
(Gain) loss on asset disposals, net	6	10
(Gain) loss on license sales and exchanges, net	(1)	—
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>272</b>	<b>252</b>
Deduct:		
Equity in earnings of unconsolidated entities	42	44
Interest and dividend income	2	2
<b>Adjusted OIBDA (Non-GAAP)</b>	<b>228</b>	<b>206</b>
Deduct:		
Depreciation, amortization and accretion	165	170
Expenses related to strategic alternatives review	7	—
(Gain) loss on asset disposals, net	6	10
(Gain) loss on license sales and exchanges, net	(1)	—
<b>Operating income (GAAP)</b>	<b>\$ 51</b>	<b>\$ 26</b>

### Free Cash Flow

The following table presents Free cash flow, which is defined as Cash flows from operating activities less Cash paid for additions to property, plant and equipment and Cash paid for software license agreements. Free cash flow is a non-GAAP financial measure which UScellular believes may be useful to investors and other users of its financial information in evaluating liquidity, specifically, the amount of net cash generated by business operations after deducting Cash paid for additions to property, plant and equipment and Cash paid for software license agreements.

	Three Months Ended	
	March 31,	
	2024	2023
(Dollars in millions)		
<b>Cash flows from operating activities (GAAP)</b>	<b>\$ 203</b>	<b>\$ 41</b>
Cash paid for additions to property, plant and equipment	(133)	(196)
Cash paid for software license agreements	(9)	(7)
Free cash flow (Non-GAAP)	<u><u>\$ 61</u></u>	<u><u>\$ (162)</u></u>

## Application of Critical Accounting Policies and Estimates

UScellular prepares its consolidated financial statements in accordance with GAAP. UScellular's significant accounting policies are discussed in detail in Note 1 — Summary of Significant Accounting Policies, Note 2 — Revenue Recognition and Note 10 — Leases in the Notes to Consolidated Financial Statements included in UScellular's Form 10-K for the year ended December 31, 2023. UScellular's application of critical accounting policies and estimates is discussed in detail in Management's Discussion and Analysis of Financial Condition and Results of Operations, included in UScellular's Form 10-K for the year ended December 31, 2023.

## Private Securities Litigation Reform Act of 1995 Safe Harbor Cautionary Statement

This Form 10-Q, including exhibits, contains statements that are not based on historical facts and represent forward-looking statements, as this term is defined in the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, that address activities, events or developments that UScellular intends, expects, projects, believes, estimates, plans or anticipates will or may occur in the future are forward-looking statements. The words "believes," "anticipates," "estimates," "expects," "plans," "intends," "projects" and similar expressions are intended to identify these forward-looking statements, but are not the exclusive means of identifying them. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be significantly different from any future results, events or developments expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, but are not limited to, those set forth below, as more fully described under "Risk Factors" in UScellular's Form 10-K for the year ended December 31, 2023 and in this Form 10-Q. Each of the following risks could have a material adverse effect on UScellular's business, financial condition or results of operations. However, such factors are not necessarily all of the important factors that could cause actual results, performance or achievements to differ materially from those expressed in, or implied by, the forward-looking statements contained in this document. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements. UScellular undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise. You should carefully consider the Risk Factors in UScellular's Form 10-K for the year ended December 31, 2023, the following factors and other information contained in, or incorporated by reference into, this Form 10-Q to understand the material risks relating to UScellular's business, financial condition or results of operations.

### Operational Risk Factors

- *Intense competition involving products, services, pricing, promotions and network speed and technologies could adversely affect UScellular's revenues or increase its costs to compete.*
- *Changes in roaming practices or other factors could cause UScellular's roaming revenues to decline from current levels, roaming expenses to increase from current levels and/or impact UScellular's ability to service its customers in geographic areas where UScellular does not have its own network, which could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *An inability to attract diverse people of outstanding talent throughout all levels of the organization, to develop their potential through education and assignments, and to retain them by keeping them engaged, challenged and properly rewarded could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *UScellular's smaller scale relative to larger competitors that may have greater financial and other resources than UScellular could cause UScellular to be unable to compete successfully, which could adversely affect its business, financial condition or results of operations.*
- *Changes in various business factors, including changes in demand, consumer preferences and perceptions, price competition, churn from customer switching activity and other factors, could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *A failure by UScellular to obtain access to adequate radio spectrum to meet current or anticipated future needs and/or to accurately predict future needs for radio spectrum could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *Advances or changes in technology could render certain technologies used by UScellular obsolete, could put UScellular at a competitive disadvantage, could reduce UScellular's revenues or could increase its costs of doing business.*
- *Complexities associated with deploying new technologies present substantial risk and UScellular investments in unproven technologies may not produce the benefits that UScellular expects.*
- *Costs, integration problems or other factors associated with acquisitions, divestitures or exchanges of properties or wireless spectrum licenses and/or expansion of UScellular's business could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *A failure by UScellular to complete significant network construction and systems implementation activities as part of its plans to improve the quality, coverage, capabilities and capacity of its network, support and other systems and infrastructure could have an adverse effect on its operations.*
- *Difficulties involving third parties with which UScellular does business, including changes in UScellular's relationships with or financial or operational difficulties, including supply chain disruptions, of key suppliers or independent agents and third-party national retailers who market UScellular's services, could adversely affect UScellular's business, financial condition or results of operations.*
- *A failure by UScellular to maintain flexible and capable telecommunication networks or information technologies, or a material disruption thereof, could have an adverse effect on UScellular's business, financial condition or results of operations.*

## Financial Risk Factors

- *Uncertainty in UScellular's or TDS' future cash flow and liquidity or the inability to access capital, deterioration in the capital markets, changes in interest rates, other changes in UScellular's or TDS' performance or market conditions, changes in UScellular's or TDS' credit ratings or other factors could limit or restrict the availability of financing on terms and prices acceptable to UScellular, which has required and could in the future require UScellular to reduce or delay its construction, development or acquisition programs, reduce the amount of wireless spectrum licenses acquired, divest assets or businesses, and/or reduce or cease share repurchases.*
- *UScellular has a significant amount of indebtedness which could adversely affect its financial performance and in turn adversely affect its ability to make payments on its indebtedness, comply with terms of debt covenants and incur additional debt.*
- *UScellular's assets and revenue are concentrated in the U.S. wireless telecommunications industry. Consequently, its operating results may fluctuate based on factors related primarily to conditions in this industry.*
- *UScellular has significant investments in entities that it does not control. Losses in the value of such investments could have an adverse effect on UScellular's financial condition or results of operations.*

## Regulatory, Legal and Governance Risk Factors

- *TDS and UScellular have initiated a process to explore a range of strategic alternatives for UScellular and there can be no assurance that any strategic alternative will be successfully identified or completed, that any such strategic alternative will result in additional value for UScellular and its shareholders, or that the process will not have an adverse impact on UScellular's business or financial statements.*
- *Failure by UScellular to timely or fully comply with any existing applicable legislative and/or regulatory requirements or changes thereto could adversely affect UScellular's business, financial condition or results of operations.*
- *UScellular receives significant regulatory support, and is also subject to numerous surcharges and fees from federal, state and local governments – the applicability and the amount of the support and fees are subject to great uncertainty, including the ability to pass through certain fees to customers, and this uncertainty could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *Settlements, judgments, restraints on its current or future manner of doing business and/or legal costs resulting from pending and future litigation could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *The possible development of adverse precedent in litigation or conclusions in professional or environmental studies to the effect that potentially harmful emissions from devices or network equipment, including but not limited to radio frequencies emitted by wireless signals, may cause harmful health or environmental consequences, including cancer, tumors or otherwise harmful impacts, or may interfere with various electronic medical devices or frequencies used by other industries, could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *Claims of infringement of intellectual property and proprietary rights of others, primarily involving patent infringement claims, could prevent UScellular from using necessary technology to provide products or services or subject UScellular to expensive intellectual property litigation or monetary penalties, which could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *There are potential conflicts of interests between TDS and UScellular.*
- *Certain matters, such as control by TDS and provisions in the UScellular Restated Certificate of Incorporation, may serve to discourage or make more difficult a change in control of UScellular or have other consequences.*

## General Risk Factors

- *UScellular has experienced, and in the future expects to experience, cyber-attacks or other breaches of network or information technology security of varying degrees on a regular basis, which could have an adverse effect on UScellular's business, financial condition or results of operations.*
- *Disruption in credit or other financial markets, a deterioration of U.S. or global economic conditions or other events could, among other things, impede UScellular's access to or increase the cost of financing its operating and investment activities and/or result in reduced revenues and lower operating income and cash flows, which would have an adverse effect on UScellular's business, financial condition or results of operations.*
- *The impact of public health emergencies on UScellular's business is uncertain, but depending on duration and severity could have a material adverse effect on UScellular's business, financial condition or results of operations.*

## Risk Factors

In addition to the information set forth in this Form 10-Q, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in UScellular's Form 10-K for the year ended December 31, 2023, which could materially affect UScellular's business, financial condition or future results. The risks described in this Form 10-Q and the Form 10-K for the year ended December 31, 2023, may not be the only risks that could affect UScellular. Additional unidentified or unrecognized risks and uncertainties could materially adversely affect UScellular's business, financial condition and/or operating results. Subject to the foregoing, UScellular has not identified for disclosure any material changes to the risk factors as previously disclosed in UScellular's Form 10-K for the year ended December 31, 2023.

## Quantitative and Qualitative Disclosures about Market Risk

### Market Risk

As of March 31, 2024, approximately 70% of UScellular's long-term debt was in fixed-rate senior notes and approximately 30% in variable-rate debt. Fluctuations in market interest rates can lead to volatility in the fair value of fixed-rate notes and interest expense on variable-rate debt.

The following table presents the scheduled principal payments on long-term debt, lease obligations, and the related weighted average interest rates by maturity dates at March 31, 2024.

	Principal Payments Due by Period	
	Long-Term Debt Obligations <sup>1</sup>	Weighted-Avg. Interest Rates on Long-Term Debt Obligations <sup>2</sup>
(Dollars in millions)		
Remainder of 2024	\$ 20	7.1 %
2025	20	7.1 %
2026	265	6.9 %
2027	158	7.0 %
2028	286	7.4 %
Thereafter	2,226	6.2 %
Total	\$ 2,975	6.4 %

<sup>1</sup> The total long-term debt obligation differs from Long-term debt in the Consolidated Balance Sheet due to unamortized debt issuance costs on all non-revolving debt instruments, unamortized discounts related to the 6.7% Senior Notes, and outstanding borrowings under the receivables securitization agreement, which principal repayments are not scheduled but are instead based on actual receivable collections.

<sup>2</sup> Represents the weighted average stated interest rates at March 31, 2024, for debt maturing in the respective periods.

See Note 3 — Fair Value Measurements in the Notes to Consolidated Financial Statements for additional information related to the fair value of UScellular's Long-term debt as of March 31, 2024.

