

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

June 30, 2000
Date of Report (Date of earliest event reported)

8X8, INC.
(Exact name of registrant as specified in its charter)

Delaware	333-15627	77-0142404
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

2445 Mission College Blvd.
Santa Clara, California 95054
(Address of principal executive offices)

(408) 727-1885
(Registrant's telephone number, including area code)

ITEM 2. ACQUISITION OF DISPOSITION OF ASSETS

On June 30, 2000, 8x8, Inc., a Delaware corporation doing business as Netergy Networks, Inc. ("Netergy") completed its acquisition of UForce Inc., a Canadian corporation ("UForce") pursuant to the terms of a Share Exchange Agreement ("Exchange Agreement") by and among Netergy, UForce, all of the shareholders of UForce and all indirect owners of shares of UForce. In connection with the acquisition Netergy issued or will issue up to a total of 4,579,201 shares of common stock as follows: (1) 1,447,523 shares were issued at closing of the acquisition to UForce shareholders that elected to receive Netergy common stock at closing in exchange for their UForce shares or rights to acquire UForce shares; (2) 2,107,780 shares will be issued upon the exchange or redemption of the exchangeable shares (the "Exchangeable Shares") of Canadian entities held by former shareholders or indirect owners of UForce stock; and (3) 1,023,898 shares will be issued upon exercise of options formerly for the purchase of UForce stock that Netergy assumed. In addition, Netergy created a Special Voting Share that provides holders of Exchangeable Shares with voting rights that are equivalent to the shares of common stock into which their shares convert.

Based on the closing price of Netergy common stock for a period surrounding the date of the Exchange Agreement and the value of UForce employee stock options assumed, the transaction is valued at approximately \$44.6 million. The acquisition will be accounted for as a purchase transaction and will result in a charge for purchased in-process R&D expense in the second quarter of fiscal 2001.

All shares issued or to be issued pursuant to the acquisition, other than the shares to be issued upon exercise of the assumed options, were or will be issued in reliance on exemptions from the Securities Act of 1933, as amended, and as such will be subject to restrictions on transfer. In addition, the acquisition documents provide additional contractual restrictions on resales on a portion of the Netergy shares issued or to be issued. Netergy is obligated to file a Registration Statement on Form S-8 to register the shares issuable upon exercise of assumed options and is obligated to issue a Registration Statement on Form S-3 to register the other shares issued or issuable in the transaction.

Under the terms of the Exchange Agreement, a total of 209,078 Exchangeable Shares will be held in escrow for a period of one year and during that time may be used to satisfy certain indemnification obligations of the former UForce shareholders.

The terms of the Exchange Agreement and the other agreements, instruments and documents contemplated by the Exchange Agreement were the result of arm's-length negotiations among the parties.

The summary of the provisions of the Exchange Agreement and the acquisition set forth above is qualified in its entirety by reference to the Exchange Agreement which is incorporated herein by reference to the Current Report on Form 8-K filed with the Securities and Exchange Commission by Netergy on May 23, 2000 and the other transaction documents filed as exhibits to this report.

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibit C.

- (b) Financial statements of Business Acquired. To be filed by amendment to this Current Report on Form 8-K.
- (c) Pro Forma Financial Information. To be filed by amendment to this Current Report on Form 8-K.
- (d) Exhibits.

Exhibit Number -----	Description -----
2.1(1)	Share Exchange Agreement, dated as of May 19, 2000, by and among Netergy, U Force, all of the shareholders of U Force and indirect owners of the shares of U Force.
3.1	Certificate of the Powers, Designations, Preferences and Rights of Special Voting Stock of 8x8, Inc.
10.1	Registration Rights Agreement, dated as of June 30, 2000, by and among Netergy and parties identified on Exhibit A thereto.
10.2	Employment Agreement between U Force Company, Netergy, Jean-Luc Calonne and certain entities controlled by Jean-Luc Calonne
10.3	Employment Agreement between U Force Company, Netergy, Cyrille Thilloy and an entity controlled by Cyrille Thilloy
99.1(1)	Press release dated May 19, 2000.

- (1) Incorporated by reference from the Company's Current Report on Form 8-K, as filed with the Commission on May 26, 2000.

SIGNATURES

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

8X8, INC.

Dated: July 14, 2000

By: /s/ David M. Stoll

David M. Stoll
Chief Financial Officer

EXHIBIT INDEX

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EXHIBIT 3.1

CERTIFICATE OF THE POWERS, DESIGNATIONS,
PREFERENCES AND RIGHTS OF

SPECIAL VOTING STOCK

OF 8X8, INC.

PURSUANT TO SECTIONS 151(g) AND 155 OF THE GENERAL CORPORATION LAW
OF THE STATE OF DELAWARE

I, Paul Voois, the President of 8x8, Inc., a Delaware corporation (the "COMPANY"), in accordance with the provisions of Section 103 of the General Corporation Law of the State of Delaware (the "DGCL"), DO HEREBY CERTIFY that, pursuant to the provisions of Section 151(g) and Section 155 of the DGCL, the following resolutions were duly adopted by the Board of Directors of the Company and pursuant to authority conferred upon the Board of Directors by the provisions of the Amended and Restated Certificate of Incorporation of the Company (the "CERTIFICATE OF INCORPORATION"), the Board of Directors of the Company, on May 16, 2000, adopted resolutions providing for the issuance of a series of Preferred Stock of the Company and fixing the relative powers, designations, preferences, rights, qualifications, limitations and restrictions of such stock. These resolutions are as follows:

"RESOLVED, that pursuant to authority expressly granted to and vested in the Board of Directors of the Company by the provisions of the Certificate of Incorporation, the issuance of a series of Preferred Stock of the Company to be designated "SPECIAL VOTING STOCK", par value \$0.001 per share, which shall consist of one of the 5,000,000 shares of Preferred Stock which the Company now has authority to issue, be, and the same hereby is, authorized, and the Board hereby fixes the powers, designations, preferences and relative, participating, optional and other rights, and the qualifications, limitations and restrictions thereof, of the sole share of such series (in addition to the powers, designations, preferences and relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, set forth in the Certificate of Incorporation which may be applicable to the Preferred Stock of this series) as follows:

1. AUTHORIZED NUMBER AND DESIGNATION. One share of the Preferred Stock, \$0.001 par value, of the Company is hereby constituted as a series of the Preferred Stock designated as Special Voting Stock, \$0.001 par value (the "SPECIAL VOTING STOCK").

2. DIVIDENDS AND DISTRIBUTIONS. The holders of Special Voting Stock shall not be entitled to receive any dividends declared and paid by the Company.

3. VOTING RIGHTS. Except as otherwise required by law or by the Certificate of Incorporation, the holders of record of the Special Voting Stock will be entitled to all of the voting rights, including the right to vote in person or by proxy, of the Special Voting Share on any matters, questions, proposals or propositions whatsoever that may properly come before the

shareholders of the Company at a meeting at which holders of the Company's Common Stock ("COMMON STOCK") are entitled to vote ("COMPANY MEETING") or with respect to all written consents sought by the Company from its shareholders including the holders of the Company's Common Stock ("COMPANY CONSENT"). The holders of record of the Special Voting Stock shall have a number of votes ("VOTING RIGHTS") at a Company Meeting or with respect to a Company Consent equal to the number of votes that the holders ("HOLDERS") of non-voting exchangeable shares ("EXCHANGEABLE SHARES") of each of UForce Company - Societe UForce and 3044869 Nova Scotia Limited would be entitled to if all such Exchangeable Shares were exchanged by the Holders for shares of the Common Stock. In respect of all matters concerning the Voting Rights, the Special Voting Stock and the Common Stock shall vote as a single class.

4. FRACTIONAL INTERESTS.

(b) Pursuant to the terms of that certain Voting, Exchange and Support Agreement by and among the Company, 3044007 Nova Scotia Company, UForce Company - Societe UForce, 3044869 Nova Scotia Limited and each Holder, each Holder of Exchangeable Shares will be issued a fractional interest ("FRACTIONAL INTEREST") in the sole share of Special Voting Stock initially equal to the fraction obtained by dividing (i) the number of Exchangeable Shares held by such Holder at the time of the issuance of such fractional interest, by (ii) the total number of Exchangeable Shares outstanding at such time. The Fractional Interest of each Holder will automatically adjust from time to time, without any further action of the Company or the Holders, upon any change in the number of issued Exchangeable Shares such that each Holder's Fractional Interest at any time shall equal the fraction obtained by dividing (i) the number of Exchangeable Shares held by such Holder at such time, by (ii) the total number of Exchangeable Shares outstanding at such time.

(c) The Fractional Interest of each Holder shall entitle such Holder to cast and exercise at each Company Meeting or on all Company Consents a number of votes equal to the number of votes to which a holder of one Common Stock is entitled to cast and exercise thereat or with respect thereto for each Exchangeable Share owned of record by such Holder on the record date established by the Company for such Company Meeting or Company Consent, as the case may be.

(d) At such time as the Special Voting Stock has no votes attached to it because there are no Exchangeable Shares outstanding which are not owned by the Company, any of its subsidiaries or any person directly or indirectly controlled by or under common control of the Company, the Special Voting shall be cancelled.

5. LIQUIDATION PREFERENCE. Upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, and subject to any prior rights of holders of shares of Preferred Stock ranking senior to the Special Voting Stock, the holders of the share of Special Voting Stock shall be paid an amount totaling \$0.001, together with payment to any class of stock ranking equally with the Special Voting Stock, and before payment shall be made to the holders of any stock ranking on liquidation junior to the Special Voting Stock.

6. RANKING. The Special Voting Stock shall rank junior to all other series of the Company's Preferred Stock, unless the terms of any such series shall provide otherwise.

RESOLVED FURTHER, that the Chief Executive Officer, President or any Vice President and the Secretary or any Assistant Secretary of the Company be, and they hereby are, authorized and directed to prepare and file (or cause to be prepared and filed) a Certificate of the Powers, Designations, Preferences and Rights in accordance with the foregoing resolution and the provisions of Delaware law and to take such actions as they may deem necessary or appropriate to carry out the intent of the foregoing resolutions."

