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

FORM 10-Q

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

For the quarterly period ended June 30, 2021

OR

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

For the transition period from ________to _________

Commission file number 001-38312

8x8, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware	**77-0142404**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

675 Creekside Way
Campbell, CA 95008

(Address of principal executive offices)

(408) 727-1885

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
COMMON STOCK, PAR VALUE $.001 PER SHARE	EGHT	New York Stock Exchange

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of the Registrant's Common Stock outstanding as of August 2, 2021 was 112,033,014.

8X8, INC
INDEX TO QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2021

Forward-Looking Statements and Risk Factors

Statements contained in this quarterly report on Form 10-Q, or Quarterly Report, regarding our expectations, beliefs, estimates, intentions or strategies are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as "may," "will," "should," "estimates," "predicts," "potential," "continue," "strategy," "believes," "anticipates," "plans," "expects," "intends," and similar expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding: industry trends; our number of customers; average annual service revenue per customer; cost of service revenue; research and development expenses; hiring of employees; sales and marketing expenses; general and administrative expenses in future periods; and the impact of the COVID-19 pandemic. You should not place undue reliance on these forward-looking statements. Actual results and trends may differ materially from historical results and those projected in any such forward-looking statements depending on a variety of factors. These factors include, but are not limited to:

- the impact of economic downturns on us and our customers, including the impacts of the COVID-19 pandemic;
- customer cancellations and rate of customer churn;
- customer acceptance and demand for our new and existing cloud communication and collaboration services and features, including voice, contact center, video, messaging, and communication application programming interfaces ("APIs");
- competitive market pressures, and any changes in the competitive dynamics of the markets in which we compete;
- the quality and reliability of our services;
- our ability to scale our business;
- customer acquisition costs;
- our reliance on a network of channel partners to provide substantial new customer demand;
- timing and extent of improvements in operating results from increased spending in marketing, sales, and research and development;
- the amount and timing of costs associated with recruiting, training and integrating new employees and retaining existing employees;
- our reliance on infrastructure of third-party network services providers;
- risk of failure in our physical infrastructure;
- risk of defects or bugs in our software;
- risk of cybersecurity breaches;
- our ability to maintain the compatibility of our software with third-party applications and mobile platforms;
- continued compliance with industry standards, and regulatory and privacy requirements, globally;
- introduction and adoption of our cloud software solutions in markets outside of the United States;
- risks relating to the acquisition and integration of businesses we have acquired or may acquire in the future;
- risks related to our senior convertible notes and the related capped call transactions; and
- potential future intellectual property infringement claims and other litigation that could adversely impact our business and operating results.

Please refer to the "Risk Factors" section of our annual report on Form 10-K for the fiscal year ended March 31, 2021, as modified by the "Risk Factors" section of this Quarterly Report, and subsequent Securities and Exchange Commission ("SEC") filings for additional factors that could materially affect our financial performance. All forward-looking statements included in this Quarterly Report are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements. Readers are urged to carefully review and consider the various disclosures made in this Quarterly Report, which attempts to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations, and prospects.

Our fiscal year ends on March 31, of each calendar year. Each reference to a fiscal year in this Quarterly Report, refers to the fiscal year ended March 31, of the calendar year indicated (for example, fiscal 2022 refers to the fiscal year ending on March 31, 2022). Unless the context requires otherwise, references to "we," "us," "our," "8x8" and the "Company" refer to 8x8, Inc. and its consolidated subsidiaries.

All dollar amounts within this Quarterly Report are in thousands of U.S. Dollars ("dollars") unless otherwise noted.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

8X8, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	June 30, 2021	March 31, 2021
	(unaudited)	(audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 109,288	$ 112,531
Restricted cash, current	8,179	8,179
Short-term investments	31,231	40,337
Accounts receivable, net	49,755	51,150
Deferred sales commission costs, current	31,711	30,241
Other current assets	36,066	34,095
Total current assets	266,230	276,533
Property and equipment, net	90,776	93,076
Operating lease, right-of-use assets	63,402	66,664
Intangible assets, net	15,845	17,130
Goodwill	131,599	131,520
Restricted cash, non-current	462	462
Long-term investments	12,712	—
Deferred sales commission costs, non-current	74,394	72,427
Other assets	20,238	20,597
Total assets	$ 675,658	$ 678,409
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 33,233	$ 31,236
Accrued compensation	27,876	29,879
Accrued taxes	11,321	12,129
Operating lease liabilities, current	12,792	12,942
Deferred revenue, current	21,985	20,737
Other accrued liabilities	13,995	14,455
Total current liabilities	121,202	121,378
Operating lease liabilities, non-current	79,403	82,456
Convertible senior notes, net	312,828	308,435
Other liabilities, non-current	5,429	5,636
Total liabilities	518,862	517,905
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Common stock	111	109
Additional paid-in capital	795,589	755,643
Accumulated other comprehensive loss	(3,943)	(4,193)
Accumulated deficit	(634,961)	(591,055)
Total stockholders' equity	156,796	160,504
Total liabilities and stockholders' equity	$ 675,658	$ 678,409

