

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

**FORM 10-K/A
(Amendment No. 1)**

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

For the fiscal year ended December 31, 2022

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 000-50658

Marchex, Inc.

(Exact name of Registrant as specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)
1200 5th Ave, Suite 1300
Seattle, WA
(Address of Principal Executive Offices)

35-2194038
(I.R.S Employer
Identification No.)

98101
(Zip Code)

Registrant's telephone number, including area code: (206) 331-3300

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

Title of Each Class
Class B Common Stock, \$0.01 par value per share

Name of Exchange on Which Registered
The NASDAQ Stock Market LLC
(NASDAQ Global Select Market)

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES NO

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of Class B common stock on The NASDAQ Stock Market on June 30, 2022 was \$46,156,094.

The number of shares of Registrant's Class A common stock outstanding as of April 24, 2023 was 4,660,927. The number of shares of Registrant's Class B common stock outstanding as of April 27, 2023 was 38,688,786.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (or parts thereof) are incorporated by reference into the following parts of this Form 10-K/A: None.

EXPLANATORY NOTE

Marchex, Inc. (the “Company,” “we,” “us,” “our,” or “Marchex”) is filing this Amendment No. 1 on Form 10-K/A (this “Amendment”) to amend our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (the “Form 10-K”), as originally filed with the United States Securities and Exchange Commission (the “SEC”) on March 31, 2023. The purpose of this Amendment is to include Part III information which was to be incorporated by reference from our definitive proxy statement for our 2023 Annual Meeting of Stockholders. This information was previously omitted from the 10-K in reliance on General Instruction G(3) to Form 10-K, which permits the Part III information to be incorporated in our Form 10-K by reference from our definitive proxy statement if such statement is filed no later than 120 days after our fiscal year-end. We are filing this Amendment to include Part III information in our Form 10-K because a definitive proxy statement containing such information will not be filed by the Company within 120 days after the end of the fiscal year covered by our Form 10-K. The reference on the cover to the Form 10-K to the incorporation by reference to portions of our definitive proxy statement into Part III of the Form 10-K is hereby deleted.

In accordance with Rule 12b-15 under the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”), the cover page to the Form 10-K, Part III, Items 10 through 14 of our Form 10-K are hereby amended and restated in their entirety. In addition, a new certification of our principal executive officer and principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 is attached dated as of the filing date of this Amendment. This Amendment does not amend or otherwise update any other information in our 10-K. Accordingly, this Amendment should be read in conjunction with our Form 10-K and with our filings with the SEC subsequent to our Form 10-K.

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In Marchex's filings with the SEC, information is sometimes "incorporated by reference." This means that we refer you to information previously filed with the SEC that should be considered as part of the particular filing. In addition, this Amendment includes a website address. This website address is intended to provide inactive, textual references only. The information on this website is not part of this Amendment.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Directors

The Board of Directors currently consists of five (5) individuals. Directors are elected to hold office until the next annual meeting of stockholders and until their respective successors have been elected and qualified. The names and the respective ages of our directors are set forth below:

Name	Age	Position	Director Since
Mike Arends	53	Vice Chairman	February 2023
Dennis Cline (1)(2)(3)	62	Director	May 2003
Donald Cogsville (1)(2)(3)	57	Director	April 2019
Russell C. Horowitz	56	Chairman	August 2017
M. Wayne Wisehart (1)(2)(3)	77	Director	November 2008

(1) Member of the Audit Committee.

(2) Member of the Nominating and Governance Committee.

(3) Member of the Compensation Committee

Set forth below is a description of the business experience of each current director, including a discussion of the specific experience, qualifications, attributes and skills that led our Board of Directors to conclude that those individuals should serve as our directors.

Michael Arends. Mr. Arends serves as our Vice Chairman since February 2023. Mr. Arends served as our Co-CEO, including previously as a member of the Office of the CEO from October 2016 to February 2023, and served as our Chief Financial Officer from May 2003 through April 2021. Prior to joining Marchex, Mr. Arends held various positions at KPMG since 1992, most recently as a Partner in KPMG's Pacific Northwest Information, Communications and Entertainment assurance practice. Mr. Arends is a Certified Public Accountant and a Chartered Accountant and received a Bachelor of Commerce degree from the University of Alberta. Mr. Arends brings historic knowledge and continuity together with extensive operational, finance, accounting, and transactional experience to the board.

Dennis Cline. Mr. Cline has served as a member of our Board of Directors since May 2003. Previously, Mr. Cline served on the board of advisors of Blackstratus, a provider of security information event management products and services from 2014 through 2019. Mr. Cline served on the board of directors of TraceSecurity, a provider of cloud-based security solutions, from 2003 to 2015. From 2004 to 2006, Mr. Cline served as Chief Executive Officer and Executive Chairman of netForensics, a provider of security event information management. Prior to joining netForensics as its Chief Executive Officer, Mr. Cline was Managing Partner of DMC Investments, a firm he founded in 2000, which provides capital and consulting services to technology companies. From 1988 to 2000, Mr. Cline was the CEO of DirectWeb, a provider of computer hardware and Internet access for consumers. Prior to DirectWeb, Mr. Cline was a senior executive at Network Associates, a provider of computer security solutions. Mr. Cline received his J.D. from Rutgers School of Law and his B.A. from Rutgers University. Mr. Cline brings extensive governance, marketing, sales and broad management expertise to the board.

Donald Cogsville. Mr. Cogsville has served as a member of our Board of Directors since April 2019. Mr. Cogsville is the Chief Executive Officer of The Cogsville Group, LLC, a New York-based, private equity real estate investment firm founded in 2007. Mr. Cogsville began his career as an attorney in the Structured Finance Group at Skadden, Arps, Slate, Meagher & Flom LLP. Subsequently, Mr. Cogsville joined the Leveraged Finance Group at Merrill Lynch as an investment banker. Additionally, Mr. Cogsville serves or has served on the Board of Visitors of University of North Carolina, The New York Urban League, Jazz at Lincoln Center, The Amsterdam News Editorial Board and founded the non-partisan voter registration initiative, Citizen Change. Mr. Cogsville received his J.D. from Rutgers School of Law and his B.A. from University of North Carolina at Chapel Hill. Mr. Cogsville brings extensive operational, finance and transactional experience to the board.