IN WITNESS WHEREOF, I have executed and subscribed to this Certificate and do hereby affirm the foregoing as true under the penalties of perjury as of the 29th day of June, 2000.

8X8, INC.

/s/ Paul Voois

Paul Voois
President

NETERGY NETWORKS

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (together with any amendments and exhibits thereto, the "AGREEMENT") is made as of the 30th day of June, 2000, between 8x8, Inc., a Delaware corporation doing business as Netergy Networks (together with any successors "NETERGY"), and the parties listed on Exhibit A hereto, pursuant to that certain Share Exchange Agreement, dated as of May 19, 2000 among Netergy, UForce Inc., and the Security Holders named therein (the "SHARE EXCHANGE AGREEMENT"), and pursuant to the Termination Agreement and Mutual Release dated as of May 19, 2000 by and among Netergy, Logibro Inc. and UForce Inc.

1. DEFINITIONS. As used in this Agreement:

(a) "CLOSING DATE" means the Closing Date as defined in Section 1.1 of the Share Exchange Agreement.

(b) "EFFECTIVE DATE" shall mean the date upon which a registration statement filed pursuant to Section 2 of this Agreement shall have been declared effective by the SEC.

(c) "EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

(d) "FORM S-3" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC which similarly permits inclusion or incorporation of substantial information by reference to other documents filed by Netergy with the SEC.

(e) "HOLDERS" shall mean persons holding Registrable Securities.

(f) "IMMEDIATE FAMILY" of an individual shall mean a spouse of such individual, or a parent, sibling or lineal descendant of such individual or his or her spouse, whether by adoption or otherwise.

(g) "LOCKUP SHARES" means those Registrable Securities that are subject to lockup provisions pursuant to the Share Exchange Agreement or any stock restriction agreement the form of which is listed as an exhibit to the Share Exchange Agreement (the "LOCKUP PROVISIONS").

(h) "MAJORITY HOLDERS" means those Holders or their designated representative, who together own at least a majority of the Registrable Securities, but including SGF Tech Inc. or any direct or indirect subsidiaries thereof (including 9091-1215 Quebec, Inc.) holding Registrable Securities.

(i) "MATERIAL EVENT" means the happening of any event during the period that a registration statement described in Section 2 hereof is required to be effective as a result of which, in the reasonable judgment of Netergy, such registration statement or the related prospectus contains or may contain any untrue statement of a material fact or omits or may omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(j) "OPTION SHARES" means the Parent Shares purchasable or purchased from time to time under the Company Options assumed by Netergy or Replacement Options issued by Netergy as of the Closing Date, together with all additional securities receivable or received in payment of dividends or distributions on or splits of those securities received as a result of adjustments provided for in the related Option Agreements.

(k) "REGISTRABLE SECURITIES" means the Parent Shares issued to the Security Holders or to Logibro Inc., or issuable to the Security Holders upon exchange of the Exchangeable Shares (including the Indemnification Shares), together with all additional securities receivable or received in payment of dividends or distributions on or splits of those securities; provided, however, that such securities shall only be treated as Registrable Securities if and so long as they have not been (A) sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction, or (B) sold or are, in the opinion of counsel for Parent, available for sale in a single transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto may be removed prior to or upon the consummation of such sale.

(l) "SEC" means the Securities and Exchange Commission.

(m) "SECURITIES ACT" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

Terms not otherwise defined herein have the meanings given to them in the Share Exchange Agreement.

2. REGISTRATION.

(b) Form S-3 Registration. Netergy shall use commercially reasonable efforts to cause the Registrable Securities issued or issuable to the Holders to be registered under the Securities Act no later than 120 days after the Closing Date, so as to permit the resale thereof, and in connection therewith shall prepare and file with the SEC and shall use commercially reasonable efforts to cause to become effective, a Form S-3 covering the Registrable Securities; provided, however, that the Holders shall provide all such information and materials relating to the Holders as may be required to be disclosed pursuant to applicable SEC rules and regulations, and take all such commercially reasonable action as may be required in order to permit Netergy to comply with all the applicable requirements of the SEC in order to cause the Form S-3 or other registration statement required to be filed pursuant to this Section 2 to be declared effective by the SEC, such provision of information and materials to be a condition precedent to the obligations of Netergy pursuant to this Agreement and the Share Exchange Agreement.

(c) Demand Registration. In the event that (i) a Form S-3 covering the Registrable Securities is not effective within 120 days after the Closing Date, (ii) Netergy ceases to be eligible to use Form S-3 or (iii) Rule 144 ceases to be available for the resale of the Registrable Securities under the Securities Act, then if Netergy shall receive from either (a) the Majority Holders or (b) SGF Tech Inc. (or its direct or indirect subsidiary holding Registrable Securities), a written request that Netergy effect a registration, qualification or compliance with respect to Registrable Securities constituting at least 25% of the Registrable Securities, Netergy shall within 120 days of such request, use its commercially reasonable efforts to effect such registration under the Securities Act (other than pursuant to a registration statement on Form S-4 or S-8 or any successor thereto) as may be so requested and as would permit or facilitate the sale and distribution of all of such Registrable Securities specified in such request; provided, however, that Netergy shall not be obligated to effect (i) more than two (2) such registrations in the aggregate being agreed that only one of such requests may be made by each of (1) the Majority Holders and (2) SGF Tech Inc. (or its subsidiaries) and (ii) any registration under the Securities Act except in accordance with the provisions of this Agreement. The offerings made pursuant to such registrations under this Section 2 shall not be underwritten.

(d) Form S-8 Registration. Within 60 days after the Closing Date, Netergy shall prepare and file a registration statement on Form S-8 registering the Option Shares under the Securities Act.

(e) Release of Registrable Securities from Lockup Provisions. In the event that any Lockup Shares are released from Lockup Provisions prior to 120 days after the Closing Date, then Netergy shall, commencing at the time of the release of such Lockup Shares, use commercially reasonable efforts to cause the Form S-3 to become effective as soon as practicable rather than within 120 days after the Closing Date; but in any case no later than 120 days after the Closing Date.

3. POSTPONEMENT OF REGISTRATION.

(b) Registration. Notwithstanding Section 2 above, Netergy shall be entitled to postpone the declaration of effectiveness of any registration statement prepared and filed pursuant to Section 2 for a reasonable period of time, but not in excess of 60 calendar days after the applicable deadline, if the Board of Directors of Netergy, acting in good faith, determines that there exists a Material Event.

(c) Material Event. The Holders agree that, upon receipt of any notice from Netergy of the happening of a Material Event, the Holders will forthwith discontinue any disposition of Registrable Securities or Option Shares pursuant to any registration statement described in Section 2 until the Holders' receipt of copies of supplemented or amended prospectuses prepared by Netergy (which Netergy will use its commercially reasonable efforts to prepare and file promptly), and, if so directed by Netergy, the Holders will deliver to Netergy all copies in their possession, other than permanent file copies then in the Holders' possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice. Holders that are "affiliates" of Netergy within the meaning of Rule 144(a)(1) agree to discontinue disposition of the Registrable Securities during any restricted trading periods imposed on affiliates by Netergy's Insider Trading Compliance Program.

4. OBLIGATIONS OF NETERGY.

(a) Except as set forth in Sections 2 and 3, Netergy shall (i) prepare and file with the SEC the registration statement in accordance with Section 2 hereof with respect to the shares of Registrable Securities and the Option Shares and shall use commercially reasonable efforts to cause such registration statement to become effective as provided in Section 2 and to keep such registration statement described in Section 2(a) and 2(b) continuously effective until the earlier to occur of (A) the sale of all of the Registrable Securities so registered and (B) the first anniversary of the Effective Date; (ii) furnish to the Holders such number of copies of any prospectus (including any preliminary prospectus and any amended or supplemented prospectus), as the Holders may reasonably request in order to effect the offering and sale of the Registrable Securities and Option Shares to be offered and sold, but only while Netergy shall be required under the provisions hereof to cause such registration statement to remain current; (iii) use its commercially reasonable efforts to register or qualify the shares of the Registrable Securities and Option Shares covered by such registration statement under the securities or "blue sky" laws of such jurisdictions as the Holders shall reasonably request (provided that Netergy shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such jurisdiction where it has not been qualified), and do any and all other acts or things which may be reasonably necessary or advisable to enable the Holders to consummate the public sale or other disposition of the Registrable Securities and Option Shares in such jurisdictions; (iv) cause all such Registrable Securities and Option Shares to be listed on each securities exchange or National Association of Securities Dealers, Inc. Automated Quotation System on which similar securities issued by Netergy are then listed; (v) notify the Holders of any Material Event; (vi) so long as any registration statement described in Section 2 remains effective, promptly prepare, file and furnish to the Holders a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of the Registrable Securities and Option Shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; (vii) notify the Holders promptly after it shall receive notice thereof, of the date and time any registration statement and each post-effective amendment thereto has become effective or a supplement to any prospectus forming a part of such registration statement has been filed; (viii) notify the Holders promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus or for additional information; (ix) advise the Holders promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of any registration statement or the initiation or threatening of any proceeding for that purpose and promptly use commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued, and (x) furnish copies of prospectuses to any national securities exchange upon which the Registrable Securities are listed in compliance with Rule 153 adopted pursuant to the Securities Act, or any similar rule as in effect from time to time, so as to enable all the Holders to rely on such Rule for sales of Registrable Securities through the facilities of such national securities exchange.

(b) Netergy shall comply with all of the reporting requirements of the Exchange Act applicable to it and shall comply with all other public information reporting requirements of the SEC that are conditions to the availability of Rule 144 for the sale of the Registrable Securities and/or the Option Shares. Netergy shall cooperate with the Holders in supplying such information as may be necessary for the Holders to complete and file any information reporting forms presently or hereafter required by the SEC as a condition to the availability of Rule 144.

(c) Netergy shall not, directly or indirectly, enter into any merger, consolidation or reorganization in which Netergy shall not be the surviving corporation unless the surviving corporation shall, prior to such merger, consolidation or reorganization, agree in writing to assume the obligations of Netergy under this Agreement, and for that purpose references hereunder to "Registrable Securities" and "Option Shares" shall be deemed to include the common stock, if any, that Holders would be entitled to receive in exchange for their securities under any such merger, consolidation or reorganization; provided, however, that, to the extent Holders receive securities that are by their terms convertible into common stock of the issuer thereof, then only such shares of common stock as are issued or issuable upon conversion of said convertible securities shall be included within the definition of "Registrable Securities" and "Option Shares".