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

8X8, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited, dollars and shares in thousands except per share amounts)

	Three Months Ended June 30,	
	2021	**2020**
Service revenue	$ 137,796	$ 114,183
Other revenue	10,531	7,624
Total revenue	148,327	121,807
Operating expenses:		
Cost of service revenue	46,010	40,996
Cost of other revenue	13,746	11,137
Research and development	25,392	21,494
Sales and marketing	75,915	60,150
General and administrative	26,091	25,790
Total operating expenses	187,154	159,567
Loss from operations	(38,827)	(37,760)
Other expense, net	(4,823)	(3,925)
Loss before provision for income taxes	(43,650)	(41,685)
Provision for income taxes	256	228
Net loss	$ (43,906)	$ (41,913)
Net loss per share:		
Basic and diluted	$ (0.40)	$ (0.40)
Weighted-average common shares outstanding:		
Basic and diluted	109,925	103,607

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

8X8, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited, dollars in thousands)

	Three Months Ended June 30,	
	2021	2020
Net loss	$ (43,906)	$ (41,913)
Other comprehensive income (loss), net of tax		
Unrealized (loss) gain on investments in securities	(33)	422
Foreign currency translation adjustment	283	885
Comprehensive loss	$ (43,656)	$ (40,606)

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

8X8, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited, dollars and shares in thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount				
Balance at Balance at March 31, 2021	109,135	$ 109	$ 755,643	$ (4,193)	$ (591,055)	$ 160,504
Issuance of common stock under stock plans, less withholding	1,562	2	3,438	—	—	3,440
Stock-based compensation expense	—	—	36,508	—	—	36,508
Unrealized investment gain (loss)	—	—	—	(33)	—	(33)
Foreign currency translation adjustment	—	—	—	283	—	283
Net loss	—	—	—	—	(43,906)	(43,906)
Balance at Balance at June 30, 2021	110,697	$ 111	$ 795,589	$ (3,943)	$ (634,961)	$ 156,796

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount				
Balance at Balance at March 31, 2020	103,179	$ 103	$ 625,474	$ (12,176)	$ (422,670)	$ 190,731
Adjustment to opening balance for change in accounting principle	—	—	—	—	(2,800)	(2,800)
Issuance of common stock under stock plans, less withholding	688	1	(67)	—	—	(66)
Stock-based compensation expense	—	—	23,118	—	—	23,118
Issuance of common stock related to acquisition	—	—	8,489	—		8,489
Unrealized investment gain	—	—	—	422	—	422
Foreign currency translation adjustment	—	—	—	885	—	885
Net loss	—	—	—	—	(41,913)	(41,913)
Balance at Balance at June 30, 2020	103,867	$ 104	$ 657,014	$ (10,869)	$ (467,383)	$ 178,866

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

8X8, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, dollars in thousands)

	Three Months Ended June 30,	
	2021	2020
Cash flows from operating activities:		
Net loss	$ (43,906)	$ (41,913)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	2,922	2,823
Amortization of intangible assets	1,285	2,228
Amortization of capitalized internal-use software costs	7,243	6,217
Amortization of debt discount and issuance costs	4,393	4,126
Amortization of deferred sales commission costs	8,245	6,138
Allowance for credit losses	383	1,742
Operating lease expense, net of accretion	3,459	3,750
Stock-based compensation expense	36,587	22,779
Other	713	602
Changes in assets and liabilities:		
Accounts receivable	924	(3,428)
Deferred sales commission costs	(11,615)	(13,186)
Other current and non-current assets	(2,550)	(3,025)
Accounts payable and accruals	(5,063)	(519)
Deferred revenue	1,012	2,416
Net cash provided by (used in) operating activities	4,032	(9,250)
Cash flows from investing activities:		
Purchases of property and equipment	(878)	(2,453)
Capitalized internal-use software costs	(6,546)	(8,866)
Purchases of investments	(28,721)	(17,156)
Sales of investments	10,299	—
Proceeds from maturities of investments	14,700	16,575
Net cash used in investing activities	(11,146)	(11,900)
Cash flows from financing activities:		
Finance lease payments	(4)	(67)
Tax-related withholding of common stock	(99)	(69)
Proceeds from issuance of common stock under employee stock plans	3,538	2
Net cash provided (used in) by financing activities	3,435	(134)
Effects of currency exchange rates on cash, cash equivalent, and restricted cash	436	580
Net decrease in cash, cash equivalents, and restricted cash	(3,243)	(20,704)
Cash, cash equivalents, and restricted cash at the beginning of the period	121,172	156,411
Cash, cash equivalents, and restricted cash at the end of the period	$ 117,929	$ 135,707
Supplemental information:		
Cash paid for income taxes	$ 337	$ 165
Reconciliation of cash, cash equivalents, and restricted cash at the end of the period:		
Cash and cash equivalents	$ 109,288	$ 116,690
Restricted cash, current	8,179	10,376
Restricted cash, non-current	462	8,641
Total cash, cash equivalents, and restricted cash	$ 117,929	$ 135,707