Russell C. Horowitz. Mr. Horowitz is a founder of our Company and has served as our Chairman since April 2019. Mr. Horowitz served as our Co-CEO, including previously as a member of the Office of the CEO from October 2016 to February 2023. Previously, Mr. Horowitz served as our Executive Director since August 2017. Immediately prior, Mr. Horowitz, served as a consultant to the Company from May of 2016 through August 2017. Prior to serving as a consultant to the Company, Mr. Horowitz served as Executive Director from February 2015 to May 2016 and as CEO, Treasurer and Chairman of the Board from inception to February 2015. Mr. Horowitz was previously a founder of Go2Net, a provider of online services to merchants and consumers, including merchant Web hosting, online payment authorization technology, and

Web search and directory services. He served as its Chairman and Chief Executive Officer from its inception in February 1996 until its merger with InfoSpace in October 2000, at which time Mr. Horowitz served as the Vice Chairman and President of the combined company through the merger integration process. Additionally, Mr. Horowitz served as the Chief Financial Officer of Go2Net from its inception until May 2000. Prior to Go2Net, Mr. Horowitz served as the Chief Executive Officer and a director of Xanthus Management, LLC, the general partner of Xanthus Capital, a merchant bank focused on investments in early-stage companies, and was a founder and Chief Financial Officer of Active Apparel Group, now Everlast Worldwide. Mr. Horowitz received a B.A. in Economics from Columbia College of Columbia University. Mr. Horowitz brings historic knowledge and continuity together with extensive operational and industry expertise to the board.

M. Wayne Wisehart. Mr. Wisehart has served as a member of our Board of Directors since November 2008. From February 2010 to November 2010, Mr. Wisehart served as Chief Financial Officer for All Star Directories, a publisher of online and career school directories. Mr. Wisehart previously served as the Chief Financial Officer of aQuantive, Inc. (formerly Avenue A Media, Inc.), a leading global digital marketing company, which was acquired by Microsoft in August 2007. Prior to aQuantive, Mr. Wisehart served as Chief Financial Officer of Western Wireless Corporation, a cellular phone service provider, which was acquired by Alltel in August 2005. Mr. Wisehart also served as the Chief Financial Officer from 2000 to 2002 of iNNERHOST, Inc., a Web hosting service's company, as President and Chief Executive Officer from 1999 to 2000 of TeleDirect International Inc., a company that provide customer interaction systems, and as the President and Chief Executive Officer from 1997 to 1998 of Price Communications Wireless. Mr. Wisehart also serves on the Board of Directors of Centri Technology, Inc. Mr. Wisehart received a B.S. degree in Business from the University of Missouri-St. Louis. Mr. Wisehart brings extensive financial and accounting expertise to the board.

Executive Officers

Our current executive officers, their positions with the Company and their respective ages, are as follows:

Name	Age	Position
Edwin Miller	53	CEO
Ryan Polley	51	President and Chief Operating Officer
Troy Hartless	52	Chief Revenue Officer

Biographical information for our executive officer is set forth below.

Edwin Miller. Mr. Miller has served as our CEO since February 2023. Prior to joining Marchex, Mr. Miller served as an Operating Executive with Gemspring Capital since May 2021, President, CEO and Director of The Interest Group from January through December 2020, and President, CEO and Director of Astreya Partners from 2014 to 2019. Mr. Miller received a Bachelor of Science, Management, and a MBA in Business, Finance, and International Affairs from The George Washington University School of Business.

Ryan Polley. Mr. Polley has served as our President since February 2023 and as our Chief Operating Officer since August 2021 and served as our Chief Product and Strategy Officer from March 2020 through August 2021. Prior to joining Marchex, Mr. Polley was the Chief Product Officer for Kargo Global, Inc., a position he held since 2017. Prior to Kargo, Polley was the Senior Vice President of Product Management and Strategy at the Rubicon Project. Mr. Polley received a Bachelor of Arts, International Studies from the University of Washington.

Troy Hartless. Mr. Hartless has served as our Chief Revenue Officer since April 2023. Prior to joining Marchex, Mr. Hartless was the Chief Executive Office of TLJ Capital since 2009. Prior to TLJ Capital, Mr. Hartless was the Chief Operating Officer of Govplace from 2019 to 2020 and the Chief Revenue Office of 9Lenses from 2017 to 2019. Mr. Hartless received a Bachelor of Science, Business Administration degree from Liberty University.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors, officers and persons who beneficially own more than 10% of a registered class of the Company's equity securities to file with the SEC initial reports of ownership and reports of changes in ownership. Directors, officers and 10% stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) reports they file.

Based solely on review of the copies of such reports the Company has received, or written representations that no other reports were required for those persons, the Company believes that its directors, officers and 10% stockholders complied with all applicable filing requirements during 2022.

Code of Conduct and Code of Ethics

The Company has adopted a code of conduct applicable to each of the Company's officers, directors and employees, and a code of ethics applicable to the Company's Chief Executive Officer, Chief Financial Officer and the Company's senior financial officers, as contemplated by Section 406 of the Sarbanes-Oxley Act of 2002 and both codes are available on our website at www.marchex.com.

Audit Committee

The Audit Committee is currently comprised of Messrs. Cline, Cogsville and Wisheart (Chair). Each of the members of the Audit Committee is independent for purposes of the NASDAQ listing standards as they apply to Audit Committee members and each member of the Audit Committee is an Audit Committee financial expert, as defined in the rules of the Securities and Exchange Commission. The Audit Committee operates under a charter that is available on our website at www.marchex.com. The functions of the Audit Committee include reviewing, with the Company's independent registered public accounting firm, the scope and timing of the independent registered public accounting firm's services, the independent registered public accounting firm's report on the Company's consolidated financial statements and internal control over financial reporting following completion of the Company's audits, and the Company's internal accounting and financial control policies and procedures, and making annual recommendations to the Board of Directors for the appointment of independent registered public accounting firm for the ensuing year. The Audit Committee held eight meetings and took action by written consent on one occasion during the fiscal year ended December 31, 2022.

ITEM 11. EXECUTIVE COMPENSATION.

Compensation Discussion and Analysis

The Role of Stockholder Say-on-Pay Votes

In October 2020, we held a stockholder advisory vote to approve the compensation of our named executive officers (the "say-on-pay proposal"). Our stockholders overwhelmingly approved the compensation of our named executive officers, with approximately 93% of stockholder votes cast in favor of the say-on-pay proposal. The Compensation Committee believes this affirms the stockholders' support of our approach to executive compensation and did not change its approach in 2020.

The Compensation Committee will continue to consider the outcome of our say-on-pay votes when making future compensation decisions for the named executive officers.

Overview

In early 2023, Marchex announced changes to our executive officers. Edwin Miller joined Marchex as the Company's CEO, Russell C. Horowitz, previously our co-CEO, would continue to serve as Chairman of the Board of Directors, Michael Arends, previously our co-CEO, was appointed to the Company's Board of Directors as Vice Chairman, Ryan Polley was appointed President of the Company and would continue to serve as the Company's Chief Operating Officer, and Troy Hartless joined Marchex as the Company's Chief Revenue Officer, succeeding John Roswech who resigned from the Company. The discussion and tables set forth in this Item 11, Executive Compensation, relate to the Company's "named executive" officers", or "NEOs", for 2022.

You can find detailed information regarding the compensation we paid to our NEOs in the tables that begin on page 7.