5. EXPENSES. Netergy shall pay the expenses incurred by Netergy in connection with any registration of Registrable Securities and/or Option Shares pursuant to this Agreement including all SEC, NASD and "blue sky" registration and filing fees, printing expenses, transfer agents' and registrars' fees, and the reasonable fees and disbursements of Netergy's outside counsel and independent accountants. The Holders shall be responsible for all commissions and transfer taxes, as well as any other expenses incurred by the Holders, other than the reasonable fees and disbursements of counsel to the Holders not exceeding \$10,000 which shall be paid by Netergy.

6. INDEMNIFICATION. In the event of any offering registered pursuant to this Agreement:

(b) Netergy will indemnify and hold harmless each Holder and, if an entity, each of the Holder's directors and officers and each person who controls the Holder within the meaning of Section 15 of the Securities Act, with respect to any registration or qualification effected pursuant to this Agreement, against all expenses, claims, losses, damages and liabilities (or actions in respect thereof), including any of the foregoing incurred in settlement of any litigation, commenced or threatened, to which any of the foregoing persons may be subject under the Securities Act or otherwise arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, or any amendment or supplement thereto, or prospectus related thereto, incident to any such registration or qualification, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they are made, not misleading, or any violation by Netergy of any rule or regulation promulgated under the Securities Act, or state securities laws, or common law, applicable to Netergy in connection with any such registration or qualification, and will reimburse such Holder and each such director, officer or control persons, for any legal and any other expenses reasonably incurred by any of them in connection with investigating, preparing or defending any such claim, loss, damage, liability or action, provided, however, that Netergy will not be liable in any such case (i) to the extent that any such claim, loss,

damage, liability or expense arises out of or is based in any untrue statement or omission or alleged untrue statement or omission, made in reliance upon and in conformity with written information furnished to Netergy by an instrument duly executed by such Holder or any person who controls the Holder and stated to be specifically for use therein or (ii) if a Holder disposes of Registrable Securities or Option Shares in breach of the first sentence of Section 3(b).

(c) Each Holder of Registrable Securities and/or Option Shares will severally and not jointly indemnify and hold harmless Netergy, each of its directors and officers and each person who controls Netergy within the meaning of Section 15 of the Securities Act, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) or a material fact contained in any registration statement, or any amendment or supplement thereto, or prospectus related thereto, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement or prospectus in reliance upon and in conformity with written information furnished to Netergy by an instrument duly executed by such Holder and stated to be specifically for use therein and will reimburse Netergy, the remaining Holders, such directors, officers, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement or prospectus, in reliance upon and in conformity with written information furnished to Netergy by an instrument duly executed by such Holder and stated to be specifically for use therein; provided, however, that the maximum amount of liability in respect of such indemnification shall be in proportion to and limited to, in the case of each Holder of Registrable Securities and/or Option Shares, an amount equal to the net proceeds actually received by such Holder from the sale of Registrable Securities and/or Option Shares effected pursuant to such registration.

(d) Each party entitled to indemnification under this Section 6 (the "INDEMNIFIED PARTY") shall give notice to the party required to provide indemnification (the "INDEMNIFYING PARTY") promptly after such Indemnified Party has notice of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, jointly with any other Indemnifying Party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of its election so to assume the defense thereof, the Indemnifying Party shall not be responsible for any legal or other expenses subsequently incurred by the Indemnified Party in connection with the defense thereof; provided, however, that, if any Indemnified Party shall have reasonably concluded that there may be one or more legal or equitable defenses available to such Indemnified Party which are additional to or conflict with those available to the Indemnifying Party, or that such claim or litigation involves or could have an effect upon matters beyond the scope of the indemnity agreement provided in this Section 6, then the Indemnifying Party shall not have the right to assume the defense of such action on behalf of such Indemnified Party and such Indemnifying Party shall reimburse such Indemnified Party and any Person controlling such Indemnified Party for that portion of the fees and expenses of

any counsel retained by the Indemnified Party which is reasonably related to the matters covered by the indemnity agreement provided in this Section 6. The Indemnified Party may participate in such defense at such party's expense, and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Agreement, except to the extent, but only to the extent, that the Indemnifying Party's ability to defend against such claim or litigation is impaired as a result of such failure to give notice. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Whether or not the defense of any claim or action is assumed by the Indemnifying Party, such Indemnifying Party will not be subject to any liability for any settlement without its consent.

(e) If the indemnification provided for in this Section 6 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, claim, damage, liability or action referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amounts paid or payable by such Indemnified Party as a result of such loss, claim, damage, liability or action in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other, in connection with the statements or omissions which resulted in such loss, claim, damage, liability or action as well as any other relevant equitable considerations; provided, however, that, if the circumstances described in either proviso of Section 6(a) apply to the Indemnified Party, then the Indemnifying Party shall not be obligated to contribute with respect to such loss, claim, damage, liability or action to the extent set forth in such proviso. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(f) Netergy and the Holders agree that it would not be just and equitable if contribution pursuant to Section 6(d) were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Sections 6(c) and 6(d). The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages and liabilities referred to in subsection (d) of this Section 6 shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim.

(g) The obligations of Netergy and any of the Holders under this Section 6 shall survive the completion of any offering of stock in a registration statement under this Agreement.

7. RESTRICTIONS ON TRANSFER.

(b) The Holders understand that the Registrable Securities issued in connection with the Share Exchange Agreement have been or will be issued in a transaction exempt from the registration requirements of the Securities Act and shall not be transferable except in accordance with the terms of Section 7(b) of this Agreement and (A) in accordance with the registration statement filed with the SEC, in which case Holder must comply with the requirement of delivering a current prospectus, (B) in accordance with Rule 144, or (C) pursuant to an exemption from the registration requirements of the Securities Act. Netergy shall be entitled to give stop transfer instructions to its transfer agent with respect to the Registrable Securities in order to enforce the foregoing restrictions.

(c) Each Holder will not make any offering, sale, short sale or other disposition of Lockup Shares, directly or indirectly, without (i) the prior written consent of Netergy, or (ii) except in accordance with the Lockup Provisions to which it is a party.

8. RESTRICTIVE LEGENDS. Each certificate representing Registrable Securities shall bear substantially the following legends (in addition to any legends required under applicable securities laws):

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THE HOLDER HEREOF MAY NOT ENGAGE IN HEDGING TRANSACTIONS WITH RESPECT TO THESE SECURITIES, NOR MAY THESE SECURITIES BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF COMPLIANCE WITH REGULATIONS UNDER THE ACT, A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT.

ADDITIONALLY, THE TRANSFER OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS SPECIFIED IN A REGISTRATION RIGHTS AGREEMENT AMONG THE ISSUER AND CERTAIN CURRENT AND FORMER SECURITY HOLDERS OF UFORCE COMPANY DATED JUNE 30, 2000 (THE "AGREEMENT"), AND NO TRANSFER OF SHARES SHALL BE VALID OR EFFECTIVE ABSENT COMPLIANCE WITH SUCH RESTRICTIONS. COPIES OF THE AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE REGISTERED HOLDER OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY.

The legends contained in this Section 8 shall be removed from a certificate in connection with any sale in compliance with the terms of this Agreement and pursuant to the registration statement filed with the SEC, but shall not be removed in any other circumstance without Netergy's prior written consent (which consent shall not be unreasonably withheld or delayed and shall be granted if such legend is no longer appropriate).

9. ASSIGNMENT OF REGISTRATION RIGHTS. The rights to cause Netergy to register Registrable Securities and Option Shares pursuant to this Agreement may not be assigned by the Holders to any person or entity; provided, however, that upon the death of any Holder, the rights to cause Netergy to register Registrable Securities and Option Shares pursuant to this Agreement shall inure to such Holder's heirs, devisees, legatees, legal representatives or other designees; provided, further, that a Holder may assign the rights to cause Netergy to register Registrable Securities and the Option Shares pursuant to this Agreement to a transferee or assignee of Registrable Securities that is (a) a wholly-owned subsidiary of such Holder, (b) a person who controls such Holder within the meaning of Section 15 of the Securities Act; (c) a trust for the benefit of any individual Holder or a member of such Holder's Immediate Family; or (d) any transferee who becomes the holder of at least twenty five percent (25%) of the number of the Registrable Securities received by such Holder in connection with the Share Exchange Agreement and provided, further, that (i) the transferor shall, within ten (10) days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; and (ii) such transferee or assignee shall agree to be subject to all restrictions set forth in this Agreement.

10. AMENDMENT OF REGISTRATION RIGHTS; WAIVERS. This Agreement may be amended by the Majority Holders and Netergy at any time by execution of an instrument in writing signed on behalf of each of the parties; provided, however, that no modification, amendment or waiver that would treat any Holder of Registrable Securities or Option Shares then outstanding in a non-ratable, discriminatory manner shall be made without the prior written consent of such Holder. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

11. TERMINATION. The registration rights set forth in this Agreement shall terminate as to any Holder at such time as all of the Registrable Securities then held by such Holder can be sold by such Holder in a single 3-month period in accordance with the provisions of Rule 144 under the Securities Act.

12. GRANT OF ADDITIONAL REGISTRATION RIGHTS. The Holders acknowledge that Netergy may acquire other companies and in the course of such acquisitions may grant the equity owners thereof registration rights with respect to their shares of Netergy on terms which would be negotiated at such time and may be materially different than the terms of this Agreement.

13. NOTICES. All notices and other communications required or permitted hereunder shall be in writing and shall be deemed effectively given upon delivery to the party to be notified in person or by courier service or five days after deposit with the United States mail, postage prepaid, addressed (a) if to the Holders, at the Holders' addresses as set forth in the securities register of Netergy as the case may be or (b) if to Netergy at 2445 Mission College Blvd., Santa Clara, California 95054, Attention: President.