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

8X8, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS

8x8, Inc. ("8x8" or the "Company") was incorporated in California in February 1987, and was reincorporated in Delaware in December 1996.

The Company is a leading Software-as-a-Service ("SaaS") provider of contact center, voice, video, chat, and enterprise-class API solutions powered by one global cloud communications platform. 8x8 empowers workforces worldwide by connecting individuals and teams so they can collaborate faster and work smarter from anywhere. 8x8 provides real-time business analytics and intelligence giving its customers unique insights across all interactions and channels on our platform so they can support a distributed and hybrid working model while delighting their end-customers and accelerating their business. A majority of all revenue is generated from communication services subscriptions and platform usage. The Company also generates revenue from sales of hardware and professional services, which are complementary to the delivery of our integrated technology platform.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND CONSOLIDATION

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Accordingly, certain information and disclosures normally included in our annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements as of and for the fiscal year ended March 31, 2021, and notes thereto included in the Company's fiscal 2021 Annual Report on Form 10-K ("Form 10-K"). There were no material changes during the three months ended June 30, 2021, to our significant accounting policies as described in the Company's Form 10-K for the fiscal year ended March 31, 2021.

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company conducts its operations through one reportable segment.

In the opinion of the Company's management, these condensed consolidated financial statements reflect all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair statement of the Company's financial position, results of operations, and cash flows for the periods presented. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for any subsequent quarter or for the entire year ending March 31, 2022.

USE OF ESTIMATES

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and equity, and disclosure of contingent assets and liabilities at the reporting date. On an ongoing basis, the Company evaluates its estimates, including, but not limited to, those related to allowance for credit losses, reserve for expected customer credits or cancellations, fair value of and/or evaluation for impairment of goodwill and other long-lived assets, capitalization of internally developed software, benefit period for deferred sales commission costs, stock-based compensation expense, discount rate used to calculate operating lease liabilities, income and sales tax liabilities, fair value of convertible senior notes, litigation, and other contingencies. The Company bases its estimates on known facts and circumstances, historical experience, and various other assumptions. Actual results could differ from those estimates under different assumptions or conditions.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In December 2019, the FASB issued ASU 2019-12, *Income Taxes* (Topic 740), which enhanced and simplified various aspects of the income tax accounting guidance, including requirements such as tax basis step-up in goodwill obtained in a transaction that is not a business combination, ownership changes in investments, and interim-period accounting for enacted changes in tax law. The amendment was effective for public companies with fiscal years beginning after December 15, 2020, which is fiscal 2022 for the Company. The adoption of this guidance in the first quarter of the Company's fiscal 2022 did not have a material impact on the Company's financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

In August 2020, the FASB issued ASU 2020-06, *Debt - Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40), which simplifies accounting for convertible instruments by eliminating two of the three accounting models available for convertible debt instruments and convertible preferred stock. The guidance also addresses how convertible instruments are accounted for in the diluted earnings per share calculation. The guidance is effective for fiscal years beginning after December 15, 2021, which is fiscal 2023 for the Company; early adoption is permitted. The Company is currently assessing the impact of this pronouncement to its consolidated financial statements.

3. REVENUE RECOGNITION

Disaggregation of Revenue

The Company disaggregates its revenue by geographic region. See Note 12. *Geographical Information.*

Contract Balances

The following table provides amounts of receivables, contract assets, and deferred revenues from contracts with customers:

	June 30, 2021	March 31, 2021
Accounts receivable, net	$ 49,755	$ 51,150
Contract assets, current	$ 12,324	$ 12,840
Contract assets, non-current	$ 18,269	$ 17,987
Deferred revenue, current	$ 21,985	$ 20,737
Deferred revenue, non-current	$ 2,813	$ 2,999

Contract assets, current, contract assets, non-current, and deferred revenue, non-current are recorded on the Condensed Consolidated Balance Sheets in *Other current assets*, *Other assets*, and *Other liabilities, non-current*, respectively.