Our executive compensation programs are intended to serve two related goals:

- **Long-Term Retention of our Strong Management Team.** We believe that our continued success depends on our ability to retain our experienced, complementary and dedicated management team. Although we always consider the ultimate interest of our stockholders in setting NEO compensation, we also must acknowledge that our executives face many career options and we therefore must provide strong incentives for them to continue to participate in our growth.
- **Long-Term Growth in Stockholder Value.** We believe that management compensation packages should reflect as much as possible the risk and opportunity experienced by our stockholders. As a result, we strongly emphasize performance-based compensation arrangements which reward NEOs for contributions to our long-term growth and overall corporate success.

We believe that this long-term focus will appropriately reward our management team for performance that will most benefit our Company and stockholders. We think that a focus on shorter-term results could inappropriately over- or under-compensate our executives due to short-term fluctuations that do not as accurately reflect our corporate growth and the corresponding benefit to our stockholders.

The Compensation Committee is responsible for setting the compensation and benefits for our executive officers determining distributions and grants of awards under our various stock and other incentive plans and all matters related to the foregoing.

Role of a Compensation Consultant

The Company does not typically use a compensation consultant for executive compensation matters; the Company did not use a compensation consultant for the 2022 period.

NEO Compensation for 2022

Our Compensation Committee in reviewing our executive compensation packages assesses salary and bonus, salary and bonus history, the number and value of shares owned by our executives, prior equity grants and vesting and exercise history. The Compensation Committee also considers data regarding compensation paid at public media, internet and technology-based companies of comparable size to our Company and which could compete for the services of our NEOs. Although the compensation practices of our competitors instruct our review, we use that data only to gain perspective and do not “benchmark” our compensation to any particular level.

Competitive Positioning

The Compensation Committee periodically reviews competitive data regarding compensation at various comparable peer companies. We do not benchmark compensation levels to fall within specific ranges compared to selected peer groups in our industry. We use the information developed by management and counsel using proxy data for peer group companies to gain a general understanding of current compensation practices.

Base Salary and Bonus

The 2022 salaries and bonuses shown in the Summary Compensation Table on page 7 were set by our Compensation Committee based on the compensation review discussed above, as well as a consideration the respective NEO’s total compensation package including prior equity grants, exercise history, and existing stock ownership. Base salaries and bonuses are a necessary part of our compensation program and provide executives with a fixed portion of pay that is not performance-based. Our goal is to provide competitive base pay levels. The Compensation Committee considered each NEO’s skills, experience, level of responsibility, performance and contribution to our Company. The Compensation Committee also took into account in conjunction with the NEO’s specific areas of responsibilities and objectives, each NEO’s contribution to the Company’s overall success as a member of the management team. The Compensation Committee considers the relative compensation levels among all the members of the management team to ensure the Company’s executive compensation programs are internally consistent and equitable. All salaries and bonuses are reviewed at least annually and subject to future adjustment by the Compensation Committee. On December 31, 2021, the Compensation Committee approved target bonus amounts for 2022 for Mr. Roswech of \$250,000 (based on the achievement of new revenue and total revenue performance goals) and Mr. Polley of \$200,000 (based on the achievement of new product revenue goals and technology expense initiatives), in each case subject to the Annual Incentive Plan maximum bonus percentage, for purposes of their employment agreements.

Equity Compensation

All of our employees and directors are eligible to receive options, shares of restricted stock, and/or restricted stock units under our 2021 Stock Incentive Plan (the “2021 Stock Plan”).

The Compensation Committee does not automatically grant equity to NEOs every year. The Compensation Committee takes into account the various factors outlined in the discussion of base salary above as well as the Company’s financial performance and its impact on stockholder value and also analyzes existing NEO equity holdings and prior equity awards to take into account whether additional grants are appropriate and necessary to recalibrate the cash-equity balance of NEO compensation packages.

On January 3, 2022, the Compensation Committee granted stock options and shares of restricted stock to Messrs. Arends, Horowitz, Polley and Roswech under the 2021 Stock Plan (subject to time-based vesting), based on the compensation review discussed above.

On December 30, 2022, the Compensation Committee granted stock options and shares of restricted stock to Mr. Arends and Mr. Horowitz under the 2021 Stock Plan (subject to time-based vesting and with accelerated vesting based on the attainment of specified revenue, adjusted OIBA or share price targets), based on the compensation review discussed above.

The Compensation Committee determined the size of such 2022 NEO equity grants based on a consideration of the NEO’s existing stock ownership and outstanding equity grants awarded in prior years. Given the corresponding vesting schedules, we believe that these equity grants will help further motivate our NEO’s to continue to focus on the long-term success of our business enterprise.

You can find more information regarding these grants, including the corresponding vesting schedules, by referring to our Outstanding Equity Awards at 2022 Fiscal Year-End Table on pages 8-9.

Most equity awards for employees are tied to their annual performance reviews and are generally granted following the release of our fourth quarter financial results. We may occasionally make employee grants outside of that review process and such awards typically are granted as of the date the grant is approved. All new-hire awards have a grant date set to correspond to the date of hire. All options have an exercise price set at the closing market price of our Class B common stock on the grant date.

Annual Incentive Plan

Our Annual Incentive Plan (the “Incentive Plan”) was adopted by the Compensation Committee to motivate and reward key employees for enabling our Company to achieve specified corporate objectives together, to increase the competitiveness of our management compensation packages without increasing our fixed costs, and to align management compensation with key measures of our financial performance.

The Compensation Committee in its discretion determines the maximum amount available for award, in the aggregate, to all plan participants in light of the number of participants and the Company’s resources. The Compensation Committee also determines the participants in the pool. Eligibility determinations are based upon the Compensation Committee’s assessment of the importance of a participant’s role, together with such participant’s overall cash and equity compensation level. Finally, the Compensation Committee determines the measures of performance on which bonus awards are based, using any of the following as it determines in its sole discretion:

- revenues;
- pre-tax income;
- adjusted operating income before amortization;
- operating income before amortization;
- operating income;
- net earnings;
- net income;
- cash flow or funds from operations;
- adjusted earnings per share;

- earnings per share;
- appreciation in the fair market value of our stock;
- cost reduction or savings;
- implementation of critical processes or projects; or
- adjusted earnings before interest, taxes, depreciation and amortization, or adjusted earnings before any of them.

On December 30, 2021, the Compensation Committee approved target cash bonus compensation under the Incentive Plan for the 2022 fiscal year. The initial executive officer participants for the 2022 fiscal year were Mr. Arends and Mr. Horowitz. If all targets were to be achieved at 100%, the aggregate bonus pool amount was \$568,438 (the “Target Amount”), with the maximum aggregate bonus pool amount being 195% of the Target Amount. The target bonus payout percentages were 50% to 195% based on the performance target category and were based on achieving specified revenue (new revenue and total revenue) and adjusted OIBA targets to include the 2022 fiscal year and with each target category weighted 33 1/3%.