14. GOVERNING LAW; INTERPRETATION. This Agreement shall be construed in accordance with and governed for all purposes by the laws of the State of Delaware regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

15. SEVERABILITY; SURVIVAL. If any portion of this Agreement is held by a court of competent jurisdiction to conflict with any federal, state or local law, or to be otherwise invalid or unenforceable, such portion of this Agreement shall be of no force or effect, and this Agreement shall otherwise remain in full force and effect and be construed as if such portion had not been included in this Agreement.

16. ENTIRE AGREEMENT. This Agreement contains the entire agreement and understanding of the parties and supersedes all prior discussions, agreements and understandings relating to the subject matter hereof.

17. COUNTERPARTS; FACSIMILE SIGNATURES. This Agreement may be executed in any number of counterparts, all of which shall be considered one and the same agreement and shall become effective when such counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart. A facsimile counterpart signature to this Agreement shall be acceptable if the originally executed counterpart is delivered within a reasonable period thereafter.

18. NO CONFLICTS. Netergy represents and warrants to the Holders that the registration rights granted to the Holders under this Agreement do not conflict with any other registration rights granted by Netergy. Netergy shall not, after the date hereof, grant any registration rights which conflict with or impair the registration rights granted by Netergy hereunder.

19. SUCCESSORS AND ASSIGNS. This Agreement shall bind and inure to the benefit of Netergy and the Holders and, subject to Section 9, the respective successors and assigns of Netergy and the Holders.

20. HEADINGS. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Netergy and the Holders have caused this Agreement to be executed as of the date first above written.

8X8, INC. (DOING BUSINESS AS NETERGY NETWORKS)

By: /s/ Paul Voois

Paul Voois
Chief Executive Officer

SHAREHOLDERS
(OTHER THAN 9091-1215 QUEBEC INC.)

By: s/ Jean-Luc Calonne

Jean-Luc Calonne, Shareholder Representative

LOGIBRO INC.

By: /s/ Michel Poirier

Michel Poirier
Corporate Representative

9091-1215 QUEBEC INC.

By:

Name:
Title:

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

EXHIBIT A
SHAREHOLDERS

9090-1208 Quebec Inc.
9090-1109 Quebec Inc.
9090-1133 Quebec Inc.
9090-1166 Quebec Inc.
Michael Cook
John Hennessy
Jean-Marc Parenteau
Jean-Charles Phaneuf
Alain Provencher
Mario Dorion
Martin Leclerc
Danny Deschenes
Alexandre Garneau
Farid Lahdiri
Majed Haj Mohamad
Marcel St-Amant
9091-1215 Quebec Inc.

EMPLOYMENT AND STOCK RESTRICTION AGREEMENT

Entered into in the City of Montreal, Quebec,
as of the 30th day of June, 2000

BY AND AMONG: UFORCE COMPANY (hereinafter referred to as
 "UForce");

 AND: 8x8, Inc., doing business as Netergy Networks
 ("NETERGY");

 AND: JEAN-LUC CALONNE (hereinafter referred to as
 "EMPLOYEE") domiciled at the address set forth on
 Exhibit A;

 AND: The entities holding securities for the benefit
 of Employee as identified on Exhibit A
 (collectively, the "HOLDING COMPANY").

RECITALS

- A. Netergy, UForce, and the other parties hereto have entered into a Share Exchange Agreement dated as of May 19, 2000, (the "Share Exchange Agreement") pursuant to which Netergy will acquire UForce, and which requires, among other things, that Employee enter into this Employment and Stock Restriction Agreement (the "AGREEMENT").
- B. Employee has the right to receive a significant number of Netergy shares of stock pursuant to the Share Exchange Agreement, and Employee acknowledges that a portion of the consideration paid by Netergy in connection with the Share Exchange Agreement is based on Employee entering into this Agreement. Such shares may be held on behalf of Employee by Holding Company.

THE PARTIES HAVE AGREED AS FOLLOWS:

ARTICLE 1 - OBJECT

1.1 Employment

UForce wishes to employ the services of Employee, and Employee consents to render such services.

1.2 Terms

By this Agreement, UForce and Employee intend to establish the terms of Employee's employment with UForce.

ARTICLE 2 - EMPLOYMENT

2.1 Title

UForce employs and retains Employee, who accepts, employment as the job title set forth in Exhibit A.

2.2 Conflicting Employment

Employee agrees that Employee will not engage in any other employment, consulting or other business activity during the term of Employee's employment, nor will Employee engage in any other activities that conflict with Employee's obligations to UForce, except as specified in Exhibit A.

2.3 Effectiveness

This Agreement will become effective as of the Closing of the transactions contemplated in the Share Exchange Agreement (the "EFFECTIVE DATE"). If the transactions contemplated by the Share Exchange Agreement are not consummated, this Agreement will be null and void.

ARTICLE 3 - DUTIES AND RESPONSIBILITIES

3.1 Duties

Employee answers to the Chief Executive Officer ("CEO") of Netergy or such other officer of Netergy designated by the CEO of Netergy and has the functions, responsibilities, powers and duties inherent to the job title as set forth in Exhibit A, along with any other duties that may be entrusted to Employee from time to time by the CEO of Netergy.

3.2 Responsibilities

Employee commits to act with diligence, loyalty and honesty, in the best interest of UForce and to accomplish Employee's functions, duties and responsibilities exclusively for UForce, according to Employee's best judgment and to the best of Employee's knowledge and competence.

ARTICLE 4 - REMUNERATION

4.1 Base Compensation

In consideration for the services that Employee must render to UForce pursuant to this Agreement, UForce agrees to pay to Employee the annual base salary set forth in Exhibit A, subject to the usual deductions and the applicable laws and in compliance with the administrative practices of UForce. This salary shall be revised by Netergy's Board of Directors or its Compensation Committee as part of an annual review process. Any salary revision will take into account Employee's performance, the conditions of the market, and the policies of UForce. Notwithstanding the foregoing, there shall be no downward adjustment in Employee's salary so long as Employee beneficially owns Unvested Shares. The base salary specified in this Article 4.1 is referred to in this Agreement as Employee's "BASE COMPENSATION."

4.2 Option

Employee has already been granted a certain number of UForce options. In the event, however, that the grant of these options is disallowed, Netergy will grant Employee options, pursuant to the following terms and conditions: Netergy will grant Employee an initial option (the "OPTION") to purchase the number of shares of Common Stock ("COMMON SHARES") of Netergy as set forth in Exhibit A, pursuant to Netergy's stock plan and standard form of stock option agreement. The grant will be made effective at the Effective Date. The Option exercise price will be equal to the last closing price of Common Stock as reported on the Nasdaq National Market System on the trading date immediately prior to the Effective Date. Fifty percent (50%) of the Common Shares underlying the Option will vest on the six-month anniversary of the effective date of approval of the grant of the Option by Netergy's Board of Directors. One thirty-sixth (1/36th) of the total Common Shares underlying the Option will vest on each monthly anniversary thereafter. The Option will expire on the tenth anniversary of the grant date, unless sooner terminated in accordance with its terms.

ARTICLE 5 - OTHER BENEFITS

5.1 Fringe Benefits

Employee receives all fringe benefits offered to executives of UForce and will be eligible for all other benefits offered in the future to employees, including short term disability coverage at 100% of base salary up to a maximum of six months; parking; and membership for professional associations.

5.2 Vacation

Employee shall have the right during each year to take an aggregate of 20 days of paid vacation per year.

5.3 Office Location

Employee shall be employed in the office identified in Exhibit A (the "OFFICE"), and shall not be required to relocate to any other office not located within 50 miles of the Office, without Employee's prior written consent (an "UNAPPROVED RELOCATION"). If Employee relocates at the request of UForce and later is constructively terminated or terminated without serious reason, UForce shall pay or reimburse Employee for reasonable moving expenses to relocate Employee to the metropolitan area of the office from which Employee initially relocated.

ARTICLE 6 - TERMINATION OF EMPLOYMENT

6.1 By Death

Employee's employment shall terminate automatically upon the death of Employee. In such event, UForce shall pay to Employee's beneficiaries or estate, any accrued Base Compensation, vested deferred compensation (other than pension plan or profit-sharing plan benefits which will be paid in accordance with the applicable plan), benefits under any plan of UForce in which Employee is a participant, and accrued vacation pay, all to the date of termination (collectively "ACCRUED COMPENSATION"), but no other compensation or reimbursement of any kind, including, without limitation, severance compensation, and thereafter, UForce's obligations hereunder shall terminate.

6.2 By Resignation of Employee

Employee shall provide UForce thirty (30) days advanced written notice in the case of a voluntary resignation. If Employee's employment terminates due to Employee's voluntary resignation, UForce shall pay Employee all Accrued Compensation, but no other compensation or reimbursement of any kind, including without limitation, severance compensation, and thereafter UForce's obligations hereunder shall terminate.

6.3 By UForce For Serious Reason

UForce may terminate the employment promptly after written notice for a serious reason.

6.4 By UForce Without Serious Reason or By Constructive Termination

At any time after the commencement of employment, UForce may, without serious reason and without notice, terminate Employee's employment. Should Employee be terminated by UForce without serious reason, or should Employee resign as a result of a Constructive Termination (as defined below), Employee shall be entitled to receive all

Accrued Compensation, as well as six (6) months of Base Compensation then in effect for Employee, payable in one lump sum promptly after the termination date.

6.5 Written Release

The Employee recognizes and accepts that UForce shall not, in any case, be responsible for any additional amount, indemnity in lieu of notice, severance pay or other damages arising from the termination of Employee's employment, above and beyond those specifically provided for herein. Employee undertakes to give to UForce a full and satisfactory written release upon receipt of the payment due to Employee in accordance with this Article 6.

ARTICLE 7 - REPURCHASE OPTION

7.1 Netergy's Repurchase Option

In connection with the Share Exchange Agreement, Employee either directly or through Holding Company has the right to receive a number of Exchangeable Shares, as defined in the Share Exchange Agreement (the "SHARES"). For purposes of this Agreement the term Shares also shall mean the Netergy Common Stock issuable upon exchange of the Exchangeable Shares. Employee and Holding Company hereby grant Netergy the option to repurchase all or a portion of the Shares on the terms and conditions set forth in this Article (the "REPURCHASE OPTION") if Employee ceases to be employed by Netergy for any reason or no reason, except as set forth in Article 7.3. For purposes of this Agreement, the date when Employee is notified of the termination of his or her employment shall be deemed the "TERMINATION DATE."