Contract assets represent recognition of revenue that has not yet been billed; the net decrease in contract assets was primarily driven by the billing of revenue previously recognized. The net increase in deferred revenue was due to billings in advance of performance obligations being satisfied. During the three months ended June 30, 2021, the Company recognized revenues of approximately $7.6 million, which was included in the deferred revenue balance at the beginning of the period.

Remaining Performance Obligations

The Company's subscription terms typically range from one to five years. Contract revenue from remaining performance obligations that had not yet been recognized as of June 30, 2021, was approximately $530.0 million. This amount excludes contracts with an original expected length of less than one year. The Company expects to recognize revenue on approximately 75% of the remaining performance obligations over the next 36 months and approximately 25% thereafter.

Deferred Sales Commission Costs

Amortization of deferred sales commission costs for the three months ended June 30, 2021 and 2020, was $8.2 million and $6.1 million, respectively. There were no material write-offs of deferred sales commission costs during the three months ended June 30, 2021 and 2020.

4. FAIR VALUE MEASUREMENTS

The following tablse presents estimated fair values of cash, cash equivalents, restricted cash, and available-for-sale investments:

June 30, 2021	Amortized Costs	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value	Cash and Cash Equivalents	Restricted Cash (Current & Non-Current)	Short-Term Investments	Long-Term Investments
Cash	$ 39,480	$ —	$ —	$ 39,480	$ 39,480	$ —	$ —	$ —
Level 1:								
Money market funds	67,108	—	—	67,108	67,108	—	—	—
Subtotal	106,588	—	—	106,588	106,588	—	—	—
Level 2:								
Certificate of deposit	8,641	—	—	8,641	—	8,641	—	—
Municipal bonds	700	—	—	700	700	—	—	—
Commercial paper	15,120	2	—	15,122	2,000	—	13,122	—
Corporate debt	30,796	30	(5)	30,821	—	—	18,109	12,712
Subtotal	55,257	32	(5)	55,284	2,700	8,641	31,231	12,712
Total assets	$ 161,845	$ 32	$ (5)	$ 161,872	$ 109,288	$ 8,641	$ 31,231	$ 12,712

March 31, 2021	Amortized Costs	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value	Cash and Cash Equivalents	Restricted Cash (Current & Non-Current)	Short-Term Investments	Long-Term Investments
Cash	$ 39,070	$ —	$ —	$ 39,070	$ 39,070	$ —	$ —	$ —
Level 1:								
Money market funds	67,712	—	—	67,712	67,712	—	—	—
Treasury securities	6,177	17	—	6,194	—	—	6,194	—
Subtotal	112,959	17	—	112,976	106,782	—	6,194	—
Level 2:								
Certificate of deposit	8,641	—	—	8,641	—	8,641	—	—
Commercial paper	17,656	42	—	17,698	700	—	16,998	—
Corporate debt	22,193	1	—	22,194	5,049	—	17,145	—
Subtotal	48,490	43	—	48,533	5,749	8,641	34,143	—
Total assets	$ 161,449	$ 60	$ —	$ 161,509	$ 112,531	$ 8,641	$ 40,337	$ —

Certificates of deposit represent the Company's letters of credit securing leases for office facilities, the balances of which are included in *Restricted cash, current* and *Restricted cash, non-current* on the Company's Condensed Consolidated Balance Sheets.

The Company considers its investments available to support its current operations and has classified all investments as available-for-sale securities. The Company does not intend to sell any of its investments that are in unrealized loss positions and, as of June 30, 2021, has determined that it is not more likely than not that it will be required to sell any of these investments before recovery of the entire amortized cost bases.

The Company regularly reviews the changes to the rating of its securities at the individual security level by rating agencies and reasonably monitors the surrounding economic conditions to assess the risk of expected credit losses. As of June 30, 2021, the Company did not have any risk of expected credit losses on its investments.

As of June 30, 2021 and March 31, 2021, the estimated fair value of the Company's outstanding convertible senior notes ("Notes") was $450.7 million and $502.9 million, respectively, which was determined based on the closing price for the Notes on the last trading day of the reporting period and is categorized within Level 2 of the fair value hierarchy due to limited trading activity of the Notes. See Note 8, *Convertible Senior Notes and Capped Call*.

5. INTANGIBLE ASSETS AND GOODWILL

Intangible Assets

The carrying value of intangible assets consisted of the following:

	June 30, 2021			March 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	$ 27,231	$ (15,793)	$ 11,438	$ 33,960	$ (21,458)	$ 12,502
Customer relationships	6,428	(2,021)	4,407	11,969	(7,341)	4,628
Trade and domain names	83	(83)	—	988	(988)	—
Total acquired identifiable intangible assets	$ 33,742	$ (17,897)	$ 15,845	$ 46,917	$ (29,787)	$ 17,130

During the three months ended June 30, 2021, the Company determined certain of its fully amortized intangible assets were no longer in use. As a result, the Company wrote off $6.7 million in gross carrying value of developed technology, $5.5 million of customer relationships, and $0.9 million of trade and domain names. Such intangibles had been fully amortized in prior periods, thus there was no net impact to the Company's financial statements.