The Compensation Committee elected to use these revenues and adjusted OIBA targets because it believes that such targets most accurately reflect our growth and improvements in our corporate performance without the impact of certain non-cash and non-recurring expenses which the Company does not regard as ongoing costs of doing business. The Compensation Committee set a range of specific revenue and adjusted OIBA targets based on a review of our actual revenue and adjusted OIBA for the fiscal year ended December 31, 2021 and our budgeted revenue and adjusted OIBA for the 2022 fiscal year. At the low end of the range, the targets were intended to be difficult but realistic given our expectations regarding corporate performance. The high end of the range, intended to reflect “optimum” Company performance, were set in consideration of our projected financial results and were considered “stretch” goals.

The Compensation Committee also has absolute discretion to award no bonuses at all even if the highest target is achieved. For 2022, the Compensation Committee awarded cash bonuses under the Incentive Plan in the amount of \$217,547 to Mr. Horowitz and \$279,836 to Mr. Arends.

Risk Assessment of Compensation Policies and Practices

We believe our compensation policies and practices do not promote imprudent risk taking. In this regard, we note the following: (i) our annual incentive compensation is based on balanced performance metrics that promote disciplined progress towards longer-term Company goals; (ii) we do not offer short-term incentives that might drive high-risk investments at the expense of long-term Company value; and (iii) our compensation programs are weighted towards offering long-term incentives that reward sustainable performance, especially when considering our executive share ownership. Accordingly, we believe that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee during 2022, are or have been an officer or employee of the Company. No member of the Compensation Committee had any relationship with the Company requiring disclosure under Item 404 of Regulation S-K. During fiscal year 2022, none of the Company’s executive officers served on the Compensation Committee (or its equivalent) or Board of Directors of another entity any of whose executive officers served on the Company’s Compensation Committee or Board of Directors.

Summary Compensation Table (1)

The following table sets forth information concerning the compensation earned during the fiscal years ended December 31, 2021 and 2022, as applicable, by our NEOs:

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) (2)	Option Awards (\$) (3)	Non-equity compensation (\$)	All Other Compensation (\$) (4)	Total (\$)
Michael Arends	2022	297,500	—	387,360	204,000	279,836	12,353	1,181,049
Former Co-CEO	2021	297,500	—	343,340	168,560	489,621	11,250	1,310,271
Russell C. Horowitz	(5)							
Chairman and Former Co-CEO	2022	255,000	—	271,080	145,390	217,547		889,017
	2021	255,000	—	249,160	129,630	380,219		1,014,009
Ryan Polley	2022	350,000	172,779	127,500	60,500	—		710,779
Chief Operating Officer	2021	312,993	175,326	40,200	113,400	—		641,920
John Roswech	2022	400,000	214,733	127,500	60,500	—		802,733
Former Chief Revenue Officer	2021	400,000	250,000	70,350	34,300	—		754,650

- (1) Includes only those columns relating to compensation awarded to, earned by or paid to the NEOs in 2021 and 2022.
- (2) These amounts do not reflect whether the NEO has actually realized or will realize a financial benefit from the awards (such as by vesting of a restricted stock award). Amounts represent the aggregate grant date fair value of restricted stock each year computed in accordance with ASC 718, excluding the effect of forfeitures. For a more detailed discussion on the valuation model and assumptions used to calculate the fair value of each stock award, refer to Note 6 to the Consolidated Financial Statements contained in our 2022 Annual Report on Form 10-K filed on March 31, 2023.
- (3) These amounts do not reflect whether the NEO has actually realized or will realize a financial benefit from the awards (such as by exercising stock options). Amounts represent the aggregate grant date fair value of option awards each year computed in accordance with ASC 718, excluding the effect of forfeitures. The fair value of the shares underlying the option awards that vest based on time is estimated using the Black-Scholes option pricing model. For a more detailed discussion on the valuation model and assumptions used to calculate the fair value of each stock award, refer to Note 6 to the Consolidated Financial Statements contained in our 2022 Annual Report on Form 10-K filed on March 31, 2023.
- (4) Unless otherwise noted, the total of all perquisites and personal benefits of each NEO falls below the reportable amount for disclosure within this table. Mr. Arends' amounts in 2021 and 2022 exceeded the reportable amount and includes the Company's 401K matching contribution and auto allowance.
- (5) In September 2022 and October 2021, Mr. Horowitz received an annual director restricted stock grant of 15,000 shares and 20,000 options under Marchex's 2021 and 2012 Stock Incentive Plan, respectively, with fifty (50%) percent of such shares of restricted stock and options vesting on the first and second annual anniversary of the grant date, respectively, and with vesting in full in the event of a Change in Control.

Outstanding Equity Awards at 2022 Fiscal Year-End (1)

The following table sets forth certain information with respect to the value of all unexercised options and unvested stock awards previously awarded to our NEOs as of December 31, 2022. Certain option and stock awards provide for accelerated vesting, in certain circumstances. For more information on these acceleration provisions, please refer to Potential Payments upon Termination or Change in Control at page 9.