7.2 Unvested and Vested Shares

Shares that are subject to Netergy's Repurchase Option are referred to as "UNVESTED SHARES" and Shares that are no longer subject to Netergy's Repurchase Option are deemed "VESTED SHARES." On the Effective Date, 100% of the Shares will be Unvested Shares. Thereafter, for so long (and only for so long) as Employee remains continuously employed by UForce at all times, the Unvested Shares will become Vested Shares as set forth in the schedule provided in Exhibit A. No Unvested Shares will become Vested Shares after the Termination Date.

7.3 Acceleration of Vesting of Unvested Shares

Notwithstanding anything to the contrary herein, Netergy's Repurchase Option shall terminate and the vesting of Unvested Shares shall accelerate as follows:

- 7.3.1 The percentage of Unvested Shares set forth under the heading Section 7.3.1 in Exhibit A shall become Vested Shares if Employee is terminated with serious reason on or prior to the date that is six months after the Effective Date (the "SIX MONTH ANNIVERSARY").

- 7.3.2 Fifty percent (50%) of the then Unvested Shares shall become Vested Shares after the close of trading of Netergy Common Stock on the first date (the "MARKET BASED VESTING DATE") after the Effective Date that the 30-day moving average of the closing price of Netergy Common Stock as reported on Nasdaq National Market System (the "AVERAGE PRICE") equals or exceeds US \$40. Vesting of the remaining Unvested Shares shall continue at half the rate set forth in Exhibit A.
- 7.3.3 All Unvested Shares shall immediately become Vested Shares:
- 7.3.3.1 on the date that the Average Price equals or exceeds US \$80;
 - 7.3.3.2 if Employee is terminated without serious reason by UForce or resigns as a result of a Constructive Termination, where "CONSTRUCTIVE TERMINATION" shall have the meaning as set forth under Quebec law, however, shall not be construed to apply to any reduction in salary, benefits or responsibilities that have also been made applicable to all other employees at Employee's level;
 - 7.3.3.3 upon the death or Disability of Employee, where "DISABILITY" shall mean the Employee is prevented from properly performing Employee's duties hereunder by reason of any physical or mental incapacity for a period of six consecutive months or shorter periods aggregating to four months in any 365-day period; or
 - 7.3.3.4 upon the closing of a transaction relating to a Change of Control. As used herein, "CHANGE OF CONTROL" shall mean (i) a transaction or series of transactions, including by merger or consolidation of Netergy into or with any other entity or corporation or the merger or consolidation of any other corporation into or with Netergy, in which any person, entity or group of persons and/or entities acquire(s) shares of Netergy stock representing 35% or more of the outstanding voting power of Netergy, including voting shares issued or issuable upon conversion of any convertible security outstanding on the date of such transaction including without limitation stock options, (ii) a change in the composition of Netergy's Board of Directors as a result of an appointment or election (or series of related appointments or elections intended to effect a change in the Board) such that a majority of the members following such election(s) or appointment(s) were not members of the Board prior to such election(s) or appointment(s); (iii) a sale of all or substantially all of Netergy's assets; or (iv) a sale of UForce by stock or asset transaction.

7.4 Adjustments

The number of Shares that are Vested Shares or Unvested Shares will be deemed issued and outstanding and will have the same rights accorded them as other issued and outstanding shares of Common Stock of Netergy, and accordingly, will be proportionally adjusted to reflect any stock dividend, stock split, reverse stock split or recapitalization of Common Stock of Netergy occurring after the Effective Date.

7.5 Exercise of Repurchase Option

At any time within ninety (90) days after the Termination Date, Netergy may elect, or designate any third party, to repurchase any or all of the Unvested Shares by giving Employee written notice of exercise of the Repurchase Option. Netergy and/or its designee(s) will then have the option to repurchase from Employee or Holding Company (or from Employee's personal representative as the case may be) any or all of the Unvested Shares at the price per share set forth in Exhibit A (as adjusted to reflect any stock dividend, stock split, reverse stock split or recapitalization of the Common Stock of Netergy occurring after the Effective Date).

7.6 Payment of Repurchase Price

The repurchase price payable to purchase Unvested Shares upon exercise of the Repurchase Option will be payable, at the option of Netergy or its assignee(s), by certified check or by cancellation of all or a portion of any outstanding indebtedness of Employee to Netergy (or to such assignee) or by any combination thereof. The repurchase price will be paid without interest within ninety (90) days after the Termination Date.

7.7 Restrictions on Transfer (the "LOCK UP")

Employee and Holding Company agree that they will not make any offering, sale, short sale or other disposition of the Unvested Shares directly or indirectly without the prior written consent of Netergy. Notwithstanding the foregoing, in the event that any Shares become Vested Shares pursuant to Section 7.3.1, prior to the Six Month Anniversary Employee and Holding Company will not make any offering, sale, short sale or other disposition of such Shares directly or indirectly without the prior written consent of Netergy.

7.8 Restrictive Legends

In addition to legends set forth in the Registration Rights Agreement, so long as Shares are subject to the Repurchase Option, the share certificate evidencing the Shares shall be endorsed with the following legends (in addition to any legends required under applicable securities laws):

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

7.9 Stop-Transfer Notices

Employee and Holding Company agree that, in order to ensure compliance with the restrictions referred to herein, Netergy may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if Netergy transfers its own securities, it may make appropriate notations to the same effect in its own records.

7.10 Refusal to Transfer

Netergy shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

ARTICLE 8 - CONFIDENTIAL INFORMATION

8.1 Confidential Information

Employee recognizes that during the course of employment with UForce, Employee may produce, obtain or become aware of information, written or verbal, including without limitation, any information stocked on hard disk, floppy disk or other support, which includes:

- 8.1.1 all files, data, information relating to inventions, engineering drawings, concepts, methods, processes, trade secrets, know-how, manufacturing methods, computer programs (considered as trade secrets or not), source codes or native machine codes, specifications inherent to products sold or developed by UForce, data, system configurations;
- 8.1.2 client lists and all other information relating to clientele, costs and prices, supplier lists and all other information that has not been disclosed relating to the activities and projects of UForce, including without limitation, the marketing plans, strategies and forecasts; and
- 8.1.3 all information of a financial nature, including without limitation, the financial statements, the financial forecasts, the price lists and the cost lists, the budgets which UForce uses or possesses during the period of employment of Employee (collectively the "CONFIDENTIAL INFORMATION").

8.2 Property

Employee acknowledges that the Confidential Information is the exclusive property of UForce. Employee must safeguard all written Confidential Information and must at all times make it available to UForce. All Confidential Information, written or verbal, that Employee has or will develop will remain the exclusive property of UForce.

8.3 Non-disclosure

Employee agrees not to disclose to any person or company the Confidential Information during Employee's period of employment with UForce or thereafter, unless the situation demands it during the performance of Employee's duties within UForce or unless required by law.

8.4 Non-use

Employee agrees not to use the Confidential Information to Employee's own advantage or to the advantage of a third party or in a manner susceptible to be harmful to the interests of UForce.

8.5 Non-publication

Employee agrees not to publish scientific articles relating and not to give interviews relating to the technology developed by UForce without the prior written consent of the board of directors of UForce.

ARTICLE 9 - INTELLECTUAL PROPERTY

9.1 Transfer

Employee agrees to deliver to UForce in detail, in written form and without delay, any invention, discovery, upgrade or any development made or conceived by Employee, alone or with the assistance of others, during Employee's period of employment during normal working hours or at any other time, that relate to the field of activity within which UForce or one of its affiliates or associates in Canada, the United States or elsewhere may be engaged in from time to time, or resulting from the work or suggested by the work that Employee may be requested to do for the benefit of UForce or for one of its affiliates or associates, regardless of the fact that these inventions, upgrades, discoveries and developments may be patentable or subject to a copyright or not. Employee hereby transfers all rights flowing from these inventions, upgrades, discoveries and developments, made in any country to UForce who accepts or to any such person or third party which UForce may designate.

9.2 Protection

Employee agrees to sign, during the period of Employee's employment with UForce, and thereafter if Employee is no longer at the employment of UForce, all relevant documents, legal instruments and such other similar documents, and Employee agrees to make any sworn statement that UForce may deem necessary or useful to the acquisition and to the protection of the title and of all rights of UForce on these inventions, upgrades, discoveries and developments and on the copyrights on all works that Employee might create during the performance of Employee's duties. Employee further consents (but without having to pay any sum whatsoever) to second UForce in all judicial or administrative proceedings taken before all administrative bodies in charge of patents and copyrights, courts or other administrative bodies relating to such inventions, upgrades and developments and works or all copyrights, patents, and requests for patents susceptible to flow therefrom. Employee furthermore hereby

waives all moral rights that Employee may own with respect to all the works, past or future, created during the performance of Employee's duties.

9.3 Materials

Upon termination of employment, Employee agrees to return to UForce, and Employee agrees not to keep nor to transfer to a third party, any design, blueprint, note, memoranda, estimate, system, apparatus, sample, mold, moldings, draft, sketch, plan, models, studies, listings, program flowchart, computer programs, document or any other materials susceptible to contain or to disclose facts or elements inherent to the commerce, the research, the study or the plans of UForce and of its affiliates or associates in Canada, the United States or elsewhere to which Employee may have had access, with the exception of publications broadcast to the general public.

9.4 Non-possession

Employee certifies that on the date hereof, Employee does not possess any invention, any upgrade, any discovery or any development covered by the terms of this Article, created before the date of the commencement of Employee's employment with UForce and that Employee owns, in whole or in part.

9.5 Previous Employer

Employee also understands and accepts that UForce is interested only in Employee's qualifications, abilities, general knowledge and previously acquired expertise and agrees not to disclose any Confidential Information, if applicable, of a previous employer (except UForce).

ARTICLE 10 - SEVERABILITY

10.1 In the event that any provision of this Agreement or the application thereof, becomes or is declared to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

ARTICLE 11 - GOVERNING LAW

11.1 This Agreement will be governed by and construed and enforced in accordance with the laws of the Province of Quebec.