As of June 30, 2021, the weighted average remaining useful life of developed technology and customer relationships was 4.4 years and 5.0 years, respectively.

As of June 30, 2021, the expected future amortization expense of the intangible assets was as follows:

Remainder of fiscal 2022	$ 4,388
Fiscal 2023	2,904
Fiscal 2024	2,851
Fiscal 2025	2,851
Fiscal 2026	2,851
Thereafter	—
Total	$ 15,845

Goodwill

The following table provides a summary of the change in the carrying amount of goodwill:

Balance at March 31, 2021	$ 131,520
Foreign currency translation adjustments	79
Balance at June 30, 2021	$ 131,599

6. LEASES

Operating Leases

The following table provides balance sheet information related to the Company's operating leases:

	June 30, 2021	March 31, 2021
Assets		
Operating lease, right-of-use assets	$ 63,402	$ 66,664
Liabilities		
Operating lease liabilities, current	$ 12,792	$ 12,942
Operating lease liabilities, non-current	79,403	82,456
Total operating lease liabilities	$ 92,195	$ 95,398

The following table presents the components of lease expense and cash outflows from operating leases:

	Three Months Ended June 30,	
	2021	2020
Operating lease expense	$ 3,459	$ 3,750
Variable lease expense	$ 750	$ 782
Cash outflows from operating leases	$ 4,200	$ 2,054

Short-term lease expense was immaterial for the three months ended June 30, 2021 and 2020.

The following table presents supplemental lease information:

	June 30, 2021	March 31, 2021
Weighted average remaining lease term	8.2 years	8.4 years
Weighted average discount rate	4.0%	4.0%

The following table presents maturity of lease liabilities under the Company's non-cancellable operating leases as of June 30, 2021:

Remainder of fiscal 2022	$ 12,175
Fiscal 2023	15,170
Fiscal 2024	11,851
Fiscal 2025	11,514
Fiscal 2026	10,513
Thereafter	47,693
Total lease payments	108,916
Less: imputed interest	(16,721)
Present value of lease liabilities	$ 92,195

7. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company may be involved in various claims, lawsuits, investigations and other legal proceedings, including intellectual property, commercial, regulatory compliance, securities and employment matters that arise in the normal course of business. The Company determines whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. The Company regularly evaluates current information to determine whether any accruals should be adjusted and whether new accruals are required. Actual claims could settle or be adjudicated against the Company in the future for materially different amounts than the Company has accrued due to the inherently unpredictable nature of litigation. Legal costs are expensed as incurred.

The Company believes it has recorded adequate provisions for any such lawsuits and claims and proceedings as of June 30, 2021. The Company believes that damage amounts claimed in these matters are not meaningful indicators of potential liability. Some of the matters pending against the Company involve potential compensatory, punitive or treble damage claims or sanctions, that, if granted, could require the Company to pay damages or make other expenditures in amounts that could have a material adverse effect on its Consolidated Financial Statements. Given the inherent uncertainties of litigation, the ultimate outcome of the ongoing matters described herein cannot be predicted, and the Company believes it has valid defenses with respect to the legal matters pending against it. Nevertheless, the Consolidated Financial Statements could be materially adversely affected in a particular period by the resolution of one or more of these contingencies.

Wage and Hour Litigation. On September 21, 2020, the Company received a copy of a letter filed by a former employee, Plaintiff Denise Rivas, with the California Labor and Workforce Development Agency (“LWDA”) providing notice of the Plaintiff’s intent to bring a Private Attorney General Act (“PAGA”) claim, on behalf of the Company’s non-exempt employees based in California, for alleged California wage and hour practices violations. On September 25, 2020, the Plaintiff filed a separate class action complaint (“Class Complaint”) in Santa Clara County Superior Court against the Company in which she alleges 10 causes of action, on behalf of herself and all of the Company’s non-exempt employees based in California for the last four years, related to violations of California state wage and hour practices and the federal Fair Credit Reporting Act. The Class Complaint was served on the Company on September 29, 2020. On October 28, 2020, the Company filed a general denial of all claims and asserted various affirmative defenses. On October 29, 2020, the Company removed the matter to Federal Court. On December 1, 2020, Plaintiff filed a companion PAGA lawsuit complaint (“PAGA Complaint”) in Santa Clara County Superior Court against the Company, in which she alleges 6 violations of California state wage and hour practices for all of the Company's current and former non-exempt employees based in California from September 16, 2019 to the present. The PAGA Complaint was served on the Company on December 11, 2020. On January 26, 2021, the Company filed a general denial of all claims and asserted various affirmative defenses to the PAGA Complaint. Both actions are scheduled for a joint mediation in September 2021, and discovery is stayed in both actions pending completion of the mediation.