Name	Grant Date	Option Awards				Stock Awards	
		Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested(2) (\$)
Michael Arends							
Restricted Stock	4/17/2019 ⁽³⁾	—	—	—	—	8,500	21,080
Stock Options	12/31/2020 ⁽⁵⁾	97,500	97,500	1.96	12/31/2030	—	—
Restricted Stock	12/31/2020 ⁽⁵⁾	—	—	—	—	97,500	483,600
Stock Options	1/4/2021 ⁽⁷⁾	20,125	25,875	2.02	1/4/2031	—	—
Restricted Stock	1/4/2021 ⁽³⁾	—	—	—	—	34,500	69,690
Stock Options	12/30/2021 ⁽⁸⁾	24,500	73,500	2.57	12/30/2031	—	—
Restricted Stock	12/30/2021 ⁽⁸⁾	—	—	—	—	73,500	188,895
Stock Options	1/3/2022 ⁽⁷⁾	—	59,000	2.56	1/4/2032	—	—
Restricted Stock	1/3/2022 ⁽³⁾	—	—	—	—	59,000	151,040
Stock Options	12/30/2022 ⁽⁹⁾	—	149,000	1.60	12/30/2032	—	—
Restricted Stock	12/30/2022 ⁽⁹⁾	—	—	—	—	149,000	238,400
Russell C. Horowitz							
Stock Options	12/31/2020 ⁽⁵⁾	95,000	95,000	1.96	12/31/2030	—	—
Restricted Stock	12/31/2020 ⁽⁵⁾	—	—	—	—	95,000	186,200
Stock Options	1/4/2021 ⁽⁷⁾	20,125	25,875	2.02	1/4/2031	—	—
Restricted Stock	1/4/2021 ⁽³⁾	—	—	—	—	30,750	62,115
Stock Options	10/1/2021 ⁽⁴⁾	10,000	10,000	3.02	10/1/2031	—	—
Restricted Stock	10/1/2021 ⁽⁴⁾	—	—	—	—	7,500	22,650
Stock Options	12/30/2021 ⁽⁸⁾	11,875	35,625	2.57	12/30/2031	—	—
Restricted Stock	12/30/2021 ⁽⁸⁾	—	—	—	—	35,625	91,556
Stock Options	1/3/2022 ⁽⁷⁾	—	51,000	2.56	1/4/2032	—	—
Restricted Stock	1/3/2022 ⁽³⁾	—	—	—	—	51,000	130,560
Stock Options	9/29/2022 ⁽⁴⁾	—	20,000	1.78	10/1/2032	—	—
Restricted Stock	9/29/2022 ⁽⁴⁾	—	—	—	—	15,000	26,700
Stock Options	12/30/2022 ⁽⁹⁾	—	72,000	1.60	12/30/2032	—	—
Restricted Stock	12/30/2022 ⁽⁹⁾	—	—	—	—	72,000	115,200
Ryan Polley							
Stock Options	3/2/2020 ⁽⁷⁾	85,938	39,062	2.66	3/2/2030	—	—
Restricted Stock	3/2/2020 ⁽³⁾	—	—	—	—	62,500	166,250
Stock Options	1/4/2021 ⁽⁷⁾	8,750	11,250	2.02	1/4/2031	—	—
Restricted Stock	1/4/2021 ⁽³⁾	—	—	—	—	15,000	30,300
Stock Options	8/13/2021 ⁽³⁾	29,688	65,313	3.00	8/13/2031	—	—
Stock Options	1/3/2022 ⁽⁷⁾	—	50,000	2.56	1/4/2032	—	—
Restricted Stock	1/3/2022 ⁽³⁾	—	—	—	—	50,000	128,000
John Roswech							
Stock Options	12/16/2019 ⁽⁷⁾	137,500	62,500	3.60	12/16/2029	—	—
Restricted Stock	12/16/2019 ⁽³⁾	—	—	—	—	50,000	124,000
Stock Options	1/4/2021 ⁽⁷⁾	9,406	25,594	2.02	1/4/2031	—	—
Restricted Stock	1/4/2021 ⁽³⁾	—	—	—	—	26,250	53,025
Stock Options	1/3/2022 ⁽⁷⁾	—	50,000	2.56	1/4/2032	—	—
Restricted Stock	1/3/2022 ⁽³⁾	—	—	—	—	50,000	128,000

(1) Includes only those columns for which there are outstanding equity awards at December 31, 2022. All other columns have been omitted.

(2) The market value of unvested stock awards is calculated by multiplying the number of unvested stock awards held by the applicable NEO by the closing price of \$2.48 per share of our Class B common stock on the NASDAQ Global Select Market on December 31, 2022.

- (3) The shares of restricted stock vest at the rate of 25% on each of the first, second, third, and fourth anniversaries, respectively, of the grant date.
- (4) The annual director grant of option and shares of restricted stock vest 50% on the first and second anniversary of the grant date assuming continued service as Executive Director on the vesting date.
- (5) The options and shares of restricted stock vest on the fifth annual anniversary of the grant date with accelerated vesting as follows: (a) 50% of such options and shares of restricted stock vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of eighteen (18) months or performance attainment (2021 revenue (or trailing twelve (12) months revenue) exceeding 120% of 2020 level, 2021 adjusted OIBA (or trailing twelve (12) months adjusted OIBA) exceeding specified multiples of 2020 level, or the Class B common stock share price for twenty (20) consecutive trading days exceeding 150% of the initial 2020 consecutive trading day average), and (b) such remaining unvested options and shares of restricted stock vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of thirty (30) months or performance attainment (trailing twelve (12) month revenue.
- (6) The shares of restricted stock vest at the rate of 33% on each of the first, second, and third anniversaries, respectively, of the grant date.
- (7) The options vest over four years, with 25% of the option shares vesting on the first anniversary and vesting quarterly thereafter over the next three years.
- (8) The options and shares of restricted stock vest on the fifth annual anniversary of the grant date with accelerated vesting as follows: (a) 50% of such options and shares of restricted stock shall vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of eighteen (18) months or performance attainment (2022 revenue (or trailing 12 months revenue) exceeding 120% of 2021 level, 2022 adjusted OIBA (or trailing 12 months adjusted OIBA) exceeding specified multiples of 2021 level, or the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 150% of the initial 2021 consecutive trading day average), and (b) such remaining unvested options and shares of restricted stock upon attainment of specified revenue, adjusted OIBA or share price targets at the later of thirty (30) months or performance attainment (trailing twelve (12) month revenue exceeding 127% of 2021 level, trailing twelve (12) month adjusted OIBA exceeding specified multiples of 2021 level higher than the initial performance target above, or the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 160% of the initial 2021 consecutive trading day average.
- (9) The options and shares of restricted stock vest on the fifth annual anniversary of the grant date with accelerated vesting as follows: (a) 50% of such options and shares of restricted stock shall vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of eighteen (18) months or performance attainment (2023 revenue (or trailing 12 months revenue) exceeding 120% of 2022 level, 2023 adjusted OIBA (or trailing 12 months adjusted OIBA) exceeding specified multiples of 2022 level, or the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 150% of the initial 2022 consecutive trading day average), and (b) such remaining unvested options and shares of restricted stock upon attainment of specified revenue, adjusted OIBA or share price targets at the later of thirty (30) months or performance attainment (trailing twelve (12) month revenue exceeding 127% of 2022 level, trailing twelve (12) month adjusted OIBA exceeding specified multiples of 2022 level higher than the initial performance target above, or the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 160% of the initial 2022 consecutive trading day average.

Potential Payments upon Termination or Change in Control at 2022 Fiscal Year-End

Employment Arrangements

The Amended and Restated Executive Officer Employment Agreement for Mr. Arends provides that in the event the Company terminates executive's employment for any reason other than Cause, or executive terminates his employment for Good Reason (regardless of a Change in Control) and subject to executive's execution of a release of claims, executive will be eligible to receive the following severance and related post-termination benefits: (a) a lump sum payment equal to one (1) times executive's then annual salary payable at the time of termination, unless the termination of executive's employment occurs within 12 months following a Change in Control, in which case executive will receive the benefits under his Retention Agreement, (b) payment by the Company of its share of medical, dental and vision insurance premiums under COBRA ("Health Benefits") for executive and executive's dependents for the 12 month period following the separation date or such lesser period as executive remains eligible under COBRA, unless the termination of executive's employment occurs within 12 months following a Change in Control, in which case executive will receive the benefits under executive's Retention Agreement; and (c) and an additional one (1) year of time-based vesting on any unvested options, restricted stock and restricted stock units as of the separation date. In the event that executive's employment terminates due to death or disability, and subject to execution of a release of claims, executive will be eligible to receive the following severance and related post-termination benefits: (i) payment by the Company of Health Benefits for the 18 month period following the separation date or such lesser period as executive remains eligible under COBRA, and (ii) one hundred percent (100%) of all performance and time-based unvested options, restricted stock and restricted stock units will immediately vest upon executive's separation date. Additionally, one hundred percent (100%) of all performance and time based options, restricted stock and restricted stock units not already vested, shall become immediately vested upon the occurrence of both (a) a Change in Control, (b)

followed by the first to occur of (i) a termination of executive's employment by the Company or any successor thereto without Cause, (ii) a material diminution in the nature or scope of executive's duties, responsibilities, authorities, powers or functions that constitutes Good Reason, or (iii) the twelve month anniversary of the occurrence of the Change in Control provided that executive then remains an employee of the Company or its successor (collectively, the "Double-Trigger Change in Control Acceleration").