## Financial Statements

### United States Cellular Corporation Consolidated Statement of Operations (Unaudited)

	Three Months Ended March 31,	
	2024	2023
(Dollars and shares in millions, except per share amounts)		
<b>Operating revenues</b>		
Service	\$ 754	\$ 767
Equipment sales	196	219
Total operating revenues	<u>950</u>	<u>986</u>
<b>Operating expenses</b>		
System operations (excluding Depreciation, amortization and accretion reported below)	182	182
Cost of equipment sold	216	253
Selling, general and administrative	331	345
Depreciation, amortization and accretion	165	170
(Gain) loss on asset disposals, net	6	10
(Gain) loss on license sales and exchanges, net	(1)	—
Total operating expenses	<u>899</u>	<u>960</u>
<b>Operating income</b>	<b>51</b>	<b>26</b>
<b>Investment and other income (expense)</b>		
Equity in earnings of unconsolidated entities	42	44
Interest and dividend income	2	2
Interest expense	(43)	(47)
Total investment and other income (expense)	<u>1</u>	<u>(1)</u>
<b>Income before income taxes</b>	<b>52</b>	<b>25</b>
Income tax expense	28	11
<b>Net income</b>	<b>24</b>	<b>14</b>
Less: Net income attributable to noncontrolling interests, net of tax	6	1
<b>Net income attributable to UScellular shareholders</b>	<b>\$ 18</b>	<b>\$ 13</b>
<b>Basic weighted average shares outstanding</b>	<b>85</b>	<b>85</b>
<b>Basic earnings per share attributable to UScellular shareholders</b>	<b>\$ 0.21</b>	<b>\$ 0.15</b>
<b>Diluted weighted average shares outstanding</b>	<b>88</b>	<b>86</b>
<b>Diluted earnings per share attributable to UScellular shareholders</b>	<b>\$ 0.20</b>	<b>\$ 0.15</b>

The accompanying notes are an integral part of these consolidated financial statements.

**United States Cellular Corporation**  
**Consolidated Statement of Cash Flows**  
**(Unaudited)**

	Three Months Ended March 31,	
	2024	2023
(Dollars in millions)		
<b>Cash flows from operating activities</b>		
Net income	\$ 24	\$ 14
Add (deduct) adjustments to reconcile net income to net cash flows from operating activities		
Depreciation, amortization and accretion	165	170
Bad debts expense	29	26
Stock-based compensation expense	13	—
Deferred income taxes, net	4	7
Equity in earnings of unconsolidated entities	(42)	(44)
Distributions from unconsolidated entities	22	20
(Gain) loss on asset disposals, net	6	10
(Gain) loss on license sales and exchanges, net	(1)	—
Other operating activities	1	2
Changes in assets and liabilities from operations		
Accounts receivable	16	37
Equipment installment plans receivable	2	1
Inventory	24	(1)
Accounts payable	(15)	(149)
Customer deposits and deferred revenues	5	(10)
Accrued taxes	23	1
Accrued interest	9	9
Other assets and liabilities	(82)	(52)
Net cash provided by operating activities	203	41
<b>Cash flows from investing activities</b>		
Cash paid for additions to property, plant and equipment	(133)	(196)
Cash paid for licenses	(11)	(5)
Other investing activities	—	9
Net cash used in investing activities	(144)	(192)
<b>Cash flows from financing activities</b>		
Issuance of long-term debt	40	115
Repayment of long-term debt	(55)	(3)
Repayment of short-term debt	—	(60)
Distributions to noncontrolling interests	(2)	(1)
Cash paid for software license agreements	(9)	(7)
Other financing activities	(2)	(1)
Net cash provided by (used in) financing activities	(28)	43
<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>31</b>	<b>(108)</b>
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	179	308
End of period	\$ 210	\$ 200

The accompanying notes are an integral part of these consolidated financial statements.

**United States Cellular Corporation**  
**Consolidated Balance Sheet — Assets**  
**(Unaudited)**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
<i>(Dollars in millions)</i>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 185	\$ 150
Accounts receivable		
Customers and agents, less allowances of \$ 62 and \$ 66 , respectively	877	900
Affiliated	2	3
Other, less allowances of \$ 3 and \$ 4 , respectively	53	54
Inventory, net	175	199
Prepaid expenses	71	57
Income taxes receivable	—	1
Other current assets	32	36
<b>Total current assets</b>	<b>1,395</b>	<b>1,400</b>
<b>Assets held for sale</b>	—	15
<b>Licenses</b>	4,711	4,693
<b>Investments in unconsolidated entities</b>	482	461
<b>Property, plant and equipment</b>		
In service and under construction	8,321	9,560
Less: Accumulated depreciation and amortization	5,781	6,984
Property, plant and equipment, net	2,540	2,576
<b>Operating lease right-of-use assets</b>	910	915
<b>Other assets and deferred charges</b>	666	690
<b>Total assets<sup>1</sup></b>	<b>\$ 10,704</b>	<b>\$ 10,750</b>

The accompanying notes are an integral part of these consolidated financial statements.

**United States Cellular Corporation**  
**Consolidated Balance Sheet — Liabilities and Equity**  
**(Unaudited)**

March 31, 2024

December 31, 2023

(Dollars and shares in millions, except per share amounts)

	March 31, 2024	December 31, 2023
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 20	\$ 20
Accounts payable		
Affiliated	5	7
Trade	224	241
Customer deposits and deferred revenues	235	229
Accrued taxes	49	32
Accrued compensation	32	83
Short-term operating lease liabilities	134	135
Other current liabilities	138	154
<b>Total current liabilities</b>	<b>837</b>	<b>901</b>
<b>Deferred liabilities and credits</b>		
Deferred income tax liability, net	758	755
Long-term operating lease liabilities	827	831
Other deferred liabilities and credits	564	565
<b>Long-term debt, net</b>	<b>3,029</b>	<b>3,044</b>
<b>Commitments and contingencies</b>		
<b>Noncontrolling interests with redemption features</b>	<b>16</b>	<b>12</b>
<b>Equity</b>		
UScellular shareholders' equity		
Series A Common and Common Shares		
Authorized 190 shares ( 50 Series A Common and 140 Common Shares)		
Issued 88 shares ( 33 Series A Common and 55 Common Shares)		
Outstanding 85 shares ( 33 Series A Common and 52 Common Shares)		
Par Value (\$ 1.00 per share) (\$ 33 Series A Common and \$ 55 Common Shares)	88	88
Additional paid-in capital	1,740	1,726
Treasury shares, at cost, 3 Common Shares	( 80 )	( 80 )
Retained earnings	2,910	2,892
<b>Total UScellular shareholders' equity</b>	<b>4,658</b>	<b>4,626</b>
Noncontrolling interests	15	16
<b>Total equity</b>	<b>4,673</b>	<b>4,642</b>
<b>Total liabilities and equity<sup>1</sup></b>	<b>\$ 10,704</b>	<b>\$ 10,750</b>

The accompanying notes are an integral part of these consolidated financial statements.

<sup>1</sup> The consolidated total assets as of March 31, 2024 and December 31, 2023, include assets held by consolidated variable interest entities (VIEs) of \$ 1,145 million and \$ 1,217 million, respectively, which are not available to be used to settle the obligations of UScellular. The consolidated total liabilities as of March 31, 2024 and December 31, 2023, include certain liabilities of consolidated VIEs of \$ 25 million and \$ 26 million, respectively, for which the creditors of the VIEs have no recourse to the general credit of UScellular. See Note 8 — Variable Interest Entities for additional information.

**United States Cellular Corporation**  
**Consolidated Statement of Changes in Equity**  
**(Unaudited)**

UScellular Shareholders

	Series A Common and Common shares	Additional paid-in capital	Treasury shares	Retained earnings	Total UScellular shareholders' equity	Noncontrolling interests	Total equity
(Dollars in millions)							
<b>December 31, 2023</b>	<b>\$ 88</b>	<b>\$ 1,726</b>	<b>\$ (80)</b>	<b>\$ 2,892</b>	<b>\$ 4,626</b>	<b>\$ 16</b>	<b>\$ 4,642</b>
Net income attributable to UScellular shareholders	—	—	—	18	18	—	18
Incentive and compensation plans	—	14	—	—	14	—	14
Distributions to noncontrolling interests	—	—	—	—	—	(1)	(1)
<b>March 31, 2024</b>	<b>\$ 88</b>	<b>\$ 1,740</b>	<b>\$ (80)</b>	<b>\$ 2,910</b>	<b>\$ 4,658</b>	<b>\$ 15</b>	<b>\$ 4,673</b>

The accompanying notes are an integral part of these consolidated financial statements.

**United States Cellular Corporation**  
**Consolidated Statement of Changes in Equity**  
**(Unaudited)**

UScellular Shareholders

	Series A Common and Common shares	Additional paid-in capital	Treasury shares	Retained earnings	Total UScellular shareholders' equity	Noncontrolling interests	Total equity
(Dollars in millions)							
<b>December 31, 2022</b>	<b>\$ 88</b>	<b>\$ 1,703</b>	<b>\$ (98)</b>	<b>\$ 2,861</b>	<b>\$ 4,554</b>	<b>\$ 16</b>	<b>\$ 4,570</b>
Net income attributable to UScellular shareholders	—	—	—	13	13	—	13
Incentive and compensation plans	—	1	2	(2)	1	—	1
Distributions to noncontrolling interests	—	—	—	—	—	(1)	(1)
<b>March 31, 2023</b>	<b>\$ 88</b>	<b>\$ 1,704</b>	<b>\$ (96)</b>	<b>\$ 2,872</b>	<b>\$ 4,568</b>	<b>\$ 15</b>	<b>\$ 4,583</b>

The accompanying notes are an integral part of these consolidated financial statements.

## United States Cellular Corporation Notes to Consolidated Financial Statements

### Note 1 Basis of Presentation

United States Cellular Corporation (UScellular), a Delaware Corporation, is an 83 %-owned subsidiary of Telephone and Data Systems, Inc. (TDS).

The accounting policies of UScellular conform to accounting principles generally accepted in the United States of America (GAAP) as set forth in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Unless otherwise specified, references to accounting provisions and GAAP in these notes refer to the requirements of the FASB ASC. The consolidated financial statements include the accounts of UScellular, subsidiaries in which it has a controlling financial interest, general partnerships in which UScellular has a majority partnership interest and certain entities in which UScellular has a variable interest that requires consolidation into the UScellular financial statements under GAAP. Intercompany accounts and transactions have been eliminated.

Certain numbers included herein are rounded to millions for ease of presentation; however, certain calculated amounts and percentages are determined using the unrounded numbers. These unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in UScellular's Annual Report on Form 10-K (Form 10-K) for the year ended December 31, 2023.

The accompanying unaudited consolidated financial statements contain all adjustments (consisting of normal recurring items, unless otherwise disclosed) necessary for the fair statement of UScellular's financial position as of March 31, 2024 and December 31, 2023, its results of operations, cash flows and changes in equity for the three months ended March 31, 2024 and 2023. The Consolidated Statement of Comprehensive Income was not included because comprehensive income for the three months ended March 31, 2024 and 2023, equaled net income. These results are not necessarily indicative of the results to be expected for the full year. UScellular has not changed its significant accounting and reporting policies from those disclosed in its Form 10-K for the year ended December 31, 2023.

#### Software License Agreements

Certain software licenses are recorded as acquisitions of property, plant and equipment and the incurrence of a liability to the extent that the license fees are not fully paid at acquisition, and are treated as non-cash activity in the Consolidated Statement of Cash Flows. Such acquisitions of software licenses that are not reflected as Cash paid for additions to property, plant and equipment were \$ 2 million and \$ 5 million for the three months ended March 31, 2024 and 2023, respectively.

#### Restricted Cash

UScellular presents restricted cash with cash and cash equivalents in the Consolidated Statement of Cash Flows. Restricted cash primarily consists of balances required under the receivables securitization agreement. See Note 7 — Debt for additional information related to the receivables securitization agreement. The following table provides a reconciliation of Cash and cash equivalents and restricted cash reported in the Consolidated Balance Sheet to the total of the amounts in the Consolidated Statement of Cash Flows.

	March 31, 2024	December 31, 2023
(Dollars in millions)		
Cash and cash equivalents	\$ 185	\$ 150
Restricted cash included in Other current assets	25	29
Cash, cash equivalents and restricted cash in the statement of cash flows	<u>\$ 210</u>	<u>\$ 179</u>

#### Strategic Alternatives Review

On August 4, 2023, TDS and UScellular announced that the Boards of Directors of both companies have decided to initiate a process to explore a range of strategic alternatives for UScellular. During the three months ended March 31, 2024, UScellular incurred third-party expenses of \$ 7 million related to the strategic alternatives review, which are included in Selling, general and administrative expenses. At this time, UScellular cannot predict the ultimate outcome of such process or estimate the potential impact of such process on the financial statements.