Other Commitments, Indemnifications, and Contingencies

State and Local Taxes and Surcharges. From time to time, the Company has received inquiries from a number of state and local taxing agencies with respect to the remittance of sales, use, telecommunications, excise, and income taxes. Several jurisdictions currently are conducting tax audits of the Company's records. The Company collects or has accrued for taxes that it believes are required to be remitted. The amounts that have been remitted have historically been within the accruals established by the Company. The Company adjusts its accrual when facts relating to specific exposures warrant such adjustment. During the second quarter of fiscal 2019, the Company conducted a periodic review of the taxability of its services and determined that certain services may be subject to sales, use, telecommunications or other similar indirect taxes in certain jurisdictions. Accordingly, the Company recorded contingent indirect tax liabilities. As of June 30, 2021 and March 31, 2021, the Company had accrued contingent indirect tax liabilities of $2.8 million and $3.1 million, respectively.

8. CONVERTIBLE SENIOR NOTES AND CAPPED CALLS

Convertible Senior Notes

In February 2019, the Company issued $287.5 million aggregate principal amount of 0.50% convertible senior notes (the "Initial Notes") due 2024 in a private placement, including the exercise in full of the initial purchasers' option to purchase additional notes. The total net proceeds from the debt offering, after deducting initial purchase discounts, debt issuance costs, and costs of the capped call transactions described below, were approximately $245.8 million.

In November 2019, the Company issued an additional $75.0 million aggregate principal amount of 0.50% convertible senior notes (the "Additional Notes" and together with the Initial Notes, the "Notes") due 2024 in a registered offering under the same indenture as the Initial Notes. The total net proceeds from the Additional Notes, after deducting underwriting discounts, debt issuance costs and costs of the capped call transactions described below, were approximately $64.6 million. The Additional Notes constitute a further issuance of, and form a single series with, the Initial Notes. Immediately after giving effect to the issuance of the Additional Notes, the Company had $362.5 million aggregate principal amount of convertible senior notes.

The Notes are senior unsecured obligations of the Company and interest is payable semiannually in arrears on February 1 and August 1 of each year, beginning on August 1, 2019. The Notes will mature on February 1, 2024, unless earlier repurchased, redeemed, or converted.

Each $1,000 principal amount of the Notes is initially convertible into 38.9484 shares of the Company’s common stock, par value $0.001, which is equivalent to an initial conversion price of approximately $25.68 per share. The conversion rate is subject to adjustment upon the occurrence of certain specified events but will not be adjusted for any accrued and unpaid interest. In addition, upon the occurrence of certain corporate events that occur prior to the maturity date or following the Company's issuance of a notice of redemption, in each case as described in the Indenture, the Company will, in certain circumstances, increase the conversion rate for a holder that elects to convert its Notes in connection with such a corporate event or during the relevant redemption period.

Prior to the close of business on the business day immediately preceding October 1, 2023, the Notes will be convertible only under the following circumstances:

1. At any time during any calendar quarter commencing after the fiscal quarter ending on June 30, 2019 (and only during such calendar quarter), if the last reported sale price of the Common Stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;

2. During the five business day period immediately after any ten consecutive trading day period (the measurement period), if the trading price per $1,000 principal amount of the Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the common stock on each such trading day and the conversion rate on each such trading day;

3. If the Company calls any or all of the Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or

4. Upon the occurrence of specified corporate events (as set forth in the indenture governing the Notes).

On or after October 1, 2023, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their Notes, regardless of the foregoing circumstances. Upon conversion, the Company will satisfy its conversion obligation by paying or delivering, as the case may be, cash, shares of common stock, or a combination of cash and shares of common stock, at the Company's election. The Company’s current intent is to settle the principal amount of the Notes in cash upon conversion. During the three months ended June 30, 2021, the conditions allowing holders of the Notes to convert were not met.

The Company may not redeem the Notes prior to February 4, 2022. On or after February 4, 2022, the Company may redeem for cash all or part of the Notes, at the redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if the last reported sale price of the common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides a redemption notice. If a fundamental change (as defined in the indenture governing the notes) occurs at any time, holders of Notes may require the Company to repurchase for cash all or any portion of their Notes at a repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Notes are senior unsecured obligations and will rank senior in right of payment to any of the Company's indebtedness that is expressly subordinated in right of payment to the Notes; equal in right of payment with the Company's existing and future liabilities that are not so subordinated; effectively junior in right of payment to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of current or future subsidiaries of the Company.