In the event that Mr. Polley or Mr. Roswech is terminated by the Company without cause, such person will receive a lump sum payment in an amount equal to three (3) month of base salary as severance.

Equity Awards

The equity awards held by Mr. Arends and Mr. Horowitz set forth in Outstanding Equity Awards at 2022 Fiscal Year-End at Page 8 are subject to certain conditions on vesting as well as Double-Trigger Change in Control Acceleration, other than Mr. Horowitz's director grants which have accelerated vesting in full in the event of a Change in Control. In addition, the equity awards held by Mr. Polley set forth in such table are subject to certain conditions on vesting as well as accelerated vesting in full in the event of a Change in Control.

Retention Agreement

We have entered into a retention agreement with Mr. Arends that provides that in the event of a Change in Control, he would be entitled to a lump sum payment equal to two times the amount calculated by adding (1) his annual salary at that time plus (2) the greater of (a) any bonus he earned with respect to the prior fiscal year, or (b) his pro rata portion of the aggregate bonus pool under our Incentive Plan for the current year assuming achievement under the Incentive Plan of the maximum performance targets for such year. With respect to Mr. Arends, if within twelve (12) months following a Change in Control: (1) the Company shall terminate his employment with the Company without cause, or (2) he shall voluntarily terminate such employment for Good Reason, the Company shall provide reimbursement of health care premiums for him and his dependents, for a period of eighteen (18) months from the date of his termination, to the extent that he is eligible for and elects continuation coverage under COBRA (provided that such reimbursement shall terminate upon commencement of new employment by an employer that offers health care coverage to its employees). In consideration for the Company's willingness to enter into an amended and restated employment agreement with Mr. Arends, he relinquished the excise tax gross-up provision which was contained in the retention agreement.

Compensation of Directors

The Compensation Committee is responsible for periodically reviewing and recommending to the Board of Directors the compensation of our independent directors. The following table summarizes compensation earned during 2022 by each of our directors, except Mr. Horowitz, who served as our Executive Director since August 21, 2017 and as our Chairman since April 9, 2019 and whose compensation is reflected in the Summary Compensation Table:

2022 Director Compensation (1)

Name	Fees Earned or Paid in Cash (\$)	Stock Awards(2) (\$)	Option Awards (\$)	Total (\$)
Dennis Cline	30,000	26,700	35,600	92,300
Donald Cogsville	30,000	26,700	35,600	92,300
M. Wayne Wisehart	30,000	26,700	35,600	92,300

(1) Includes only those columns relating to compensation awarded to, earned by, or paid to non-employee directors for their services.

(2) The amounts in the stock awards column reflect the aggregate grant fair value of stock awards granted to directors in 2022 in accordance with ASC Topic 718. These amounts do not reflect whether the director has actually realized or will realize a financial benefit from the awards (such as by vesting in a restricted stock).

The aggregate number of equity awards outstanding as of December 31, 2022 were:

Name	Stock Awards (#)	Option Awards (#)	Total
Dennis Cline	75,000	95,000	170,000
Donald Cogsville	75,000	95,000	170,000
M. Wayne Wisehart	75,000	95,000	170,000

In September 2022, based upon the elections of the individual directors at our 2022 annual meeting of stockholders and in accordance with Marchex’s previously announced director compensation policy: (i) the Company granted (i) 15,000 restricted shares of Class B common stock at a purchase price of \$.01 per share; and (ii) 20,000 options at an exercise price of \$1.78 per share, the exercise price being the closing price of the Company’s stock price on September 29, 2022, in each case under Marchex’s 2021 Stock Incentive Plan to each of Marchex’s directors as compensation for their annual board service. Fifty percent (50%) of such shares of restricted stock and options shall vest on the first and second annual anniversary of the grant date, respectively, and with vesting in full upon a Change in Control in each case assuming continued service on Marchex’s Board of Directors for such period. In addition, Marchex agreed to pay \$7,500 in cash per quarter for each independent directors’ annual director service.

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

To the Company’s knowledge, the following table sets forth information regarding the beneficial ownership of our Class A common stock and Class B common stock as of April 24, 2023 by:

- each person (or group of affiliated persons) who is known by us to own beneficially more than 5% of the outstanding shares of our Class A common stock or Class B common stock;
- each of our directors and nominees for director;
- each of our executive officers listed in the “Summary Compensation Table” (“NEOs”); and
- all of our directors, nominees for director and executive officers as a group.

Percentage of beneficial ownership is based on 4,660,927 shares of our Class A common stock and 38,583,784 shares of our Class B common stock outstanding as of April 24, 2023. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to options or restricted stock units held by that person that are currently exercisable or exercisable or issuable upon vesting within 60 days of April 24, 2023, are deemed outstanding. These shares are not, however, deemed outstanding for the purposes of computing the percentage ownership of any other person. Except as otherwise noted below, the address for each beneficial owner listed below is c/o Marchex, Inc., 1200 5th Ave., Suite 1200, Seattle, Washington 98101.