## Note 2 Revenue Recognition

### Disaggregation of Revenue

In the following table, UScellular's revenues are disaggregated by type of service, which represents the relevant categorization of revenues for UScellular, and timing of recognition. Service revenues are recognized over time and Equipment sales are recognized at a point in time.

	Three Months Ended March 31,	
	2024	2023
(Dollars in millions)		
Revenues from contracts with customers:		
Retail service	\$ 678	\$ 691
Other service	51	51
Service revenues from contracts with customers	729	742
Equipment sales	196	219
Total revenues from contracts with customers	925	961
Operating lease income	25	25
Total operating revenues	\$ 950	\$ 986

### Contract Balances

The following table provides balances for contract assets from contracts with customers, which are recorded in Other current assets and Other assets and deferred charges in the Consolidated Balance Sheet, and contract liabilities from contracts with customers, which are recorded in Customer deposits and deferred revenues and Other deferred liabilities and credits in the Consolidated Balance Sheet.

	March 31, 2024	December 31, 2023
(Dollars in millions)		
Contract assets	\$ 4	\$ 4
Contract liabilities	\$ 330	\$ 331

Revenue recognized related to contract liabilities existing at January 1, 2024 was \$ 109 million for the three months ended March 31, 2024.

### Transaction price allocated to the remaining performance obligations

The following table includes estimated service revenues expected to be recognized related to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period. These estimates represent service revenues to be recognized when wireless services are delivered to customers pursuant to service plan contracts and under certain roaming agreements with other carriers. These estimates are based on contracts in place as of March 31, 2024 and may vary from actual results. As practical expedients, revenue related to contracts of less than one year, generally month-to-month contracts, and contracts with a fixed per-unit price and variable quantity, are excluded from these estimates.

	Service Revenues	
(Dollars in millions)		
Remainder of 2024	\$	220
2025		125
Thereafter		36
Total	\$	381

### Contract Cost Assets

UScellular expects that commission fees paid as a result of obtaining contracts are recoverable, and therefore UScellular defers and amortizes these costs. As a practical expedient, costs with an amortization period of one year or less are expensed as incurred. The contract cost asset balance related to commission fees and other costs was \$ 128 million at March 31, 2024, and \$ 127 million at December 31, 2023, and was recorded in Other assets and deferred charges in the Consolidated Balance Sheet. Deferred commission fees are amortized based on the timing of transfer of the goods or services to which the assets relate, typically the contract term. Amortization of contract cost assets was \$ 22 million and \$ 24 million for the three months ended March 31, 2024 and 2023, respectively, and was included in Selling, general and administrative expenses.

## Note 3 Fair Value Measurements

As of March 31, 2024 and December 31, 2023, UScellular did not have any material financial or nonfinancial assets or liabilities that were required to be recorded at fair value in its Consolidated Balance Sheet in accordance with GAAP.

The provisions of GAAP establish a fair value hierarchy that contains three levels for inputs used in fair value measurements. Level 1 inputs include quoted market prices for identical assets or liabilities in active markets. Level 2 inputs include quoted market prices for similar assets and liabilities in active markets or quoted market prices for identical assets and liabilities in inactive markets. Level 3 inputs are unobservable. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. A financial instrument's level within the fair value hierarchy is not representative of its expected performance or its overall risk profile and, therefore Level 3 assets are not necessarily higher risk than Level 2 assets or Level 1 assets.

UScellular has applied the provisions of fair value accounting for purposes of computing the fair value of financial instruments for disclosure purposes as displayed below.

	Level within the Fair Value Hierarchy	March 31, 2024		December 31, 2023	
		Book Value	Fair Value	Book Value	Fair Value
(Dollars in millions)					
Long-term debt					
Retail	2	\$ 1,500	\$ 1,109	\$ 1,500	\$ 1,097
Institutional	2	536	435	536	451
Other	2	1,048	1,048	1,063	1,063

Long-term debt excludes lease obligations, the current portion of Long-term debt and debt financing costs. The fair value of "Retail" Long-term debt was estimated using market prices for UScellular Senior Notes, which are traded on the New York Stock Exchange. UScellular's "Institutional" debt consists of the 6.7 % Senior Notes which are traded over the counter. UScellular's "Other" debt consists of term loan credit agreements, receivables securitization agreement and export credit financing agreement. UScellular estimated the fair value of its Institutional and Other debt through a discounted cash flow analysis using the interest rates or estimated yield to maturity for each borrowing, which ranged from 6.68 % to 7.93 % and 6.48 % to 7.96 % at March 31, 2024 and December 31, 2023, respectively.

The fair values of Cash and cash equivalents, restricted cash and short-term debt approximate their book values due to the short-term nature of these financial instruments.

## Note 4 Equipment Installment Plans

UScellular sells devices to customers under equipment installment plans over a specified time period. For certain equipment installment plans, after a specified period of time or amount of payments, the customer may have the right to upgrade to a new device and have the remaining unpaid equipment installment contract balance waived, subject to certain conditions, including trading in the original device in good working condition and signing a new equipment installment contract.

The following table summarizes equipment installment plan receivables.

	March 31, 2024	December 31, 2023
(Dollars in millions)		
Equipment installment plan receivables, gross	\$ 1,120	\$ 1,151
Allowance for credit losses	( 88 )	( 90 )
Equipment installment plan receivables, net	\$ 1,032	\$ 1,061
<b>Net balance presented in the Consolidated Balance Sheet as:</b>		
Accounts receivable — Customers and agents (Current portion)	\$ 570	\$ 577
Other assets and deferred charges (Non-current portion)	462	484
Equipment installment plan receivables, net	\$ 1,032	\$ 1,061

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UScellular uses various inputs to evaluate the credit profiles of its customers, including internal data, information from credit bureaus and other sources. From this evaluation, a credit class is assigned to the customer that determines the number of eligible lines, the amount of credit available, and the down payment requirement, if any. These credit classes are grouped into four credit categories: lowest risk, lower risk, slight risk and higher risk. A customer's assigned credit class is reviewed periodically and a change is made, if appropriate. An equipment installment plan billed amount is considered past due if not paid within 30 days. The balance and aging of the equipment installment plan receivables on a gross basis by credit category were as follows:

	March 31, 2024					December 31, 2023				
	Lowest Risk	Lower Risk	Slight Risk	Higher Risk	Total	Lowest Risk	Lower Risk	Slight Risk	Higher Risk	Total
(Dollars in millions)										
Unbilled	\$ 957	\$ 84	\$ 15	\$ 4	\$ 1,060	\$ 977	\$ 88	\$ 16	\$ 4	\$ 1,085
Billed — current	38	4	1	—	43	35	5	2	1	43
Billed — past due	9	5	2	1	17	12	7	3	1	23
Total	<u>\$ 1,004</u>	<u>\$ 93</u>	<u>\$ 18</u>	<u>\$ 5</u>	<u>\$ 1,120</u>	<u>\$ 1,024</u>	<u>\$ 100</u>	<u>\$ 21</u>	<u>\$ 6</u>	<u>\$ 1,151</u>

The balance of the equipment installment plan receivables as of March 31, 2024 on a gross basis by year of origination were as follows:

	2021	2022	2023	2024	Total
(Dollars in millions)					
Lowest Risk	\$ 18	\$ 328	\$ 510	\$ 148	\$ 1,004
Lower Risk	1	20	56	16	93
Slight Risk	—	2	10	6	18
Higher Risk	—	1	3	1	5
Total	<u>\$ 19</u>	<u>\$ 351</u>	<u>\$ 579</u>	<u>\$ 171</u>	<u>\$ 1,120</u>

The write-offs, net of recoveries for the three months ended March 31, 2024 on a gross basis by year of origination were as follows:

	2021	2022	2023	Total
(Dollars in millions)				
Write-offs, net of recoveries	\$ 1	\$ 8	\$ 15	\$ 24

Activity for the three months ended March 31, 2024 and 2023, in the allowance for credit losses for equipment installment plan receivables was as follows:

	March 31, 2024	March 31, 2023
(Dollars in millions)		
Allowance for credit losses, beginning of period	\$ 90	\$ 96
Bad debts expense	22	18
Write-offs, net of recoveries	(24)	(20)
Allowance for credit losses, end of period	<u>\$ 88</u>	<u>\$ 94</u>

## Note 5 Earnings Per Share

Basic earnings per share attributable to UScellular shareholders is computed by dividing Net income attributable to UScellular shareholders by the weighted average number of Common Shares outstanding during the period. Diluted earnings per share attributable to UScellular shareholders is computed by dividing Net income attributable to UScellular shareholders by the weighted average number of Common Shares outstanding during the period adjusted to include the effects of potentially dilutive securities. Potentially dilutive securities primarily include incremental shares issuable upon the exercise of outstanding stock options and the vesting of performance and restricted stock units, as calculated using the treasury stock method.

The amounts used in computing basic and diluted earnings (loss) per share attributable to UScellular shareholders were as follows:

	Three Months Ended March 31,	
	2024	2023
(Dollars and shares in millions, except per share amounts)		
Net income attributable to UScellular shareholders	\$ 18	\$ 13
Weighted average number of shares used in basic earnings per share	85	85
Effects of dilutive securities	3	1
Weighted average number of shares used in diluted earnings per share	88	86
Basic earnings per share attributable to UScellular shareholders	\$ 0.21	\$ 0.15
Diluted earnings per share attributable to UScellular shareholders	\$ 0.20	\$ 0.15

Certain Common Shares issuable upon the exercise of stock options or vesting of performance and restricted stock units were not included in weighted average diluted shares outstanding for the calculation of Diluted earnings per share attributable to UScellular shareholders because their effects were antidilutive. The number of such Common Shares excluded was less than 1 million and 1 million for the three months ended March 31, 2024 and 2023, respectively.

## Note 6 Investments in Unconsolidated Entities

Investments in unconsolidated entities consist of amounts invested in entities in which UScellular holds a noncontrolling interest. UScellular's Investments in unconsolidated entities are accounted for using the equity method, measurement alternative method or net asset value practical expedient method as shown in the table below. The carrying value of measurement alternative method investments represents cost minus any impairments plus or minus any observable price changes.

	March 31, 2024	December 31, 2023
(Dollars in millions)		
Equity method investments	\$ 468	\$ 448
Measurement alternative method investments	5	4
Investments recorded using the net asset value practical expedient	9	9
Total investments in unconsolidated entities	\$ 482	\$ 461

The following table, which is based on unaudited information provided in part by third parties, summarizes the combined results of operations of UScellular's equity method investments.

	Three Months Ended March 31,	
	2024	2023
(Dollars in millions)		
Revenues	\$ 1,842	\$ 1,802
Operating expenses	1,415	1,361
Operating income	427	441
Other income (expense), net	( 9 )	( 16 )
Net income	\$ 418	\$ 425

## Note 7 Debt

### Receivables Securitization Agreement

UScellular, through its subsidiaries, has a receivables securitization agreement that permits securitized borrowings using its equipment installment plan receivables. Amounts under the agreement may be borrowed, repaid and reborrowed from time to time until September 2025. Unless the agreement is amended to extend the maturity date, repayments based on receivable collections commence in October 2025. The outstanding borrowings bear interest at a rate of the lender's cost of funds (which has historically tracked closely to Secured Overnight Financing Rate (SOFR)) plus 1.15 %. During the three months ended March 31, 2024, UScellular borrowed \$ 40 million and repaid \$ 50 million under its receivables securitization agreement. As of March 31, 2024, the outstanding borrowings under the agreement were \$ 140 million and the unused borrowing capacity was \$ 310 million, subject to sufficient collateral to satisfy the asset borrowing base provisions of the agreement. As of March 31, 2024, the USCC Master Note Trust held \$ 233 million of assets available to be pledged as collateral for the receivables securitization agreement.