The following table presents the net carrying amount of the liability component of the Notes:

	June 30, 2021	March 31, 2021
Principal	$ 362,500	$ 362,500
Unamortized debt discount	(48,990)	(53,323)
Unamortized issuance costs	(682)	(742)
Net carrying amount	$ 312,828	$ 308,435

The following table presents interest expense related to the Notes:

	Three Months Ended June 30,	
	2021	2020
Contractual interest expense	$ 453	$ 453
Amortization of debt discount	4,332	4,068
Amortization of issuance costs	61	57
Total interest expense	$ 4,846	$ 4,578

Capped Call

In connection with the pricing of the Notes, the Company entered into privately negotiated capped call transactions ("Capped Calls") with certain counterparties. The Capped Calls each have an initial strike price of approximately $25.68 per share, subject to certain adjustments, which corresponds to the initial conversion price of the Notes. The Capped Calls have initial cap prices of $39.50 per share, subject to certain adjustments. The Capped Calls are expected to partially offset the potential dilution to the Company's Common Stock upon any conversion of the Notes, with such offset subject to a cap based on the cap price. The Capped Calls cover, subject to anti-dilution adjustments, approximately 14.1 million shares of the Company's Common Stock. The Capped Calls are subject to adjustment upon the occurrence of specified extraordinary events affecting the Company, including merger events, tender offers, and announcement events. In addition, the Capped Calls are subject to certain specified additional disruption events that may give rise to a termination of the Capped Calls, including nationalization, insolvency or delisting, changes in law, failures to deliver, insolvency filings, and hedging disruptions. For accounting purposes, the Capped Calls are separate transactions, and not part of the terms of the Notes. As these transactions meet certain accounting criteria, the Capped Calls are recorded in stockholders' equity and are not accounted for as derivatives.

9. STOCK-BASED COMPENSATION

The following table presents stock-based compensation expense:

	Three Months Ended June 30,	
	2021	2020
Cost of service revenue	$ 1,968	$ 1,814
Cost of other revenue	1,071	787
Research and development	8,698	6,545
Sales and marketing	14,326	5,739
General and administrative	10,524	7,894
Total	$ 36,587	$ 22,779

Stock Options

The following table presents stock option activity (*shares in thousands*):

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at March 31, 2021	1,813	$ 9.46	2.86 years	$ 41,673
Granted	—	—		
Exercised	(391)	9.04		
Canceled/Forfeited	(9)	21.85		
Outstanding at June 30, 2021	1,413	$ 9.50	2.61 years	$ 25,806
Vested and expected to vest at June 30, 2021	1,411	$ 9.48	2.60 years	$ 25,788
Exercisable at June 30, 2021	1,373	$ 9.19	2.48 years	$ 25,498

The total intrinsic value of options exercised during the three months ended June 30, 2021 and 2020, was $9.1 million and less than $0.1 million, respectively.

As of June 30, 2021, there was $0.3 million of total unrecognized compensation cost related to stock options, which is expected to be recognized over a weighted average period of approximately 0.9 years.

Restricted Stock Units (RSUs)

The following table presents RSU activity (*shares in thousands*):

	Number of Shares	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at March 31, 2021	8,646	$ 19.27	1.85 years	$ 280,467
Granted	3,466	26.36		
Vested and released	(969)	20.07		
Forfeited	(317)	19.71		
Outstanding at June 30, 2021	10,826	$ 21.45	2.05 years	$ 300,524

As of June 30, 2021, there was $165.1 million of total unrecognized compensation cost related to RSUs.

Performance Stock Units (PSUs)

The Company has granted PSUs to certain of its executives with vesting that is contingent on continued service and either Company or market performance. PSUs issued in June 2021 consist of three tranches: the first tranche vests on the 1st anniversary and is based on the Non-GAAP Gross Profit of the Company; the remaining two tranches vest on the 2nd and 3rd anniversaries, respectively, and are based on the Total Shareholder Return ("TSR") of the Company, as measured relative to a specified market index during the specified periods. For the first tranche, a range of 90% to 110% attainment of the target Non-GAAP Gross Profit over the vesting period will result in a range from 0% to 200% of the target number of shares being earned. For the awards based on TSR, a 2x multiplier will be applied for each percentage point of positive or negative relative TSR over the specified vesting periods, such that the number of shares of common stock earned will increase or decrease by 2% of the target number of shares, subject to a maximum of 200% of the target number of shares. In the event that the Company’s relative TSR performance is less than negative 30%, relative to the specified index, no shares will be earned for the applicable performance period. The amount of compensation expense is based on how many shares are probable to be earned for the applicable performance period.

The first tranche was valued at $25.78 per share based on the closing price of the Company's common stock on the grant date.