Name and, as appropriate, Address of Beneficial Owner	Shares Beneficially Owned				% Total Voting Power (1)
	Class A Common Stock		Class B Common Stock		
	Shares	%	Shares	%	
5% Security Holders:					
Edenbrook Capital, LLC (2) 116 Radio Circle Mount Kisco, NY 10549	—	—	14,534,930	37.7	9.4
Koller Capital LLC (3) 1343 Main Street, Suite 413 Sarasota, FL 34236	—	—	3,363,453	8.7	2.2
B. Riley Financial, Inc. (4) 11100 Santa Monica Blvd., Suite 800 Los Angeles, CA 90025	—	—	2,816,399	7.3	1.8
Named Executive Officers and Directors:					
Michael Arends (5)	—	—	1,566,042	4.1	1.0
Dennis Cline (6)	—	—	215,260	*	*
Donald Cogsville(7)	—	—	140,623	*	*
Troy Hartless(8)	—	—	—	*	*
Russell C. Horowitz (9)	4,660,927	100.0	1,109,356	2.4	75.8
Edwin Miller(10)	—	—	—	*	*
Ryan Polley (11)	—	—	415,000	*	*
M. Wayne Wisehart (12)	—	—	371,145	*	*
All directors and executive officers as a group (8 persons) (13)	4,660,927	100.0	3,817,425	9.9	77.6

Except as indicated in the footnotes below and except as subject to community property laws where applicable, the persons named in the table above have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

-
- * Beneficial ownership or total voting power, as the case may be, representing less than one percent.
- (1) Percentage of voting power represents voting power with respect to shares of our Class A common stock and Class B common stock, as a single class. Each holder of Class A common stock shall be entitled to 25 votes per share of Class A common stock and each holder of Class B common stock shall be entitled to 1 vote per share of Class B common stock on all matters submitted to a vote of stockholders, except as may otherwise be required by law. The Class A common stock is convertible at any time by the holder into shares of Class B common stock on a share-for-share basis.
 - (2) Based on the most recently available Form 4 filed with the SEC on June 23, 2022 by Edenbrook Capital, LLC (“Edenbrook”); Jonathan Brolin (“Brolin”), an individual; and Edenbrook Long Only Value Fund, LP (“Edenbrook Fund”). Edenbrook and Brolin report beneficial ownership and shared voting and dispositive power of 14,534,930 shares of our Class B common stock. Edenbrook Long Only Value Fund, LP reports beneficial ownership of 13,212,592 shares of our Class B common stock.
 - (3) Based on the most recently available Schedule 13G filed with the SEC on February 8, 2023 by Koller Capital LLC (“Koller”); Koller Microcap Opportunities Fund LP (“Koller Microcap”); and Ross Koller (“Ross”). Koller, Koller Microcap, and Ross reported beneficial ownership and shared voting and dispositive power of 3,363,453 shares of our Class B common stock.
 - (4) Based on the most recently available Schedule 13G filed with the SEC on February 3, 2023 by B. Riley Financial Inc. (“BRF”); B. Riley Securities, Inc. (“BRS”); BRF Investments, LLC (“BRFI”); and Bryant R. Riley (“Riley”). BRF, BRS, BRFI, and Riley report beneficial ownership and shared voting and dispositive power of 2,816,399 shares of our Class B common stock.
 - (5) Includes: (1) 470,750 shares of restricted stock subject to vesting; (2) 139,313 shares of our Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023, (3) 18,100 shares of Class B common stock held in an Individual Retirement Account for the benefit of Mr. Arends; and (4) 6,500 shares of Class B common stock held in an Individual Retirement Account for the benefit of Diana Arends, Mr. Arends’ wife.
 - (6) Includes: (1) 22,500 shares of restricted stock subject to vesting; (2) 65,000 shares of our Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023; (3) 28,500 shares of our Class B common stock held by DMC Investments, LLC, a limited liability company of which Mr. Cline is the managing member; and (4) 10,000 shares of our Class B common stock held by the Colburn Cline Trust for the benefit of Colburn Cline, the son of Mr. Cline, for which shares Mr. Cline disclaims beneficial ownership.
 - (7) Includes: (1) 22,500 shares of restricted stock subject to vesting; and (2) 65,000 shares of our Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023.
 - (8) Mr. Hartless upon joining the Company was granted an option to purchase 200,000 shares of our Class B common stock, which vests on the fifth annual anniversary of the grant date and with accelerated vesting upon the achievement of certain performance conditions; and (2) an option to purchase 150,000 shares of Class B common stock which vests over four years from the grant date.
 - (9) Includes: (1) 4,660,927 shares of our Class A common stock held by MARRCH Investments, LLC; (2) 167,000 shares of restricted stock subject to vesting; (3) 132,438 shares of our Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023; and (4) 5,000 shares of Class B common stock held in an Individual Retirement Account for the benefit of Mr. Horowitz. Mr. Horowitz is the managing member of MARRCH Investments, LLC and, as such, may be deemed to exercise voting and investment power over the shares held by all of these entities.
 - (10) Mr. Miller upon joining the Company was granted an option to purchase 375,000 shares of our Class B common stock, which vests on the fifth annual anniversary of the grant date and with accelerated vesting upon the achievement of certain performance conditions; and (2) an option to purchase 300,000 shares of Class B common stock which vests over four years from the grant date.
 - (11) Includes 128,750 shares of restricted stock subject to vesting; and (2) 170,000 shares of Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023.
 - (12) Includes 22,500 shares of restricted stock subject to vesting; and (2) 65,000 shares of Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023.
 - (13) Includes an aggregate of: (1) 4,660,927 shares of our Class A common stock; (2) 3,025,675 shares of our Class B common stock which includes 10,000 shares for which beneficial ownership has been disclaimed; and (3) 791,750 shares of our Class B common stock subject to options that are currently exercisable or exercisable within 60 days of April 24, 2023.

Equity Compensation Plans

Amended and Restated 2003 Stock Incentive Plan. Our 2003 Stock Incentive Plan was adopted by our Board of Directors and approved by our stockholders on March 30, 2004 (the “2003 Stock Plan”). The 2003 Stock Plan provided for the granting of shares of Class B common stock to employees, directors, and consultants of Marchex, its affiliates and strategic partners and provided for the following types of grants:

- incentive stock options within the meaning of Section 422 of the Internal Revenue Code, sometimes known as ISOs;
- non-statutory stock options, which are options not intended to qualify as ISOs, sometimes known as non-qualified options; and
- right to purchase shares pursuant to restricted stock purchase agreements.

The 2003 Stock Plan was amended in May of 2010 and provided for grants of restricted stock units to eligible participants under the 2003 Stock Plan. No further awards were made under the 2003 Stock Plan after December 31, 2012 and the 2012 Stock Plan covered the anticipated balance of shares available under the 2003 Stock Plan.

2012 Stock Incentive Plan. Our 2012 Stock Incentive Plan was adopted by our Board of Directors and approved by our stockholders on May 4, 2012 (the “2012 Stock Plan”). The 2012 Stock Plan provides for the granting of shares of Class B common stock to employees, directors, and consultants of Marchex, its affiliates and strategic partners and provides for the following types of grants:

- incentive stock options within the meaning of Section 422 of the Internal Revenue Code, sometimes known as ISOs;
- non-statutory stock options, which are options not intended to qualify as ISOs, sometimes known as non-qualified options;
- right to purchase shares pursuant to restricted stock purchase agreements; and
- restricted stock units.

No further awards will be made under the 2012 Stock Plan after December 31, 2021.