In April 2024, UScellular repaid an additional \$ 75 million under the agreement.

### Debt Covenants

The revolving credit agreement, term loan agreements, export credit financing agreement and receivables securitization agreement require UScellular to comply with certain affirmative and negative covenants, which include certain financial covenants that may restrict the borrowing capacity available. UScellular is required to maintain the Consolidated Leverage Ratio as of the end of any fiscal quarter at a level not to exceed the following: 4.25 to 1.00 from January 1, 2023 through March 31, 2024; 4.00 to 1.00 from April 1, 2024 through March 31, 2025; 3.75 to 1.00 from April 1, 2025 and thereafter. UScellular is also required to maintain the Consolidated Interest Coverage Ratio at a level not lower than 3.00 to 1.00 as of the end of any fiscal quarter. UScellular believes that it was in compliance as of March 31, 2024 with all such financial covenants.

## Note 8 Variable Interest Entities

### Consolidated VIEs

UScellular consolidates VIEs in which it has a controlling financial interest as defined by GAAP and is therefore deemed the primary beneficiary. UScellular reviews the criteria for a controlling financial interest at the time it enters into agreements and subsequently when events warranting reconsideration occur. These VIEs have risks similar to those described in the "Risk Factors" in this Form 10-Q and UScellular's Form 10-K for the year ended December 31, 2023.

UScellular formed USCC EIP LLC (Seller/Sub-Servicer), USCC Receivables Funding LLC (Transferor) and the USCC Master Note Trust (Trust), collectively the special purpose entities (SPEs), to facilitate a securitized borrowing using its equipment installment plan receivables. Under a Receivables Sale Agreement, UScellular wholly-owned, majority-owned and unconsolidated entities, collectively referred to as "affiliated entities", transfer device equipment installment plan contracts to the Seller/Sub-Servicer. The Seller/Sub-Servicer aggregates device equipment installment plan contracts, and performs servicing, collection and all other administrative activities related to accounting for the equipment installment plan contracts. The Seller/Sub-Servicer sells the eligible equipment installment plan receivables to the Transferor, a bankruptcy remote entity, which subsequently sells the receivables to the Trust. The Trust, which is bankruptcy remote and isolated from the creditors of UScellular, will be responsible for issuing asset-backed variable funding notes (Notes), which are collateralized by the equipment installment plan receivables owned by the Trust. Given that UScellular has the power to direct the activities of these SPEs, and that these SPEs lack sufficient equity to finance their activities, UScellular is deemed to have a controlling financial interest in the SPEs, and therefore consolidates them. All transactions with third parties (e.g., issuance of the asset-backed variable funding notes) will be accounted for as a secured borrowing due to the pledging of equipment installment plan contracts as collateral, significant continuing involvement in the transferred assets, subordinated interests of the cash flows, and continued evidence of control of the receivables.

The following VIEs were formed to participate in FCC auctions of wireless spectrum licenses and to fund, establish, and provide wireless service with respect to any FCC wireless spectrum licenses won in the auctions:

- Advantage Spectrum, L.P. (Advantage Spectrum) and Sunshine Spectrum, Inc., the general partner of Advantage Spectrum; and
- King Street Wireless, L.P. (King Street Wireless) and King Street Wireless, Inc., the general partner of King Street Wireless.

These particular VIEs are collectively referred to as designated entities. The power to direct the activities that most significantly impact the economic performance of these VIEs is shared. Specifically, the general partner of these VIEs has the exclusive right to manage, operate and control the limited partnerships and make all decisions to carry on the business of the partnerships. The general partner of each partnership needs the consent of the limited partner, an indirect UScellular subsidiary, to sell or lease certain wireless spectrum licenses, to make certain large expenditures, admit other partners or liquidate the limited partnerships. Although the power to direct the activities of these VIEs is shared, UScellular has the most significant level of exposure to the variability associated with the economic performance of the VIEs, indicating that UScellular is the primary beneficiary of the VIEs. Therefore, in accordance with GAAP, these VIEs are consolidated into the UScellular financial statements.

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UScellular also consolidates other VIEs that are limited partnerships that provide wireless service. A limited partnership is a variable interest entity unless the limited partners hold substantive participating rights or kick-out rights over the general partner. For certain limited partnerships, UScellular is the general partner and manages the operations. In these partnerships, the limited partners do not have substantive kick-out or participating rights and, further, such limited partners do not have the authority to remove the general partner. Therefore, these limited partnerships also are recognized as VIEs and are consolidated into the UScellular financial statements under the variable interest model.

The following table presents the classification and balances of the consolidated VIEs' assets and liabilities in UScellular's Consolidated Balance Sheet.

	March 31, 2024	December 31, 2023
(Dollars in millions)		
<b>Assets</b>		
Cash and cash equivalents	\$ 30	\$ 24
Accounts receivable	621	633
Inventory, net	4	4
Other current assets	26	30
Licenses	641	641
Property, plant and equipment, net	138	143
Operating lease right-of-use assets	49	48
Other assets and deferred charges	472	494
Total assets	<u>\$ 1,981</u>	<u>\$ 2,017</u>
<b>Liabilities</b>		
Current liabilities	\$ 37	\$ 37
Long-term operating lease liabilities	43	42
Other deferred liabilities and credits	28	29
Total liabilities <sup>1</sup>	<u>\$ 108</u>	<u>\$ 108</u>

<sup>1</sup> Total liabilities does not include amounts borrowed under the receivables securitization agreement. See Note 7 – Debt for additional information.

#### Unconsolidated VIEs

UScellular manages the operations of and holds a variable interest in certain other limited partnerships, but is not the primary beneficiary of these entities, and therefore does not consolidate them into the UScellular financial statements under the variable interest model.

UScellular's total investment in these unconsolidated entities was \$ 6 million at both March 31, 2024 and December 31, 2023, and is included in Investments in unconsolidated entities in UScellular's Consolidated Balance Sheet. The maximum exposure from unconsolidated VIEs is limited to the investment held by UScellular in those entities.

#### Other Related Matters

UScellular made contributions, loans or advances to its VIEs totaling \$ 207 million for both the three months ended March 31, 2024 and 2023, of which \$ 187 million in 2024 and \$ 193 million in 2023, are related to USCC EIP LLC as discussed above. UScellular may agree to make additional capital contributions and/or advances to these or other VIEs and/or to their general partners to provide additional funding for their operations or the development of wireless spectrum licenses granted in various auctions. UScellular may finance such amounts with a combination of cash on hand, borrowings under its revolving credit or receivables securitization agreements and/or other long-term debt. There is no assurance that UScellular will be able to obtain additional financing on commercially reasonable terms or at all to provide such financial support.

The limited partnership agreement of Advantage Spectrum also provides the general partner with a put option whereby the general partner may require the limited partner, a subsidiary of UScellular, to purchase its interest in the limited partnership. The put option has not been exercised.

## United States Cellular Corporation Additional Required Information

### Controls and Procedures

#### Evaluation of Disclosure Controls and Procedures

UScellular maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) that are designed to ensure that information required to be disclosed in its reports filed or submitted under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to UScellular's management, including its principal executive officer and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by SEC Rules 13a-15(b), UScellular carried out an evaluation, under the supervision and with the participation of management, including its principal executive officer and principal financial officer, of the effectiveness of the design and operation of UScellular's disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on this evaluation, UScellular's principal executive officer and principal financial officer concluded that UScellular's disclosure controls and procedures were effective as of March 31, 2024, at the reasonable assurance level.

#### Changes in Internal Control Over Financial Reporting

There have been no changes in internal controls over financial reporting that have occurred during the three months ended March 31, 2024, that have materially affected, or are reasonably likely to materially affect, UScellular's internal control over financial reporting.

### Legal Proceedings

Refer to the disclosure under Legal Proceedings in UScellular's Form 10-K for the year ended December 31, 2023. There have been no material changes to such information since December 31, 2023.

## Unregistered Sales of Equity Securities and Use of Proceeds

In November 2009, UScellular announced by Form 8-K that the Board of Directors of UScellular authorized the repurchase of up to 1,300,000 additional Common Shares on an annual basis beginning in 2009 and continuing each year thereafter, on a cumulative basis. In December 2016, the UScellular Board amended this authorization to provide that, beginning on January 1, 2017, the increase in the authorized repurchase amount with respect to a particular year will be any amount from zero to 1,300,000 Common Shares, as determined by the Pricing Committee of the Board of Directors, and that if the Pricing Committee did not specify an additional amount for any year, such additional amount would be zero for such year. The Pricing Committee has not specified any increase in the authorization since that time. The Pricing Committee also was authorized to decrease the cumulative amount of the authorization at any time, but has not taken any action to do so at this time. The authorization provides that share repurchases will be made pursuant to open market purchases, block purchases, private purchases, or otherwise, depending on market prices and other conditions. This authorization does not have an expiration date. UScellular did not determine to terminate the foregoing Common Share repurchase program, as amended, or cease making further purchases thereunder, during the first quarter of 2024.

The maximum number of shares that may yet be purchased under this program was 1,927,000 as of March 31, 2024. There were no purchases made by or on behalf of UScellular, and no open market purchases made by any "affiliated purchaser" (as defined by the SEC) of UScellular, of UScellular Common Shares during the quarter covered by this Form 10-Q.

## Other Information

During the three months ended March 31, 2024, none of UScellular's directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) has adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K under the 1934 Act).

## Exhibits

Exhibit Number	Description of Documents
Exhibit 10.1	<a href="#">2024 Officer Annual Incentive Plan effective January 1, 2024, is hereby incorporated by reference to Exhibit 10.1 to UScellular's Current Report on Form 8-K dated March 14, 2024.</a>
Exhibit 10.2	<a href="#">Form of UScellular 2022 Long-Term Incentive Plan 2024 Performance Award Agreement.</a>
Exhibit 10.3	<a href="#">Form of UScellular 2022 Long-Term Incentive Plan 2024 Restricted Stock Unit Award Agreement.</a>
Exhibit 31.1	<a href="#">Principal executive officer certification pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.</a>
Exhibit 31.2	<a href="#">Principal financial officer certification pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.</a>
Exhibit 32.1	<a href="#">Principal executive officer certification pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code.</a>
Exhibit 32.2	<a href="#">Principal financial officer certification pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code.</a>
Exhibit 101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
Exhibit 101.SCH	Inline XBRL Taxonomy Extension Schema Document
Exhibit 101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document
Exhibit 101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document
Exhibit 101.LAB	Inline XBRL Taxonomy Label Linkbase Document
Exhibit 101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the inline document.

## Form 10-Q Cross Reference Index

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**SIGNATURES**

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

UNITED STATES CELLULAR CORPORATION

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(Registrant)

Date: May 3, 2024

/s/ Laurent C. Therivel

Laurent C. Therivel  
President and Chief Executive Officer  
(principal executive officer)

Date: May 3, 2024

/s/ Douglas W. Chambers

Douglas W. Chambers  
Executive Vice President, Chief Financial Officer and Treasurer  
(principal financial officer)

**UNITED STATES CELLULAR CORPORATION**  
**2022 LONG-TERM INCENTIVE PLAN**  
**2024 PERFORMANCE AWARD AGREEMENT**

United States Cellular Corporation, a Delaware corporation (the "Company"), hereby grants to the recipient of this award (the "Employee") as of the date (the "Grant Date") set forth in the "Stock Options and Awards" section of the Employee's Company on-line account with Shareworks (the "Award Summary"), a Performance Award (the "Award") with a target opportunity equal to the number of shares of Common Stock set forth in the Award Summary. Depending on performance during the Performance Period (for all purposes of this Award Agreement, as defined in accordance with Exhibit A hereto), the Employee may be entitled under this Award Agreement to shares of Common Stock equal to a number that is greater or lesser than the target opportunity in accordance with Section 2 below. The Award is granted pursuant to the provisions of the United States Cellular Corporation 2022 Long-Term Incentive Plan, as amended from time to time (the "Plan") and is subject to the restrictions, terms and conditions set forth below. Capitalized terms not defined herein shall have the meanings specified in the Plan.