ARTICLE 12 - NOTICES

12.1 Any notice, consent or other communication under this Employee Agreement will be in writing and will be delivered personally, sent by facsimile transmission or overnight

courier (regularly providing proof of delivery) or sent by registered, certified, or express mail and will be deemed given when so delivered personally, sent by facsimile transmission or overnight courier, or if mailed, seven days after the date of deposit in the mail as follows: to the parties at the following addresses (or at another address that a party may specify by written notice to the other):

To UForce UForce Company
Attn: Mr. Jean-Luc Calonne
1001 De Maisonneuve Blvd. West, 5th floor,
Montreal, Quebec H3A 3C8
Fax: (514)

With a copy to Netergy: Netergy Networks
Attn: Mr. Paul Voois
2445 Mission College Boulevard
Santa Clara, CA 95054
Fax: (408) 933-0234
Tel: (408) 727-1885

To Holding Company
or Employee: The address set forth by Employee name in
Exhibit A

ARTICLE 13 - TRANSFER

13.1 Employee acknowledges and accepts unconditionally and irrevocably that the rights and obligations of Netergy and UForce pursuant to this agreement may be transferred to an affiliate of Netergy or UForce. Such transfer may not however affect the rights of Employee, including without limitation, Employee's seniority.

ARTICLE 14 - COUNSEL

14.1 Employee declares that Employee has read and understands the terms of this Agreement, that Employee has had the opportunity to be advised by an independent legal counsel and that, in the event Employee did not seek advice from an independent legal counsel, this choice was made voluntarily.

ARTICLE 15 - ARBITRATION

15.1 For the purpose of this article,

15.1.1 "ARBITRATION NOTICE" means the arbitration notice referred to in paragraph 15.4;

15.1.2 "ARBITRATOR" means the arbitrator appointed pursuant to paragraph 15.3;

- 15.1.3 "DISPUTE" means any dispute which might arise as to the interpretation or the application of this Agreement;
- 15.1.4 "INITIATOR" means the party who refers a Dispute to arbitration;
- 15.1.5 "PARTICIPANT" means the party who receives an Arbitration Notice.

15.2 Scope of Arbitration.

Any Dispute shall be referred to arbitration in accordance with the provisions of articles 2638 and following of the Civil code of Quebec and of articles 940 and following of the Code of civil procedure of Quebec, to the exclusion of the courts, the whole subject to the provisions of this article.

15.3 Appointment of the Arbitrator

The Parties hereby appoint the managing partner (the "MANAGING PARTNER") of the law firm Ogilvy Renault, 1981 McGill College Avenue, Suite 1100, Montreal, Quebec, H3A 3C1, or any other partner of said firm designated by the latter, who is a member of the Bar of the Province of Quebec for at least 10 years who has substantial experience in employment matters, to act as Arbitrator. The parties shall have three (3) days to object in writing to the appointment of the Arbitrator due to a conflict of interest. In the event that the Managing Partner determines that a conflict exists, he or she shall appoint an alternative member of the Bar of the Province of Quebec for at least 10 years who has substantial experience in employment matters, to act as Arbitrator.

15.4 Arbitration Notice

The Initiator shall send to the Participant and to the Arbitrator a written Arbitration Notice, together with a summary of the Dispute which shall be referred to arbitration.

15.5 Hearings

The hearings of the parties to the Dispute shall be held within 10 days following the receipt of the Arbitration Notice, at the office of the Arbitrator.

15.6 Decision

The decision of the Arbitrator shall be communicated in writing to the Initiator and to the Participant within 10 days following the hearings and closing argument. Said decision shall be final, conclusive and binding upon the parties to this agreement, without any right of appeal. A judgment upon any award rendered by the Arbitrator may be entered in the Superior Court of the Province of Quebec.

15.7 Fees and expenses

For the purpose of this article, in any arbitration hereunder, the non-prevailing party to an arbitration shall pay its own expenses, the fees of the Arbitrator, the administrative costs of the arbitration and the expenses, including, without limitation, reasonable attorneys' fees and costs incurred by the other party to the arbitration.

ARTICLE 16 - ENTIRE AGREEMENT

16.1 This Agreement, including information contained in Exhibit A which is made part of the Agreement, constitutes the entire agreement among UForce, Netergy, Holding Company and Employee, and it supersedes and replaces all prior agreements or understandings relating to the subject matter hereof. In the event that there is a conflict between this Agreement and Exhibit A, Exhibit A shall control and govern. No agreement, representations or understandings (whether oral or written or whether express or implied) which are not expressly set forth herein have been made or entered into by either party with respect to the relevant matter hereof. This Agreement may not be changed or modified in whole or in part except by an instrument in writing signed by each party hereto.

ARTICLE 17 - COUNTERPARTS

17.1 This Agreement may be executed in several counterparts, each of which will be an original, but all of which together will constitute one and the same agreement.

ARTICLE 18 - LANGUAGE

18.1 The parties hereto have agreed that this agreement be drafted in the English language. Les parties aux presentes ont convenu que ce contrat soit redige dans la langue anglaise.

[SIGNATURE PAGE FOLLOWS]

SIGNATURES

UFORCE COMPANY by..... /s/ Jean-Luc Calonne

Jean-Luc Calonne
President

8X8, INC. by..... /s/ Paul Voois

Paul Voois
Chief Executive Officer

EMPLOYEE /s/ Jean-Luc Calonne

Jean-Luc Calonne

HOLDING COMPANY

9090-1208 Quebec Inc. by..... /s/ Jean-Luc Calonne

Jean-Luc Calonne
President

9090-1133 Quebec Inc. by..... /s/ Jean-Luc Calonne

Jean-Luc Calonne
President

9090-1166 Quebec Inc. by..... /s/ Jean-Luc Calonne

Jean-Luc Calonne
President

EXHIBIT A

INFORMATION (Intro)

JEAN-LUC CALONNE
 2600 Pierre Dupuy
 App. 514
 Montreal, Quebec
 H3C 3R6

HOLDING COMPANY (intro)

9090-1208 Quebec INC.
 9090-1133 Quebec INC.
 9090-1166 Quebec INC.
 Registered address c/o LaFleur Brown
 1 Place Ville-Marie, 37th Floor
 Montreal, Quebec H3B 3P4

JOB TITLE (Article 2.1)

GENERAL MANAGER, ATS
 PRESIDENT UFORCE

CONFLICTING EMPLOYMENT (Article 2.2)

ANNUAL BASE SALARY (Article 4.1) 225,000\$CAN

NUMBER OF OPTIONS (Article 4.2) 339,000 (if applicable due to
 disqualification of UForce options)

OFFICE LOCATION (ARTICLE 5.3) Montreal

UNVESTED AND VESTED SHARES (Article 7)

VESTING SCHEDULE (Article 7.2) 50% of the
 Shares shall vest on the Six Month
 anniversary and 1/36 of the Shares shall
 vest each full following month until all of
 the Shares become vested Shares

PERCENTAGE OF VESTING IF 50%
 TERMINATION FOR SERIOUS
 REASON PRIOR TO SIX MONTH
 ANNIVERSARY (Article 7.3.1)

EXERCISE PRICE FOR REPURCHASING
 UNVESTED SHARES (Article 7.5) 0.75\$US

THE PARTIES HAVE AGREED AS FOLLOWS:

ARTICLE 1 - OBJECT

1.1 Employment

UForce wishes to employ the services of Employee, and Employee consents to render such services.

1.2 Terms

By this Agreement, UForce and Employee intend to establish the terms of Employee's employment with UForce.

ARTICLE 2 - EMPLOYMENT

2.1 Title

UForce employs and retains Employee, who accepts, employment as the job title set forth in Exhibit A.

2.2 Conflicting Employment

Employee agrees that Employee will not engage in any other employment, consulting or other business activity during the term of Employee's employment, nor will Employee engage in any other activities that conflict with Employee's obligations to UForce, except as specified in Exhibit A.

2.3 Effectiveness

This Agreement will become effective as of the Closing of the transactions contemplated in the Share Exchange Agreement (the "EFFECTIVE DATE"). If the transactions contemplated by the Share Exchange Agreement are not consummated, this Agreement will be null and void.

ARTICLE 3 - DUTIES AND RESPONSIBILITIES

3.1 Duties

Employee answers to the Chief Executive Officer ("CEO") of Netergy or such other officer of Netergy designated by the CEO of Netergy and has the functions, responsibilities, powers and duties inherent to the job title as set forth in Exhibit A, along with any other duties that may be entrusted to Employee from time to time by the CEO of Netergy.

3.2 Responsibilities

Employee commits to act with diligence, loyalty and honesty, in the best interest of UForce and to accomplish Employee's functions, duties and responsibilities exclusively for UForce, according to Employee's best judgment and to the best of Employee's knowledge and competence.

ARTICLE 4 - REMUNERATION

4.1 Base Compensation

In consideration for the services that Employee must render to UForce pursuant to this Agreement, UForce agrees to pay to Employee the annual base salary set forth in Exhibit A, subject to the usual deductions and the applicable laws and in compliance with the administrative practices of UForce. This salary shall be revised by Netergy's Board of Directors or its Compensation Committee as part of an annual review process. Any salary revision will take into account Employee's performance, the conditions of the market, and the policies of UForce. Notwithstanding the foregoing, there shall be no downward adjustment in Employee's salary so long as Employee beneficially owns Unvested Shares. The base salary specified in this Article 4.1 is referred to in this Agreement as Employee's "BASE COMPENSATION."

4.2 Option

Employee has already been granted a certain number of UForce options. In the event, however, that the grant of these options is disallowed, Netergy will grant Employee options, pursuant to the following terms and conditions: Netergy will grant Employee an initial option (the "OPTION") to purchase the number of shares of Common Stock ("COMMON SHARES") of Netergy as set forth in Exhibit A, pursuant to Netergy's stock plan and standard form of stock option agreement. The grant will be made effective at the Effective Date. The Option exercise price will be equal to the last closing price of Common Stock as reported on the Nasdaq National Market System on the trading date immediately prior to the Effective Date. Fifty percent (50%) of the Common Shares underlying the Option will vest on the six-month anniversary of the effective date of approval of the grant of the Option by Netergy's Board of Directors. One thirty-sixth (1/36th) of the total Common Shares underlying the Option will vest on each monthly anniversary thereafter. The Option will expire on the tenth anniversary of the grant date, unless sooner terminated in accordance with its terms.