2021 Stock Incentive Plan. Our 2021 Stock Incentive Plan was adopted by our Board of Directors and approved by our stockholders on October 1, 2021 (the “2021 Stock Plan”). The 2021 Stock Plan provides for the granting of shares of Class B common stock to employees, directors, and consultants of Marchex, its affiliates and strategic partners and provides for the following types of grants:

- incentive stock options within the meaning of Section 422 of the Internal Revenue Code, sometimes known as ISOs;
- non-statutory stock options, which are options not intended to qualify as ISOs, sometimes known as non-qualified options;
- right to purchase shares pursuant to restricted stock purchase agreements; and
- restricted stock units.

2014 Employee Stock Purchase Plan. Our 2014 employee stock purchase plan was adopted by our Board of Directors and approved by our stockholders on May 3, 2013 (the “2014 Employee Stock Purchase Plan”). The 2014 Employee Stock Purchase Plan is intended to qualify under Section 423 of the Internal Revenue Code and permits eligible employees to purchase our Class B common stock for amounts up to 15% of their compensation in purchase periods under the plan. Under the 2014 Employee Stock Purchase Plan, no employee will be permitted to purchase stock worth more than \$25,000 in any calendar year, valued as of the first day of each purchase period. We have authorized an aggregate of 225,000 shares of our Class B common stock for issuance under the 2014 Employee Stock Purchase Plan to participating employees. The 2014 Employee Stock Purchase Plan provides for purchase periods which shall be determined by the Board of Directors and the purchase price of shares of Class B common stock available under the purchase plan shall be equal to 95% of the closing price of the shares of Class B common stock on the last business day of each purchase period.

Equity Compensation Plan Information

The following table sets forth certain information regarding our Class B common stock that may be issued upon exercise of options, warrants and other rights under all of our existing equity compensation plans as of December 31, 2022:

Plan Category	Number of shares to be issued upon exercise of outstanding options, warrants and rights (#) (a)	Weighted average exercise price of outstanding options, warrants and rights (\$) (b)	Number of shares remaining available for future issuance under equity compensation plans (excluding shares reflected in column (a)) (#) (c)
Equity compensation plans approved by security holders:			
2003 amended and restated stock incentive plan, as amended (1)	23,638	4.40	—
2012 stock incentive plan (2)	4,133,728	3.26	—
2014 employee stock purchase plan	—	—	41,982
2021 stock incentive plan(3)	1,372,500(4)	2.04(5)	—
Total	5,433,419	2.49(5)	41,982

The weighted-average exercise price in column (b) is calculated based on outstanding stock options. It does not take into account shares issuable upon vesting of outstanding restricted stock units, which have no exercise price.

- (1) After December 31, 2012, no awards were made under the 2003 Stock Plan. Consists of stock options to purchase shares of our Class B common stock.
- (2) After December 31, 2021, no awards were made under the 2012 Stock Plan. Consists of stock options to purchase shares of our Class B common stock.
- (3) We have reserved 6,056,291 shares of Class B common stock for issuance under our 2021 Stock Plan, which includes an increase of 1,294,725 shares to the authorized number of shares available under the plan, which occurred on January 1, 2022.
- (4) Consists of stock options to purchase 739,000 shares of Class B common stock and restricted stock units representing the right to purchase 633,500 shares of our Class B common stock.
- (5) Calculated exclusive of outstanding restricted stock units.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Procedures for Review and Approval of Related Person Transactions

Our Audit Committee is responsible under its charter for reviewing and approving in advance any proposed related party transactions which would require disclosure under Item 404(a) of Regulation S-K and reporting to the Board of Directors on any approved transactions. The Audit Committee is responsible for ensuring that such relationships are on terms commensurate with those that would be extended to an unrelated third party.

Board Independence

The Board of Directors determined that, other than Mr. Horowitz and Mr. Arends, each of the members of the board is an independent director in accordance with NASDAQ listing standards.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The Company's independent registered public accounting firm is RSM US LLP ("RSM"), Seattle, WA, PCAOB ID: 49.

On November 11, 2022, the Audit Committee approved the selection of RSM to serve as Marchex's independent registered public accounting firm. Moss Adams LLP ("Moss Adams") served as Marchex's independent registered public accounting firm for the fiscal year ended December 31, 2021 and through November 11, 2022.

Accounting Fees and Services

During fiscal years 2021 and 2022, Moss Adams and RSM provided professional services in the following categories and amounts:

Fee Category	2021	2022	
	Moss Adams (\$)	Moss Adams (\$)	RSM (\$)
Audit Fees (1)	465,000	159,995	204,750
Audit-Related Fees (2)	—	49,875	—
Tax Fees (3)	—	—	—
Total All Fees	465,000	209,870	204,750

- (1) *Audit Fees* consist of professional services rendered for the audit of Marchex’s fiscal year consolidated financial statements and effectiveness of the internal control over financial reporting, interim review of the condensed consolidated financial statements included in the quarterly reports, and consent and review of registration statements.
- (2) *Audit-Related Fees* consist of professional services rendered for assurance and related services.
- (3) *Tax fees* consist of fees for professional services for tax return preparation and consultation on matters related to, state and local tax considerations and tax credits.

The Audit Committee has considered whether the provision of non-audit services is compatible with maintaining the independence of Moss Adams and the Audit Committee has concluded that it is.

The Audit Committee pre-approved 100% of the 2021 and the 2022 services and fees above pursuant to the pre-approval policy described below.

Policy on Pre-Approval by Audit Committee of Services Performed by Independent Registered Public Accounting Firm

The policy of the Audit Committee is to pre-approve all audit and permissible non-audit services to be performed by the independent registered public accounting firm during the fiscal year. The Audit Committee pre-approves services by authorizing specific projects within the categories outlined above, subject to the budget for each category. The Audit Committee’s charter delegates to its Chairman the authority to address any requests for pre-approval of services between Audit Committee meetings, and the Chairman must report any pre-approval decisions to the Audit Committee at its next scheduled meeting.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

3. Exhibits

The exhibits listed in the exhibit index of the Form 10-K and the exhibits listed in the exhibit index of this Amendment are filed with, or incorporated by reference in, this report.

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Document</u>
†31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
†31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

†Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

MARCHEX, INC.

By: _____ /S/ MICHAEL A. ARENDS

Michael A. Arends
Vice Chairman
(Principal Financial Officer and Principal Accounting Officer)

Date: May 1, 2023

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Edwin Miller, certify that:

1. I have reviewed this Amendment to the Annual Report on Form 10-K of Marchex, Inc. for the fiscal year ended December 31, 2022; and
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.

Date: May 1, 2023

/s/ EDWIN MILLER

Edwin Miller
CEO
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael A. Arends, certify that:

1. I have reviewed this Amendment to the Annual Report on Form 10-K of Marchex, Inc. for the fiscal year ended December 31, 2022; and
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.

Date: May 1, 2023

/s/ MICHAEL A. ARENDS

Michael A. Arends
Vice Chairman
(Principal Financial Officer and Principal Accounting Officer)