**1. Award Subject to Acceptance**

The Award shall become null and void unless the Employee accepts the Award and this Award Agreement electronically by utilizing the Employee's Company on-line account with Shareworks, which is accessed at [www.shareworks.com/login](http://www.shareworks.com/login).

**2. Performance-Based Adjustment**

(a) In General. The Award shall be adjusted pursuant to the terms of this Award Agreement and the Plan and based on the achievement of the Performance Measure(s) (for all purposes of this Award Agreement, as defined in accordance with Exhibit A hereto and determined in accordance with criteria approved by the Committee) during the Performance Period. Achievement of the Performance Measure(s) shall be determined and certified by the Committee following the last day of the Performance Period (the date of such certification, the "Certification Date").

(b) Fractional Shares. Only a whole number of shares of Common Stock may be issued in respect of this Award. If a fractional number of shares of Common Stock is scheduled to be subject to this Award Agreement following adjustment pursuant to this Section 2, such number of shares shall be rounded to the nearest whole number.

(c) Impact of Adjustment. On and after the Certification Date, "Award" for all purposes of this Award Agreement shall mean the Award as adjusted pursuant to this Section 2. To the extent shares of Common Stock subject to the Award are reduced pursuant to this Section 2, then the Award shall be forfeited as it relates to those reduced shares, and the Employee shall have no rights with respect thereto.

**3. Restriction Period and Forfeiture**

(a) In General. Except as otherwise provided in this Award Agreement, the Award shall become nonforfeitable and the Restriction Period with respect to the Award shall terminate on the third annual anniversary of the Grant Date (the "Release Date"), provided that the Employee remains continuously employed by the Employers and Affiliates until the Release Date. Within sixty (60) days following the Release Date, the Company shall issue to the Employee in a single payment the shares of Common Stock subject to the Award on the Release Date.

(b) Death. If the Employee's employment with the Employers and Affiliates terminates prior to the Release Date by reason of death, then on the date of the Employee's death the Award (in the case of death prior to the Certification Date, without regard to the adjustment set forth in Section 2, and in the case of death on or following the Certification Date, after the adjustment set forth in Section 2) shall become nonforfeitable and the Restriction Period with respect to the Award shall terminate. Within sixty (60) days following the date of the Employee's death, the Company shall issue to the Employee's designated beneficiary in a single payment the shares of Common Stock subject to the Award.

(c) Disability. If the Employee's employment with the Employers and Affiliates terminates prior to the Release Date by reason of Disability, then on the date of the Employee's termination of employment the Award (in the case of termination due to Disability prior to the Certification Date, without regard to the adjustment set forth in Section 2, and in the case of termination due to Disability on or following the Certification Date, after the adjustment set forth in Section 2) shall become nonforfeitable and the Restriction Period with respect to the Award shall terminate. The Company shall issue the shares of Common Stock subject to the Award in a single payment within sixty (60) days following the date of the Employee's termination of employment; provided, however, that if the Award is subject to section 409A of the Code, and if the Employee is a Specified Employee as of the date of his or her termination of employment, then such payment shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee's termination of employment occurs (or, if earlier, the calendar month following the calendar month of the Employee's death). For purposes of this Award Agreement, "Disability" shall mean a disability within the meaning of the long-term disability plan of the Employee's Employer, as determined by the disability insurer of such plan.

(d) Retirement at or after Attainment of Age 66. If the Employee's employment with the Employers and Affiliates terminates on or after January 1, 2025 but prior to the Release Date by reason of retirement at or after attainment of age 66, then on the date of the Employee's termination of employment the Award (in the case of such retirement prior to the Certification Date, without regard to the adjustment set forth in Section 2, and in the case of such retirement on or following the Certification Date, after the adjustment set forth in Section 2) shall become nonforfeitable and the Restriction Period with respect to the Award shall terminate. The Company shall issue the shares of Common Stock subject to the Award in a single payment within sixty (60) days following the date of the Employee's termination of employment; provided, however, that if the Award is subject to section 409A of the Code, and if the Employee is a Specified Employee as of the date of his or her termination of employment, then such payment shall be delayed until and made during the seventh calendar month following the calendar

month during which the Employee's termination of employment occurs (or, if earlier, the calendar month following the calendar month of the Employee's death). If the Employee's employment with the Employers and Affiliates terminates prior to January 1, 2025 by reason of retirement at or after attainment of age 66, then on the date of the Employee's termination of employment the Award shall be forfeited and shall be canceled by the Company.

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(e) Other Termination of Employment If the Employee's employment with the Employers and Affiliates terminates prior to the Release Date for any reason other than death, Disability or retirement at or after attainment of age 66 (including if the Employee's employment is terminated prior to the Release Date by reason of the Employee's negligence or willful misconduct, in each case as determined by the Company in its sole discretion, irrespective of whether such termination occurs on or after the Employee attains age 66), then on the date of the Employee's termination of employment the Award shall be forfeited and shall be canceled by the Company.

(f) Forfeiture of Award and Award Gain upon Competition, Misappropriation, Solicitation or Disparagement Notwithstanding any other provision herein, if the Employee engages in (i) Competition (as defined in this Section 3(f) below); (ii) Misappropriation (as defined in this Section 3(f) below); (iii) Solicitation (as defined in this Section 3(f) below) or (iv) Disparagement (as defined in this Section 3(f) below), then (i) on the date of such Competition, Misappropriation, Solicitation or Disparagement, the Award immediately shall be forfeited and shall be canceled by the Company and (ii) in the event that the Award became nonforfeitable within the twelve months immediately preceding such Competition, Misappropriation, Solicitation or Disparagement, the Employee shall pay the Company, within five business days of receipt by the Employee of a written demand therefor, an amount in cash determined by multiplying the number of shares of Common Stock subject to the Award on the date that it became nonforfeitable (without reduction for any shares of Common Stock withheld by the Company pursuant to Section 5.3) by the Fair Market Value of a share of Common Stock on the date that the Award was paid. The Employee acknowledges and agrees that the Award, by encouraging stock ownership and thereby increasing an employee's proprietary interest in the Company's success, is intended as an incentive to participating employees to remain in the employ of the Employers or an Affiliate. The Employee acknowledges and agrees that this Section 3(f) is therefore fair and reasonable, and not a penalty.

The Employee may be released from the Employee's obligations under this Section 3(f) only if and to the extent the Committee determines in its sole discretion that such release is in the best interests of the Company. Moreover, the provisions of Section 3(f)(i) and 3(f)(iii) are inapplicable and will not be enforced against the Employee if the Employee regularly performed services for the Employers in California or, regardless of where this Award Agreement was signed or where the Employee regularly performed services for the Employers, if these sections would have the effect of prohibiting the Employee from seeking or obtaining work in California.

The Employee agrees that by accepting this Award Agreement the Employee authorizes the Employers and any Affiliate to deduct any amount owed by the Employee pursuant to this Section 3(f) from any amount payable by the Employers or any Affiliate to the Employee, including, without limitation, any amount payable to the Employee as salary, wages, vacation pay or bonus as allowed under state law. The Employee further agrees to execute any documents at the time of setoff required by the Employers and any Affiliate in order to effectuate the setoff. This right of setoff shall not be an exclusive remedy (the Company shall be entitled to any other remedy permitted under applicable law) and an Employer's or an Affiliate's election not to exercise this right of setoff with respect to any amount payable to the Employee shall not constitute a waiver of this right of setoff with respect to any other amount payable to the Employee or any other remedy. Should the Company institute a legal action against the Employee to recover the amounts due, the Employee agrees to reimburse the Company for its reasonable attorneys' fees and litigation costs incurred in recovering such amounts from the Employee.

For purposes of this Award Agreement, "Competition" shall mean that the Employee, directly or indirectly, individually or in conjunction with any Person, during the Employee's employment with the Employers and the Affiliates and for the twelve months after the termination of that employment for any reason, other than on any Employer's or Affiliate's behalf (i) has contact with, or provides any information to a third party in connection with its or their direct or indirect solicitation of, any customer or prospective customer of an Employer or Affiliate with whom the Employee had contact during the one year period immediately prior to termination of the Employee's employment which has been contacted or solicited by or on behalf of an Employer or Affiliate, for the purpose of soliciting or selling to such customer or prospective customer the same or a similar (such that it could substitute for) product or service provided by an Employer or Affiliate during the Employee's employment with the Employers and Affiliates; or (ii) works for any wireless service carrier in the same or similar role for which the Employee worked for any Employer or Affiliate or which is likely to require utilizing any Confidential Information (as defined below) acquired while employed by any Employer or Affiliate in any market within the continental United States in which an Employer or Affiliate provided such products or services during the Employee's employment with an Employer or Affiliate or had plans to do so within the twelve month period immediately following the Employee's termination of employment. For purposes of the foregoing, "wireless carrier" includes any wireless carrier holding a license granted by the Federal Communications Commission, as well as any reseller or mobile virtual network operator (MVNO). "Work for" includes the provision of services, whether paid or unpaid, as an employee, officer, director, consultant or advisor.

For purposes of this Award Agreement, "Misappropriation" shall mean that the Employee (i) uses Confidential Information (as defined below) for the benefit of anyone other than the Employers or an Affiliate, as the case may be, or discloses the Confidential Information to anyone not authorized by the Employers or an Affiliate, as the case may be, to receive such information; (ii) upon termination of employment, makes any summaries of, takes any notes with respect to or memorizes any Confidential Information or takes any Confidential Information or reproductions thereof from the facilities of the Employers or an Affiliate or (iii) upon termination of employment or upon the request of the Employers or an Affiliate, fails to return all Confidential Information then in the Employee's possession. For the avoidance of doubt, "Misappropriation" does not include disclosure of Confidential Information in the reporting of any allegations of unlawful conduct to any governmental official for investigation, including by filing a charge or complaint with any federal, state or local governmental agency or commission, such as the U.S. Securities and Exchange Commission, or by participating in any such agency or commission's investigation without notice to the Employer, or to an attorney, provided that the Employee informs the official, agency, commission or attorney that the Employers and/or Affiliates deem the information to be confidential. The Employee may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and provided that such disclosure is solely for the purpose of reporting or investigating a suspected violation of the law, or (b) in a complaint or other document filed in a lawsuit or other proceeding, provided that such filing is made under seal. Additionally, in the event the Employee files a lawsuit against the Employer for retaliation by the Employer against the Employee for reporting a suspected violation of law, the Employee has the right to provide trade secret information to their attorney and use the trade secret information in the court proceeding, although the Employee must file any document containing the trade secret under seal and may not disclose the trade secret, except pursuant to court order.



"Confidential Information" shall mean any information that the Employee learns or develops during the course of employment with an Employer or Affiliate that gives the Employer or any Affiliate a commercial advantage over a competitor that does not have such information and/or information that is not generally known to Persons outside the Employer or Affiliate, regardless of whether it is labeled confidential. Such information includes, but is not limited to, any confidential and proprietary drawings, reports, sales and training manuals, customer lists, computer programs and other material embodying trade secrets or confidential technical, business, or financial information of any Employer or an Affiliate. Confidential Information also includes information of third parties for which an Employer or Affiliate has accepted obligations of confidentiality. Nothing in this Award Agreement shall be interpreted or applied in a way that interferes with the Employee's legal right to engage in Section 7 activities under the National Labor Relations Act as well as any right to make truthful statements or disclosures regarding wages, hours and/or other terms and conditions of employment, which may be subject to an enforceable non-disclosure or confidentiality obligation pursuant to some other contract, policy, or arrangement or applicable law.