ARTICLE 5 - OTHER BENEFITS

5.1 Fringe Benefits

Employee receives all fringe benefits offered to executives of UForce and will be eligible for all other benefits offered in the future to employees, including short term disability coverage at 100% of base salary up to a maximum of six months; parking; and membership for professional associations.

5.2 Vacation

Employee shall have the right during each year to take an aggregate of 20 days of paid vacation per year.

5.3 Office Location

Employee shall be employed in the office identified in Exhibit A (the "OFFICE"), and shall not be required to relocate to any other office not located within 50 miles of the Office, without Employee's prior written consent (an "UNAPPROVED RELOCATION"). If Employee relocates at the request of UForce and later is constructively terminated or terminated without serious reason, UForce shall pay or reimburse Employee for reasonable moving expenses to relocate Employee to the metropolitan area of the office from which Employee initially relocated.

ARTICLE 6 - TERMINATION OF EMPLOYMENT

6.1 By Death

Employee's employment shall terminate automatically upon the death of Employee. In such event, UForce shall pay to Employee's beneficiaries or estate, any accrued Base Compensation, vested deferred compensation (other than pension plan or profit-sharing plan benefits which will be paid in accordance with the applicable plan), benefits under any plan of UForce in which Employee is a participant, and accrued vacation pay, all to the date of termination (collectively "ACCRUED COMPENSATION"), but no other compensation or reimbursement of any kind, including, without limitation, severance compensation, and thereafter, UForce's obligations hereunder shall terminate.

6.2 By Resignation of Employee

Employee shall provide UForce thirty (30) days advanced written notice in the case of a voluntary resignation. If Employee's employment terminates due to Employee's voluntary resignation, UForce shall pay Employee all Accrued Compensation, but no other compensation or reimbursement of any kind, including without limitation, severance compensation, and thereafter UForce's obligations hereunder shall terminate.

6.3 By UForce For Serious Reason

UForce may terminate the employment promptly after written notice for a serious reason.

6.4 By UForce Without Serious Reason or By Constructive Termination

At any time after the commencement of employment, UForce may, without serious reason and without notice, terminate Employee's employment. Should Employee be terminated by UForce without serious reason, or should Employee resign as a result of a Constructive Termination (as defined below), Employee shall be entitled to receive all

Accrued Compensation, as well as six (6) months of Base Compensation then in effect for Employee, payable in one lump sum promptly after the termination date.

6.5 Written Release

The Employee recognizes and accepts that UForce shall not, in any case, be responsible for any additional amount, indemnity in lieu of notice, severance pay or other damages arising from the termination of Employee's employment, above and beyond those specifically provided for herein. Employee undertakes to give to UForce a full and satisfactory written release upon receipt of the payment due to Employee in accordance with this Article 6.

ARTICLE 7 - REPURCHASE OPTION

7.1 Netergy's Repurchase Option

In connection with the Share Exchange Agreement, Employee either directly or through Holding Company has the right to receive a number of Exchangeable Shares, as defined in the Share Exchange Agreement (the "SHARES"). For purposes of this Agreement the term Shares also shall mean the Netergy Common Stock issuable upon exchange of the Exchangeable Shares. Employee and Holding Company hereby grant Netergy the option to repurchase all or a portion of the Shares on the terms and conditions set forth in this Article (the "REPURCHASE OPTION") if Employee ceases to be employed by Netergy for any reason or no reason, except as set forth in Article 7.3. For purposes of this Agreement, the date when Employee is notified of the termination of his or her employment shall be deemed the "TERMINATION DATE."

7.2 Unvested and Vested Shares

Shares that are subject to Netergy's Repurchase Option are referred to as "UNVESTED SHARES" and Shares that are no longer subject to Netergy's Repurchase Option are deemed "VESTED SHARES." On the Effective Date, 100% of the Shares will be Unvested Shares. Thereafter, for so long (and only for so long) as Employee remains continuously employed by UForce at all times, the Unvested Shares will become Vested Shares as set forth in the schedule provided in Exhibit A. No Unvested Shares will become Vested Shares after the Termination Date.

7.3 Acceleration of Vesting of Unvested Shares

Notwithstanding anything to the contrary herein, Netergy's Repurchase Option shall terminate and the vesting of Unvested Shares shall accelerate as follows:

- 7.3.1 The percentage of Unvested Shares set forth under the heading Section 7.3.1 in Exhibit A shall become Vested Shares if Employee is terminated with serious reason on or prior to the date that is six months after the Effective Date (the "SIX MONTH ANNIVERSARY").

- 7.3.2 Fifty percent (50%) of the then Unvested Shares shall become Vested Shares after the close of trading of Netergy Common Stock on the first date (the "MARKET BASED VESTING DATE") after the Effective Date that the 30-day moving average of the closing price of Netergy Common Stock as reported on Nasdaq National Market System (the "AVERAGE PRICE") equals or exceeds US \$40. Vesting of the remaining Unvested Shares shall continue at half the rate set forth in Exhibit A.
- 7.3.3 All Unvested Shares shall immediately become Vested Shares:
- 7.3.3.1 on the date that the Average Price equals or exceeds US \$80;
 - 7.3.3.2 if Employee is terminated without serious reason by UForce or resigns as a result of a Constructive Termination, where "CONSTRUCTIVE TERMINATION" shall have the meaning as set forth under Quebec law, however, shall not be construed to apply to any reduction in salary, benefits or responsibilities that have also been made applicable to all other employees at Employee's level;
 - 7.3.3.3 upon the death or Disability of Employee, where "DISABILITY" shall mean the Employee is prevented from properly performing Employee's duties hereunder by reason of any physical or mental incapacity for a period of six consecutive months or shorter periods aggregating to four months in any 365-day period; or
 - 7.3.3.4 upon the closing of a transaction relating to a Change of Control. As used herein, "CHANGE OF CONTROL" shall mean (i) a transaction or series of transactions, including by merger or consolidation of Netergy into or with any other entity or corporation or the merger or consolidation of any other corporation into or with Netergy, in which any person, entity or group of persons and/or entities acquire(s) shares of Netergy stock representing 35% or more of the outstanding voting power of Netergy, including voting shares issued or issuable upon conversion of any convertible security outstanding on the date of such transaction including without limitation stock options, (ii) a change in the composition of Netergy's Board of Directors as a result of an appointment or election (or series of related appointments or elections intended to effect a change in the Board) such that a majority of the members following such election(s) or appointment(s) were not members of the Board prior to such election(s) or appointment(s); (iii) a sale of all or substantially all of Netergy's assets; or (iv) a sale of UForce by stock or asset transaction.

7.4 Adjustments

The number of Shares that are Vested Shares or Unvested Shares will be deemed issued and outstanding and will have the same rights accorded them as other issued and outstanding shares of Common Stock of Netergy, and accordingly, will be proportionally adjusted to reflect any stock dividend, stock split, reverse stock split or recapitalization of Common Stock of Netergy occurring after the Effective Date.

7.5 Exercise of Repurchase Option

At any time within ninety (90) days after the Termination Date, Netergy may elect, or designate any third party, to repurchase any or all of the Unvested Shares by giving Employee written notice of exercise of the Repurchase Option. Netergy and/or its designee(s) will then have the option to repurchase from Employee or Holding Company (or from Employee's personal representative as the case may be) any or all of the Unvested Shares at the price per share set forth in Exhibit A (as adjusted to reflect any stock dividend, stock split, reverse stock split or recapitalization of the Common Stock of Netergy occurring after the Effective Date).

7.6 Payment of Repurchase Price

The repurchase price payable to purchase Unvested Shares upon exercise of the Repurchase Option will be payable, at the option of Netergy or its assignee(s), by certified check or by cancellation of all or a portion of any outstanding indebtedness of Employee to Netergy (or to such assignee) or by any combination thereof. The repurchase price will be paid without interest within ninety (90) days after the Termination Date.

7.7 Restrictions on Transfer (the "LOCK UP")

Employee and Holding Company agree that they will not make any offering, sale, short sale or other disposition of the Unvested Shares directly or indirectly without the prior written consent of Netergy. Notwithstanding the foregoing, in the event that any Shares become Vested Shares pursuant to Section 7.3.1, prior to the Six Month Anniversary Employee and Holding Company will not make any offering, sale, short sale or other disposition of such Shares directly or indirectly without the prior written consent of Netergy.

7.8 Restrictive Legends

In addition to legends set forth in the Registration Rights Agreement, so long as Shares are subject to the Repurchase Option, the share certificate evidencing the Shares shall be endorsed with the following legends (in addition to any legends required under applicable securities laws):

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

7.9 Stop-Transfer Notices

Employee and Holding Company agree that, in order to ensure compliance with the restrictions referred to herein, Netergy may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if Netergy transfers its own securities, it may make appropriate notations to the same effect in its own records.

7.10 Refusal to Transfer

Netergy shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

ARTICLE 8 - CONFIDENTIAL INFORMATION

8.1 Confidential Information

Employee recognizes that during the course of employment with UForce, Employee may produce, obtain or become aware of information, written or verbal, including without limitation, any information stocked on hard disk, floppy disk or other support, which includes:

- 8.1.1 all files, data, information relating to inventions, engineering drawings, concepts, methods, processes, trade secrets, know-how, manufacturing methods, computer programs (considered as trade secrets or not), source codes or native machine codes, specifications inherent to products sold or developed by UForce, data, system configurations;
- 8.1.2 client lists and all other information relating to clientele, costs and prices, supplier lists and all other information that has not been disclosed relating to the activities and projects of UForce, including without limitation, the marketing plans, strategies and forecasts; and
- 8.1.3 all information of a financial nature, including without limitation, the financial statements, the financial forecasts, the price lists and the cost lists, the budgets which UForce uses or possesses during the period of employment of Employee (collectively the "CONFIDENTIAL INFORMATION").

8.2 Property

Employee acknowledges that the Confidential Information is the exclusive property of UForce. Employee must safeguard all written Confidential Information and must at all times make it available to UForce. All Confidential Information, written or verbal, that Employee has or will develop will remain the exclusive property of UForce.

8.3 Non-disclosure

Employee agrees not to disclose to any person or company the Confidential Information during Employee's period of employment with UForce or thereafter, unless the situation demands it during the performance of Employee's duties within UForce or unless required by law.

8.4 Non-use

Employee agrees not to use the Confidential Information to Employee's own advantage or to the advantage of a third party or in a manner susceptible to be harmful to the interests of UForce.

8.5 Non-publication

Employee agrees not to publish scientific articles relating and not to give interviews relating to the technology developed by UForce without the prior written consent of the board of directors of UForce.

ARTICLE 9 - INTELLECTUAL PROPERTY

9.1 Transfer

Employee agrees to deliver to UForce in detail, in written form and without delay, any invention, discovery, upgrade or any development made or conceived by Employee, alone or with the assistance of others, during Employee's period of employment during normal working hours or at any other time, that relate to the field of activity within which UForce or one of its affiliates or associates in Canada, the United States or elsewhere may be engaged in from time to time, or resulting from the work or suggested by the work that Employee may be requested to do for the benefit of UForce or for one of its affiliates or associates, regardless of the fact that these inventions, upgrades, discoveries and developments may be patentable or subject to a copyright or not. Employee hereby transfers all rights flowing from these inventions, upgrades, discoveries and developments, made in any country to UForce who accepts or to any such person or third party which UForce may designate.

9.2 Protection

Employee agrees to sign, during the period of Employee's employment with UForce, and thereafter if Employee is no longer at the employment of UForce, all relevant documents, legal instruments and such other similar documents, and Employee agrees to make any sworn statement that UForce may deem necessary or useful to the acquisition and to the protection of the title and of all rights of UForce on these inventions, upgrades, discoveries and developments and on the copyrights on all works that Employee might create during the performance of Employee's duties. Employee further consents (but without having to pay any sum whatsoever) to second UForce in all judicial or administrative proceedings taken before all administrative bodies in charge of patents and copyrights, courts or other administrative bodies relating to such inventions, upgrades and developments and works or all copyrights, patents, and requests for patents susceptible to flow therefrom. Employee furthermore hereby

waives all moral rights that Employee may own with respect to all the works, past or future, created during the performance of Employee's duties.

9.3 Materials

Upon termination of employment, Employee agrees to return to UForce, and Employee agrees not to keep nor to transfer to a third party, any design, blueprint, note, memoranda, estimate, system, apparatus, sample, mold, moldings, draft, sketch, plan, models, studies, listings, program flowchart, computer programs, document or any other materials susceptible to contain or to disclose facts or elements inherent to the commerce, the research, the study or the plans of UForce and of its affiliates or associates in Canada, the United States or elsewhere to which Employee may have had access, with the exception of publications broadcast to the general public.

9.4 Non-possession

Employee certifies that on the date hereof, Employee does not possess any invention, any upgrade, any discovery or any development covered by the terms of this Article, created before the date of the commencement of Employee's employment with UForce and that Employee owns, in whole or in part.

9.5 Previous Employer

Employee also understands and accepts that UForce is interested only in Employee's qualifications, abilities, general knowledge and previously acquired expertise and agrees not to disclose any Confidential Information, if applicable, of a previous employer (except UForce).

ARTICLE 10 - SEVERABILITY

10.1 In the event that any provision of this Agreement or the application thereof, becomes or is declared to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

ARTICLE 11 - GOVERNING LAW

11.1 This Agreement will be governed by and construed and enforced in accordance with the laws of the Province of Quebec.

ARTICLE 12 - NOTICES

12.1 Any notice, consent or other communication under this Employee Agreement will be in writing and will be delivered personally, sent by facsimile transmission or overnight

courier (regularly providing proof of delivery) or sent by registered, certified, or express mail and will be deemed given when so delivered personally, sent by facsimile transmission or overnight courier, or if mailed, seven days after the date of deposit in the mail as follows: to the parties at the following addresses (or at another address that a party may specify by written notice to the other):

To UForce UForce Company
Attn: Mr. Jean-Luc Calonne
1001 De Maisonneuve Blvd. West, 5th floor,
Montreal, Quebec H3A 3C8
Fax: (514)

With a copy to Netergy: Netergy Networks
Attn: Mr. Paul Voois
2445 Mission College Boulevard
Santa Clara, CA 95054
Fax: (408) 933-0234
Tel: (408) 727-1885

To Holding Company
or Employee: The address set forth by Employee name in
Exhibit A

ARTICLE 13 - TRANSFER

13.1 Employee acknowledges and accepts unconditionally and irrevocably that the rights and obligations of Netergy and UForce pursuant to this agreement may be transferred to an affiliate of Netergy or UForce. Such transfer may not however affect the rights of Employee, including without limitation, Employee's seniority.

ARTICLE 14 - COUNSEL

14.1 Employee declares that Employee has read and understands the terms of this Agreement, that Employee has had the opportunity to be advised by an independent legal counsel and that, in the event Employee did not seek advice from an independent legal counsel, this choice was made voluntarily.

ARTICLE 15 - ARBITRATION

15.1 For the purpose of this article,

15.1.1 "ARBITRATION NOTICE" means the arbitration notice referred to in paragraph 15.4;

15.1.2 "ARBITRATOR" means the arbitrator appointed pursuant to paragraph 15.3;

- 15.1.3 "DISPUTE" means any dispute which might arise as to the interpretation or the application of this Agreement;
- 15.1.4 "INITIATOR" means the party who refers a Dispute to arbitration;
- 15.1.5 "PARTICIPANT" means the party who receives an Arbitration Notice.

15.2 Scope of Arbitration.

Any Dispute shall be referred to arbitration in accordance with the provisions of articles 2638 and following of the Civil code of Quebec and of articles 940 and following of the Code of civil procedure of Quebec, to the exclusion of the courts, the whole subject to the provisions of this article.

15.3 Appointment of the Arbitrator

The Parties hereby appoint the managing partner (the "MANAGING PARTNER") of the law firm Ogilvy Renault, 1981 McGill College Avenue, Suite 1100, Montreal, Quebec, H3A 3C1, or any other partner of said firm designated by the latter, who is a member of the Bar of the Province of Quebec for at least 10 years who has substantial experience in employment matters, to act as Arbitrator. The parties shall have three (3) days to object in writing to the appointment of the Arbitrator due to a conflict of interest. In the event that the Managing Partner determines that a conflict exists, he or she shall appoint an alternative member of the Bar of the Province of Quebec for at least 10 years who has substantial experience in employment matters, to act as Arbitrator.

15.4 Arbitration Notice

The Initiator shall send to the Participant and to the Arbitrator a written Arbitration Notice, together with a summary of the Dispute which shall be referred to arbitration.

15.5 Hearings

The hearings of the parties to the Dispute shall be held within 10 days following the receipt of the Arbitration Notice, at the office of the Arbitrator.

15.6 Decision

The decision of the Arbitrator shall be communicated in writing to the Initiator and to the Participant within 10 days following the hearings and closing argument. Said decision shall be final, conclusive and binding upon the parties to this agreement, without any right of appeal. A judgment upon any award rendered by the Arbitrator may be entered in the Superior Court of the Province of Quebec.

15.7 Fees and expenses

For the purpose of this article, in any arbitration hereunder, the non-prevailing party to an arbitration shall pay its own expenses, the fees of the Arbitrator, the administrative costs of the arbitration and the expenses, including, without limitation, reasonable attorneys' fees and costs incurred by the other party to the arbitration.

ARTICLE 16 - ENTIRE AGREEMENT

16.1 This Agreement, including information contained in Exhibit A which is made part of the Agreement, constitutes the entire agreement among UForce, Netergy, Holding Company and Employee, and it supersedes and replaces all prior agreements or understandings relating to the subject matter hereof. In the event that there is a conflict between this Agreement and Exhibit A, Exhibit A shall control and govern. No agreement, representations or understandings (whether oral or written or whether express or implied) which are not expressly set forth herein have been made or entered into by either party with respect to the relevant matter hereof. This Agreement may not be changed or modified in whole or in part except by an instrument in writing signed by each party hereto.

ARTICLE 17 - COUNTERPARTS

17.1 This Agreement may be executed in several counterparts, each of which will be an original, but all of which together will constitute one and the same agreement.

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18.1 The parties hereto have agreed that this agreement be drafted in the English language. Les parties aux presentes ont convenu que ce contrat soit redige dans la langue anglaise.

[SIGNATURE PAGE FOLLOWS]

SIGNATURES

UFORCE COMPANY by..... /s/ Jean-Luc Calonne

Jean-Luc Calonne
President

8X8, INC. by..... /s/ Paul Voois

Paul Voois
Chief Executive Officer

EMPLOYEE /s/ Cyrille Thilloy

Cyrille Thilloy

HOLDING COMPANY by..... /s/ Cyrille Thilloy

Cyrille Thilloy
President

EXHIBIT A

INFORMATION (Intro)

CYRILLE THILLOY
 350 Prince Arthur, D1412
 Montreal, Quebec
 H2X 3R4

HOLDING COMPANY (intro)	9090-1109 Quebec INC. Registered address c/o LaFleur Brown 1 Place Ville-Marie, 37th Floor Montreal, Quebec H3B 3P4
JOB TITLE (Article 2.1)	CHIEF SCIENTIST
CONFLICTING EMPLOYMENT (Article 2.2)	N/A
ANNUAL BASE SALARY (Article 4.1)	188,500\$CAN
NUMBER OF OPTIONS (Article 4.2)	120,930 (if applicable due to disqualification of UForce options)
OFFICE LOCATION (Article 5.3)	Montreal
UNVESTED AND VESTED SHARES (Article 7)	
VESTING SCHEDULE (Article 7.2)	50% of the Shares shall vest on the Six Month anniversary and 1/36 of the Shares shall vest each full following month until all of the Shares become vested Shares
PERCENTAGE OF VESTING IF TERMINATION FOR SERIOUS REASON PRIOR TO SIX MONTH ANNIVERSARY (Article 7.3.1)	50%
EXERCISE PRICE FOR REPURCHASING UNVESTED SHARES (Article 7.5)	0.25\$US