For purposes of this Award Agreement, "Solicitation" shall mean that the Employee, directly or indirectly, individually or in conjunction with any Person, during the Employee's employment with the Employers and the Affiliates and for the twelve months after the termination of that employment for any reason, other than on any Employer's or Affiliate's behalf, solicits, induces or encourages (or attempts to solicit, induce or encourage) any individual away from any Employer's or Affiliate's employ or from the faithful discharge of such individual's contractual and fiduciary obligations to serve the Employers' and Affiliates' interests with undivided loyalty.

For purposes of this Award Agreement, "Disparagement" shall mean that the Employee has made a material statement (whether oral, written or electronic), or released any material information or encouraged others to make such a statement or release such information to any Person other than to an officer of an Employer or an Affiliate that, if the Employee is considered a supervisor under the National Labor Relations Act, is designed to embarrass, disparage or demean an Employer, an Affiliate, or any of their respective owners, directors, officers, employees, products or services, or if the Employee is not considered a supervisor under the National Labor Relations Act, is so disloyal, reckless or maliciously untrue as to lose its status as protected activity, including under the National Labor Relations Act, about an Employer, an Affiliate, or any of their respective owners, directors, officers, employees, products or services. For the avoidance of doubt, "Disparagement" does not include making truthful statements (i) when required by legal process to do so by a court of law, (ii) to any governmental agency having supervisory authority over the business of an Employer or Affiliate, or (iii) when required by any administrative or legislative body (including a committee thereof) with the jurisdiction to order the Employee to divulge, disclose or make accessible such information.

4. **Change in Control.** The treatment of the Award in connection with a Change in Control shall be governed by Section 7.9 of the Plan, as modified to reflect the terms of the Amendment to the United States Cellular Corporation 2022 Long-Term Incentive Plan Award Agreements dated December 1, 2023 (applied as if this Award had been an outstanding award at that time).

5. **Additional Terms and Conditions of Award**

5.1. **Transferability of Award.** Except (i) to a beneficiary upon the Employee's death (as designated in such form prescribed by the Company or pursuant to the terms of the Plan, and which may be designated on both a primary and contingent basis) or (ii) pursuant to a court order entered in connection with a dissolution of marriage or child support, the Award may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Award, the Award and all rights hereunder shall immediately become null and void.

5.2. **Investment Representation.** The Employee hereby represents and covenants that (a) any shares of Common Stock acquired upon the lapse of restrictions with respect to the Award will be acquired for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), unless such acquisition has been registered under the Securities Act and any applicable state securities laws; (b) any subsequent sale of any such shares shall be made either pursuant to an effective registration statement under the Securities Act and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws; and (c) if requested by the Company, the Employee shall submit a written statement, in a form satisfactory to the Company, to the effect that such representation is true and correct as of the date of acquisition of any shares hereunder or is true and correct as of the date of sale of any such shares, as applicable. As a condition precedent to the issuance or delivery to the Employee of any shares subject to the Award, the Employee shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance or delivery of the shares and, in connection therewith, shall execute any documents which the Committee shall in its sole discretion deem necessary or advisable.

5.3. **Tax Withholding.** The Employee timely shall pay to the Company such amount as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to the Award. The Required Tax Payments shall be satisfied by the Company withholding whole shares of Common Stock which otherwise would be delivered to the Employee pursuant to the Award, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with the Award. Shares of Common Stock to be withheld may not have an aggregate Fair Market Value in excess of the amount determined by applying the minimum statutory withholding rate; provided, however, that the number of shares to be withheld to satisfy the Required Tax Payments shall be rounded up to the nearest whole share, and the Company shall reimburse the Employee in cash for any such excess tax withholding as soon as practicable thereafter.

Notwithstanding the foregoing provisions of this Section 5.3, an Employee shall satisfy his or her obligation to advance employment taxes owed prior to the date that the Restriction Period with respect to the Award terminates, if any, by a cash payment to the Company, and the Employee hereby authorizes the Company or any Affiliate to deduct such cash payment from any amount payable by the Company or such Affiliate to the Employee, including without limitation any amount payable to the Employee as salary or wages. The Employee agrees that this authorization may be reauthorized via electronic means determined by the Company, and that the Employee may revoke this authorization by written notice to the Company prior to any such deduction.

5.4. **Award Confers No Rights as a Stockholder.** The Employee shall not be entitled to any privileges of ownership with respect to the shares of Common Stock subject to the Award unless and until the restrictions on the Award lapse and the shares are issued and the Employee becomes a stockholder of record with respect to such shares.

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5.5. Adjustment. In the event of any equity restructuring (within the meaning of Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation or any successor or replacement accounting standard) that causes the per share value of shares of Common Stock to change, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary cash dividend, the terms of the Award, including the number and class of securities subject to the Award, shall be appropriately adjusted by the Committee. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization or partial or complete liquidation of the Company, such adjustment described in the foregoing sentence may be made as determined to be appropriate and equitable by the Committee to prevent dilution or enlargement of rights of participants. In either case, the decision of the Committee regarding any such adjustment shall be final, binding and conclusive.

5.6. Compliance with Applicable Law. The Award is subject to the condition that if the listing, registration or qualification of the shares of Common Stock subject to the Award upon any securities exchange or under any law, the consent or approval of any governmental body or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of shares, such shares will not be delivered unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent, approval or other action.

5.7. Delivery of Shares. On the date of payment of the Award, the Company shall deliver or cause to be delivered to the Employee the shares of Common Stock subject to the Award. The holder of the Award shall pay all original issue or transfer taxes and all fees and expenses incident to such delivery, unless the Company in its discretion elects to make such payment.

Notwithstanding the foregoing or any other provision of this Agreement, the Committee in its sole discretion may elect to settle the Award in cash rather than by delivery of shares of Common Stock, which cash shall be equal to the Fair Market Value of the shares of Common Stock that have become nonforfeitable and for which the Restriction Period has terminated (subject to the Employee's obligations under Section 5.3). For this purpose Fair Market Value shall be determined as of the date the shares of Common Stock become nonforfeitable and are no longer subject to the Restriction Period; provided, however, that if this Agreement requires payment during the seventh calendar month following the calendar month during which the Employee's termination of employment occurs, then in that event and for this purpose, Fair Market Value shall be determined as of the first business day of such seventh calendar month.

5.8. Award Confers No Rights to Continued Employment or Service. In no event shall the granting of the Award or the acceptance of this Award Agreement and the Award by the Employee give or be deemed to give the Employee any right to continued employment by or service with any Employer or any subsidiary or affiliate of an Employer.

5.9. Decisions of Committee. The Committee or its delegate shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Committee or its delegate regarding the Award, the Plan, this Award Agreement or the Award Summary shall be final, binding and conclusive.

5.10. Award Agreement and Award Summary Subject to the Plan. This Award Agreement and the Award Summary are subject to the provisions of the Plan, and shall be interpreted in accordance therewith. The Employee hereby acknowledges receipt of a copy of the Plan.

5.11. Award Subject to Clawback. The Award and any shares of Common Stock delivered pursuant to the Award are subject to forfeiture, recovery by the Company or other action pursuant to the Company's Policy on Recoupment and Forfeiture of Incentive Compensation, and any other clawback or recoupment policy which the Company may adopt from time to time.

## **6. Miscellaneous Provisions**

6.1. Successors. This Award Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any Person or Persons who shall acquire any rights hereunder in accordance with this Award Agreement or the Plan.

6.2. Notices. All notices, requests or other communications provided for in this Award Agreement shall be made in writing either (a) by actual delivery to the party entitled thereto, (b) by mailing in the United States mail to the last known address of the party entitled thereto, via certified or registered mail, postage prepaid and return receipt requested, (c) by electronic mail, utilizing notice of undelivered electronic mail features or (d) by telecopy with confirmation of receipt. The notice, request or other communication shall be deemed to be received (a) in case of delivery, on the date of its actual receipt by the party entitled thereto, (b) in case of mailing by certified or registered mail, five days following the date of such mailing, (c) in case of electronic mail, on the date of mailing but only if a notice of undelivered electronic mail is not received or (d) in case of telecopy, on the date of confirmation of receipt.

6.3. Governing Law. The Award, this Award Agreement, the Award Summary and the Plan, and all determinations made and actions taken pursuant thereto, to the extent otherwise not governed by the Code or the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

6.4. Modification and Severability. It is the intention of the parties that if any term, restriction, covenant, or promise in this Award Agreement is found to be invalid, illegal or unenforceable in any respect, then such term, restriction, covenant, or promise shall be modified to the minimum extent necessary to make it valid, legal and enforceable. The parties agree that in the event that any part of this Award Agreement shall be declared invalid, it shall not affect the validity of any of the remaining terms or provisions of this Award Agreement. The restrictive covenants and agreements of the Employee related thereto shall survive the termination of this Award Agreement for any reason.

6.5. Consideration of Award Agreement. The Employee hereby acknowledges that the Employee has been provided at least fourteen (14) days within which to consider this Award Agreement and has been advised in writing that the Employee should consult an attorney prior to accepting it. The Employee further acknowledges that the Employee has carefully read and fully understands this Award Agreement in its entirety, has reviewed this Award Agreement with individuals of the Employee's own choosing, and that the Employee has entered into this Award Agreement knowingly and voluntarily, and intends to be bound

thereby.

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6.6. Compliance with Section 409A of the Code If the Award is subject to section 409A of the Code, then for any purpose required under section 409A of the Code, all references herein to "termination of employment" or similar references shall mean Separation from Service. It is intended that the Award, this Award Agreement, the Award Summary and the Plan be exempt from the requirements of section 409A of the Code to the maximum extent permissible under law. To the extent section 409A of the Code applies to the Award, this Award Agreement, the Award Summary and/or the Plan, it is intended that the Award, this Award Agreement, the Award Summary and the Plan comply with the requirements of section 409A of the Code to the maximum extent permissible under law. The Award, this Award Agreement, the Award Summary and the Plan shall be administered and interpreted in a manner consistent with this intent. In the event that the Award, this Award Agreement, the Award Summary or the Plan does not comply with section 409A of the Code (to the extent applicable thereto), the Company shall have the authority to amend the terms of the Award, this Award Agreement, the Award Summary or the Plan (which amendment may be retroactive to the extent permitted by section 409A of the Code and may be made by the Company without the consent of the Employee) to avoid taxes and other penalties under section 409A of the Code, to the extent possible. Notwithstanding the foregoing, no particular tax result for the Employee with respect to any income recognized by the Employee in connection with the Award, this Award Agreement and the Award Summary is guaranteed, and the Employee solely shall be responsible for any taxes, penalties, interest or other losses or expenses incurred by the Employee in connection with the Award, this Award Agreement and the Award Summary.

UNITED STATES CELLULAR CORPORATION

By: \_\_\_\_\_

Laurent Therivel  
President & CEO

**(Accept grant electronically via Employee's account at [www.shareworks.com/login](http://www.shareworks.com/login))**

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Performance Period: January 1, 2024 to December 31, 2024

Performance Measures, Weighting, and Payout Range:

<b>Measure</b>	<b>Weighting</b>	<b>Payout Range (Percentage of Target Opportunity)</b>
Return on Capital (ROC)	50%	0 to 150%
Simple Free Cash Flow (SFCF)	50%	0 to 200%

**UNITED STATES CELLULAR CORPORATION**  
**2022 LONG-TERM INCENTIVE PLAN**  
**2024 RESTRICTED STOCK UNIT AWARD AGREEMENT**

United States Cellular Corporation, a Delaware corporation (the "Company"), hereby grants to the recipient of this award (the "Employee") as of the date (the "Grant Date") set forth in the "Stock Options and Awards" section of the Employee's Company on-line account with Shareworks (the "Award Summary"), a Restricted Stock Unit Award (the "Award") with respect to the number of shares of Common Stock set forth in the Award Summary. The Award is granted pursuant to the provisions of the United States Cellular Corporation 2022 Long-Term Incentive Plan, as amended from time to time (the "Plan") and is subject to the restrictions, terms and conditions set forth below. Capitalized terms not defined herein shall have the meanings specified in the Plan.

**1. Award Subject to Acceptance**

The Award shall become null and void unless the Employee accepts the Award and this Award Agreement electronically by utilizing the Employee's Company on-line account with Shareworks, which is accessed at [www.shareworks.com/login](http://www.shareworks.com/login).

**2. Restriction Period and Forfeiture**

(a) In General. Except as otherwise provided in this Award Agreement, the Restriction Period with respect to one-third of the shares of Common Stock subject to the Award on the Grant Date shall terminate on each of the first, second and third annual anniversaries of the Grant Date (each such date on which the Restriction Period terminates, a "Vesting Date"), provided that the Employee remains continuously employed by the Employers and Affiliates until the applicable Vesting Date. Within sixty (60) days following the applicable Vesting Date, the Company shall issue to the Employee in a single payment the shares of Common Stock subject to the Award that have ceased to be subject to the Restriction Period as of such date.

(b) Death. If the Employee's employment with the Employers and Affiliates terminates prior to the applicable Vesting Date by reason of death, then on the date of the Employee's death the portion of the Award outstanding at that time shall become nonforfeitable and the Restriction Period with respect to such portion of the Award shall terminate. Within sixty (60) days following the date of the Employee's death, the Company shall issue to the Employee's designated beneficiary in a single payment the shares of Common Stock subject to the Award at that time.

(c) Disability. If the Employee's employment with the Employers and Affiliates terminates prior to the applicable Vesting Date by reason of Disability, then on the date of the Employee's termination of employment the portion of the Award outstanding at that time shall become nonforfeitable and the Restriction Period with respect to such portion of the Award shall terminate. The Company shall issue the shares of Common Stock subject to the Award at that time in a single payment within sixty (60) days following the date of the Employee's termination of employment; provided, however, that if the Award is subject to section 409A of the Code, and if the Employee is a Specified Employee as of the date of his or her termination of employment, then such payment shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee's termination of employment occurs (or, if earlier, the calendar month following the calendar month of the Employee's death). For purposes of this Award Agreement, "Disability" shall mean a disability within the meaning of the long-term disability plan of the Employee's Employer, as determined by the disability insurer of such plan.

(d) Retirement at or after Attainment of Age 66. If the Employee's employment with the Employers and Affiliates terminates on or after January 1, 2025 but prior to the applicable Vesting Date by reason of retirement at or after attainment of age 66, then on the date of the Employee's termination of employment the portion of the Award outstanding at that time shall become nonforfeitable and the Restriction Period with respect to such portion of the Award shall terminate. The Company shall issue the shares of Common Stock subject to the Award at that time in a single payment within sixty (60) days following the date of the Employee's termination of employment; provided, however, that if the Award is subject to section 409A of the Code, and if the Employee is a Specified Employee as of the date of his or her termination of employment, then such payment shall be delayed until and made during the seventh calendar month following the calendar month during which the Employee's termination of employment occurs (or, if earlier, the calendar month following the calendar month of the Employee's death). If the Employee's employment with the Employers and Affiliates terminates prior to January 1, 2025 by reason of retirement at or after attainment of age 66, then on the date of the Employee's termination of employment the Award (to the extent then outstanding) shall be forfeited and shall be canceled by the Company.

(e) Other Termination of Employment. If the Employee's employment with the Employers and Affiliates terminates prior to the applicable Vesting Date for any reason other than death, Disability or retirement at or after attainment of age 66 (including if the Employee's employment is terminated prior to the applicable Vesting Date by reason of the Employee's negligence or willful misconduct, in each case as determined by the Company in its sole discretion, irrespective of whether such termination occurs on or after the Employee attains age 66), then on the date of the Employee's termination of employment the Award (to the extent then outstanding) shall be forfeited and shall be canceled by the Company.

(f) Forfeiture of Award and Award Gain upon Competition, Misappropriation, Solicitation or Disparagement. Notwithstanding any other provision herein, if the Employee engages in (i) Competition (as defined in this Section 2(f) below); (ii) Misappropriation (as defined in this Section 2(f) below); (iii) Solicitation (as defined in this Section 2(f) below) or (iv) Disparagement (as defined in this Section 2(f) below), then (i) on the date of such Competition, Misappropriation, Solicitation or Disparagement, the Award immediately shall be forfeited and shall be canceled by the Company and (ii) in the event that any portion of the Award became nonforfeitable within the twelve months immediately preceding such Competition, Misappropriation, Solicitation or Disparagement, the Employee shall pay the Company, within five business days of receipt by the Employee of a written demand therefor, an amount in cash determined by multiplying the number of shares of Common Stock subject to the portion of the Award that became nonforfeitable within such period (without reduction for any shares of Common Stock withheld by the Company pursuant to Section 4.3) by the Fair Market Value of a share of Common Stock on the date that such portion of the Award was paid. The Employee acknowledges and agrees that the Award, by encouraging stock ownership and thereby increasing an employee's proprietary interest in the

Company's success, is intended as an incentive to participating employees to remain in the employ of the Employers or an Affiliate. The Employee acknowledges and agrees that this Section 2(f) is therefore fair and reasonable, and not a penalty.

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The Employee may be released from the Employee's obligations under this Section 2(f) only if and to the extent the Committee determines in its sole discretion that such release is in the best interests of the Company. Moreover, the provisions of Section 2(f)(i) and 2(f)(iii) are inapplicable and will not be enforced against the Employee if the Employee regularly performed services for the Employers in California or, regardless of where this Award Agreement was signed or where the Employee regularly performed services for the Employers, if these sections would have the effect of prohibiting the Employee from seeking or obtaining work in California.

The Employee agrees that by accepting this Award Agreement the Employee authorizes the Employers and any Affiliate to deduct any amount owed by the Employee pursuant to this Section 2(f) from any amount payable by the Employers or any Affiliate to the Employee, including, without limitation, any amount payable to the Employee as salary, wages, vacation pay or bonus as allowed under state law. The Employee further agrees to execute any documents at the time of setoff required by the Employers and any Affiliate in order to effectuate the setoff. This right of setoff shall not be an exclusive remedy (the Company shall be entitled to any other remedy permitted under applicable law) and an Employer's or an Affiliate's election not to exercise this right of setoff with respect to any amount payable to the Employee shall not constitute a waiver of this right of setoff with respect to any other amount payable to the Employee or any other remedy. Should the Company institute a legal action against the Employee to recover the amounts due, the Employee agrees to reimburse the Company for its reasonable attorneys' fees and litigation costs incurred in recovering such amounts from the Employee.

For purposes of this Award Agreement, "Competition" shall mean that the Employee, directly or indirectly, individually or in conjunction with any Person, during the Employee's employment with the Employers and the Affiliates and for the twelve months after the termination of that employment for any reason, other than on any Employer's or Affiliate's behalf (i) has contact with, or provides any information to a third party in connection with its or their direct or indirect solicitation of, any customer or prospective customer of an Employer or Affiliate with whom the Employee had contact during the one year period immediately prior to termination of the Employee's employment which has been contacted or solicited by or on behalf of an Employer or Affiliate, for the purpose of soliciting or selling to such customer or prospective customer the same or a similar (such that it could substitute for) product or service provided by an Employer or Affiliate during the Employee's employment with the Employers and Affiliates; or (ii) works for any wireless service carrier in the same or similar role for which the Employee worked for any Employer or Affiliate or which is likely to require utilizing any Confidential Information (as defined below) acquired while employed by any Employer or Affiliate in any market within the continental United States in which an Employer or Affiliate provided such products or services during the Employee's employment with an Employer or Affiliate or had plans to do so within the twelve month period immediately following the Employee's termination of employment. For purposes of the foregoing, "wireless carrier" includes any wireless carrier holding a license granted by the Federal Communications Commission, as well as any reseller or mobile virtual network operator (MVNO). "Work for" includes the provision of services, whether paid or unpaid, as an employee, officer, director, consultant or advisor.

For purposes of this Award Agreement, "Misappropriation" shall mean that the Employee (i) uses Confidential Information (as defined below) for the benefit of anyone other than the Employers or an Affiliate, as the case may be, or discloses the Confidential Information to anyone not authorized by the Employers or an Affiliate, as the case may be, to receive such information; (ii) upon termination of employment, makes any summaries of, takes any notes with respect to or memorizes any Confidential Information or takes any Confidential Information or reproductions thereof from the facilities of the Employers or an Affiliate or (iii) upon termination of employment or upon the request of the Employers or an Affiliate, fails to return all Confidential Information then in the Employee's possession. For the avoidance of doubt, "Misappropriation" does not include disclosure of Confidential Information in the reporting of any allegations of unlawful conduct to any governmental official for investigation, including by filing a charge or complaint with any federal, state or local governmental agency or commission, such as the U.S. Securities and Exchange Commission, or by participating in any such agency or commission's investigation without notice to the Employer, or to an attorney, provided that the Employee informs the official, agency, commission or attorney that the Employers and/or Affiliates deem the information to be confidential. The Employee may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and provided that such disclosure is solely for the purpose of reporting or investigating a suspected violation of the law, or (b) in a complaint or other document filed in a lawsuit or other proceeding, provided that such filing is made under seal. Additionally, in the event the Employee files a lawsuit against the Employer for retaliation by the Employer against the Employee for reporting a suspected violation of law, the Employee has the right to provide trade secret information to their attorney and use the trade secret information in the court proceeding, although the Employee must file any document containing the trade secret under seal and may not disclose the trade secret, except pursuant to court order.

"Confidential Information" shall mean any information that the Employee learns or develops during the course of employment with an Employer or Affiliate that gives the Employer or any Affiliate a commercial advantage over a competitor that does not have such information and/or information that is not generally known to Persons outside the Employer or Affiliate, regardless of whether it is labeled confidential. Such information includes, but is not limited to, any confidential and proprietary drawings, reports, sales and training manuals, customer lists, computer programs and other material embodying trade secrets or confidential technical, business, or financial information of any Employer or an Affiliate. Confidential Information also includes information of third parties for which an Employer or Affiliate has accepted obligations of confidentiality. Nothing in this Award Agreement shall be interpreted or applied in a way that interferes with the Employee's legal right to engage in Section 7 activities under the National Labor Relations Act as well as any right to make truthful statements or disclosures regarding wages, hours and/or other terms and conditions of employment, which may be subject to an enforceable non-disclosure or confidentiality obligation pursuant to some other contract, policy, or arrangement or applicable law.

For purposes of this Award Agreement, "Solicitation" shall mean that the Employee, directly or indirectly, individually or in conjunction with any Person, during the Employee's employment with the Employers and the Affiliates and for the twelve months after the termination of that employment for any reason, other than on any Employer's or Affiliate's behalf, solicits, induces or encourages (or attempts to solicit, induce or encourage) any individual away from any Employer's or Affiliate's employ or from the faithful discharge of such individual's contractual and fiduciary obligations to serve the Employers' and Affiliates' interests with undivided loyalty.

For purposes of this Award Agreement, "Disparagement" shall mean that the Employee has made a material statement (whether oral, written or electronic), or released any material information or encouraged others to make such a statement or release such information to any Person other than to an officer of an Employer or an Affiliate that, if the Employee is considered a supervisor under the National Labor Relations Act, is designed to embarrass, disparage or demean an Employer, an Affiliate, or any of their respective owners, directors, officers, employees, products or services, or if the Employee is not considered a supervisor under the National Labor Relations Act, is so disloyal, reckless or maliciously untrue as to lose its status as protected activity, including under the National Labor Relations Act, about an Employer, an Affiliate, or any of their respective owners, directors, officers, employees, products or services. For the avoidance of doubt, "Disparagement" does not include making truthful statements (i) when required by legal process to do so by a court of law, (ii) to any governmental agency having supervisory authority over the business of an Employer or Affiliate, or (iii) when required by any administrative or legislative body (including a committee thereof) with the jurisdiction to order the Employee to divulge, disclose or make accessible such information.

3. **Change in Control.** The treatment of the Award in connection with a Change in Control shall be governed by Section 7.9 of the Plan, as modified to reflect the terms of the Amendment to the United States Cellular Corporation 2022 Long-Term Incentive Plan Award Agreements dated December 1, 2023 (applied as if this Award had been an outstanding award at that time).

4. **Additional Terms and Conditions of Award**

4.1. **Transferability of Award.** Except (i) to a beneficiary upon the Employee's death (as designated in such form prescribed by the Company or pursuant to the terms of the Plan, and which may be designated on both a primary and contingent basis) or (ii) pursuant to a court order entered in connection with a dissolution of marriage or child support, the Award may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Award, the Award and all rights hereunder shall immediately become null and void.

4.2. **Investment Representation.** The Employee hereby represents and covenants that (a) any shares of Common Stock acquired upon the lapse of restrictions with respect to the Award will be acquired for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), unless such acquisition has been registered under the Securities Act and any applicable state securities laws; (b) any subsequent sale of any such shares shall be made either pursuant to an effective registration statement under the Securities Act and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws; and (c) if requested by the Company, the Employee shall submit a written statement, in a form satisfactory to the Company, to the effect that such representation is true and correct as of the date of acquisition of any shares hereunder or is true and correct as of the date of sale of any such shares, as applicable. As a condition precedent to the issuance or delivery to the Employee of any shares subject to the Award, the Employee shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance or delivery of the shares and, in connection therewith, shall execute any documents which the Committee shall in its sole discretion deem necessary or advisable.

4.3. **Tax Withholding.** The Employee timely shall pay to the Company such amount as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to the Award. The Required Tax Payments shall be satisfied by the Company withholding whole shares of Common Stock which otherwise would be delivered to the Employee pursuant to the Award, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with the Award. Shares of Common Stock to be withheld may not have an aggregate Fair Market Value in excess of the amount determined by applying the minimum statutory withholding rate; provided, however, that the number of shares to be withheld to satisfy the Required Tax Payments shall be rounded up to the nearest whole share, and the Company shall reimburse the Employee in cash for any such excess tax withholding as soon as practicable thereafter.

Notwithstanding the foregoing provisions of this Section 4.3, an Employee may satisfy his or her obligation to advance employment taxes owed prior to the date that the Restriction Period with respect to the Award terminates, if any, by a cash payment to the Company, and the Employee hereby authorizes the Company or any Affiliate to deduct such cash payment from any amount payable by the Company or such Affiliate to the Employee, including without limitation any amount payable to the Employee as salary or wages. The Employee agrees that this authorization may be reauthorized via electronic means determined by the Company, and that the Employee may revoke this authorization by written notice to the Company prior to any such deduction.

4.4. **Award Confers No Rights as a Stockholder.** The Employee shall not be entitled to any privileges of ownership with respect to the shares of Common Stock subject to the Award unless and until the restrictions on the Award lapse and the shares are issued and the Employee becomes a stockholder of record with respect to such shares.

4.5. **Adjustment.** In the event of any equity restructuring (within the meaning of Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation or any successor or replacement accounting standard) that causes the per share value of shares of Common Stock to change, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary cash dividend, the terms of the Award, including the number and class of securities subject to the Award, shall be appropriately adjusted by the Committee. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization or partial or complete liquidation of the Company, such adjustment described in the foregoing sentence may be made as determined to be appropriate and equitable by the Committee to prevent dilution or enlargement of rights of participants. In either case, the decision of the Committee regarding any such adjustment shall be final, binding and conclusive.

4.6. **Compliance with Applicable Law.** The Award is subject to the condition that if the listing, registration or qualification of the shares of Common Stock subject to the Award upon any securities exchange or under any law, the consent or approval of any governmental body or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of shares, such shares will not be delivered unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent, approval or other action.

4.7. **Delivery of Shares.** On the date of payment of the Award, the Company shall deliver or cause to be delivered to the Employee the shares of Common Stock

subject to the Award. The holder of the Award shall pay all original issue or transfer taxes and all fees and expenses incident to such delivery, unless the Company in its discretion elects to make such payment.

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Notwithstanding the foregoing or any other provision of this Agreement, the Committee in its sole discretion may elect to settle the Award in cash rather than by delivery of shares of Common Stock, which cash shall be equal to the Fair Market Value of the shares of Common Stock that have become nonforfeitable and for which the Restriction Period has terminated (subject to the Employee's obligations under Section 4.3). For this purpose Fair Market Value shall be determined as of the date the shares of Common Stock become nonforfeitable and are no longer subject to the Restriction Period; provided, however, that if this Agreement requires payment during the seventh calendar month following the calendar month during which the Employee's termination of employment occurs, then in that event and for this purpose, Fair Market Value shall be determined as of the first business day of such seventh calendar month.

4.8. Award Confers No Rights to Continued Employment or Service. In no event shall the granting of the Award or the acceptance of this Award Agreement and the Award by the Employee give or be deemed to give the Employee any right to continued employment by or service with any Employer or any subsidiary or affiliate of an Employer.

4.9. Decisions of Committee. The Committee or its delegate shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Committee or its delegate regarding the Award, the Plan, this Award Agreement or the Award Summary shall be final, binding and conclusive.

4.10. Award Agreement and Award Summary Subject to the Plan. This Award Agreement and the Award Summary are subject to the provisions of the Plan, and shall be interpreted in accordance therewith. The Employee hereby acknowledges receipt of a copy of the Plan.

4.11. Award Subject to Clawback. The Award and any shares of Common Stock delivered pursuant to the Award are subject to forfeiture, recovery by the Company or other action pursuant to the Company's Policy on Recoupment and Forfeiture of Incentive Compensation, and any other clawback or recoupment policy which the Company may adopt from time to time.

## 5. Miscellaneous Provisions

5.1. Successors. This Award Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any Person or Persons who shall acquire any rights hereunder in accordance with this Award Agreement or the Plan.

5.2. Notices. All notices, requests or other communications provided for in this Award Agreement shall be made in writing either (a) by actual delivery to the party entitled thereto, (b) by mailing in the United States mail to the last known address of the party entitled thereto, via certified or registered mail, postage prepaid and return receipt requested, (c) by electronic mail, utilizing notice of undelivered electronic mail features or (d) by telecopy with confirmation of receipt. The notice, request or other communication shall be deemed to be received (a) in case of delivery, on the date of its actual receipt by the party entitled thereto, (b) in case of mailing by certified or registered mail, five days following the date of such mailing, (c) in case of electronic mail, on the date of mailing but only if a notice of undelivered electronic mail is not received or (d) in case of telecopy, on the date of confirmation of receipt.

5.3. Governing Law. The Award, this Award Agreement, the Award Summary and the Plan, and all determinations made and actions taken pursuant thereto, to the extent otherwise not governed by the Code or the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

5.4. Modification and Severability. It is the intention of the parties that if any term, restriction, covenant, or promise in this Award Agreement is found to be invalid, illegal or unenforceable in any respect, then such term, restriction, covenant, or promise shall be modified to the minimum extent necessary to make it valid, legal and enforceable. The parties agree that in the event that any part of this Award Agreement shall be declared invalid, it shall not affect the validity of any of the remaining terms or provisions of this Award Agreement. The restrictive covenants and agreements of the Employee related thereto shall survive the termination of this Award Agreement for any reason.

5.5. Consideration of Award Agreement. The Employee hereby acknowledges that the Employee has been provided at least fourteen (14) days within which to consider this Award Agreement and has been advised in writing that the Employee should consult an attorney prior to accepting it. The Employee further acknowledges that the Employee has carefully read and fully understands this Award Agreement in its entirety, has reviewed this Award Agreement with individuals of the Employee's own choosing, and that the Employee has entered into this Award Agreement knowingly and voluntarily, and intends to be bound thereby.

5.6. Compliance with Section 409A of the Code. If the Award is subject to section 409A of the Code, then for any purpose required under section 409A of the Code, all references herein to "termination of employment" or similar references shall mean Separation from Service. It is intended that the Award, this Award Agreement, the Award Summary and the Plan be exempt from the requirements of section 409A of the Code to the maximum extent permissible under law. To the extent section 409A of the Code applies to the Award, this Award Agreement, the Award Summary and/or the Plan, it is intended that the Award, this Award Agreement, the Award Summary and the Plan comply with the requirements of section 409A of the Code to the maximum extent permissible under law. The Award, this Award Agreement, the Award Summary and the Plan shall be administered and interpreted in a manner consistent with this intent. In the event that the Award, this Award Agreement, the Award Summary or the Plan does not comply with section 409A of the Code (to the extent applicable thereto), the Company shall have the authority to amend the terms of the Award, this Award Agreement, the Award Summary or the Plan (which amendment may be retroactive to the extent permitted by section 409A of the Code and may be made by the Company without the consent of the Employee) to avoid taxes and other penalties under section 409A of the Code, to the extent possible. Notwithstanding the foregoing, no particular tax result for the Employee with respect to any income recognized by the Employee in connection with the Award, this Award Agreement and the Award Summary is guaranteed, and the Employee solely shall be responsible for any taxes, penalties, interest or other losses or expenses incurred by the Employee in connection with the Award, this Award Agreement and the Award Summary.

UNITED STATES CELLULAR CORPORATION

By: \_\_\_\_\_  
Laurent Therivel  
President & CEO

**(Accept grant electronically via Employee's account at [www.shareworks.com/login](http://www.shareworks.com/login))**

**Certification of principal executive officer**

I, Laurent C. Therivel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of United States Cellular Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2024

/s/ Laurent C. Therivel

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Laurent C. Therivel  
President and Chief Executive Officer  
(principal executive officer)

**Certification of principal financial officer**

I, Douglas W. Chambers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of United States Cellular Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2024

/s/ Douglas W. Chambers

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Douglas W. Chambers

Executive Vice President, Chief Financial Officer and Treasurer  
(principal financial officer)

**Certification Pursuant to Section 1350 of Chapter 63  
of Title 18 of the United States Code**

I, Laurent C. Therivel, the principal executive officer of United States Cellular Corporation, certify that (i) the quarterly report on Form 10-Q for the first quarter of 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of United States Cellular Corporation.

/s/ Laurent C. Therivel

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Laurent C. Therivel

May 3, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Cellular Corporation and will be retained by United States Cellular Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant to Section 1350 of Chapter 63  
of Title 18 of the United States Code**

I, Douglas W. Chambers, the principal financial officer of United States Cellular Corporation, certify that (i) the quarterly report on Form 10-Q for the first quarter of 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of United States Cellular Corporation.

/s/ Douglas W. Chambers

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Douglas W. Chambers

May 3, 2024

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Cellular Corporation and will be retained by United States Cellular Corporation and furnished to the Securities and Exchange Commission or its staff upon request.