The second and third tranches were valued at $33.32 and $34.48, respectively, per share as determined by Monte Carlo simulations using a volatility factor of 58.7% and a risk-free rate of 0.3%.

The following table presents PSU activity (*shares in thousands*):

	Number of Shares	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at March 31, 2021	1,576	$ 27.33	1.24 years	$ 51,116
Granted	465	27.92		
Granted for performance achievement[1]	20	27.92		
Vested and released	(206)	16.12		
Forfeited	(198)	24.61		
Outstanding at June 30, 2021	1,657	$ 30.56	1.43 years	$ 46,012

[1] Represents additional PSUs awarded as a result of the achievement of performance goals above the performance targets established at grant.

As of June 30, 2021, there was $32.3 million of total unrecognized compensation cost related to PSUs.

Employee Stock Purchase Plan (ESPP)

As of June 30, 2021, there was approximately $0.6 million of unrecognized cost related to employee stock purchases. This cost is expected to be recognized over a weighted average period of 0.1 years. As of June 30, 2021, a total of 2,865,669 shares were available for issuance under the ESPP.

Salary and Bonus Stock Program

In March 2021, the Company offered its employees an opportunity to receive a portion of their base cash salary and/or cash bonus for fiscal 2022 in shares of the Company's common stock. Participants that choose to receive stock in place of base cash salary will be subject to reduced cash payroll starting July 2021 through March 2022. The number of shares received by the employee is based on the lower of the closing price of the common stock as of one of two specified look-back dates.

The estimated fair value of the shares issued has two components: 1) the value of the base cash salary and/or cash bonus opted to be received as shares, and 2) the grant date fair value of the look-back feature. The estimated fair value of the stock awards will be recognized in stock based compensation expense over the requisite service period of the participants, which may differ from the period in which their original cash compensation is earned. The look-back features are valued as options using the Black-Scholes model, applied to the total number of shares would have been granted under the program based on the closing price of our common stock on the grant date.

The following table presents the estimated fair value on the date of grant of each of the look-back features and the assumptions used in the Black-Scholes pricing model:

Fair value of look-back options	$4.64 - $8.24
Valuation assumptions:	
Expected volatility	58.7%
Risk-free interest rates	0.06 % - 0.07%
Expected terms (in years)	0.38 - 1.21
Dividend rate	—%

The risk-free rates were determined based on published treasury rates over terms consistent with those of the share exchange program. The volatility rate was determined based on historic volatility of the Company's stock and is consistent with the rate used for valuation of the PSU awards granted in June 2021.

As of June 30, 2021, there was $8.8 million of total unrecognized compensation cost related to the stock exchange program.

Stock Repurchases

There were no stock repurchases during the three months ended June 30, 2021 and June 30, 2020.

10. INCOME TAXES

The Company's effective tax rate was (0.6)% and (0.5)% for the three months ended June 30, 2021 and 2020, respectively. The difference in the effective tax rate and the U.S. federal statutory rate was primarily due to the full valuation allowance the Company maintains against its deferred tax assets. The effective tax rate is calculated by dividing the *Provision for income taxes* by the *Loss before provision for income taxes*.

11. NET LOSS PER SHARE

The following table presents the weighted average number of common shares outstanding used in calculating basic and diluted net loss per share (*dollars in thousands, except per share data*):

	Three Months Ended June 30,	
	2021	2020
Net loss	$ (43,906)	$ (41,913)
Weighted average common shares outstanding - basic and diluted	109,925	103,607
Net loss per share:		
Basic and diluted	$ (0.40)	$ (0.40)

The following potentially dilutive common shares were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive (*shares in thousands*):

	Three Months Ended June 30,	
	2021	2020
Stock options	1,413	2,259
Restricted stock units	12,483	9,443
Potential shares attributable to the ESPP	444	582
Total potential anti-dilutive shares	14,340	12,284

12. GEOGRAPHICAL INFORMATION

The following tables present information by geographic area:

	Three Months Ended June 30,	
Revenue by geographic area:	2021	2020
United States	$ 103,658	$ 93,244
International	44,669	28,563
Total revenue	$ 148,327	$ 121,807

Property and equipment by geographic area:	June 30, 2021	March 31, 2021
United States	$ 85,928	$ 87,945
International	4,848	5,131
Total property and equipment, net	$ 90,776	$ 93,076

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q. As discussed in the section titled "Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this report, particularly those set forth under the section entitled "Risk Factors" in our Annual Report on Form 10-K ("Form 10-K") for the fiscal year ended March 31, 2021.

BUSINESS OVERVIEW

We are a leading software-as-a-service ("SaaS") provider of voice, video, chat, contact center, and enterprise-class application programming interface ("API") solutions powered by one global cloud communications platform. From our proprietary cloud technology platform, organizations across all their locations and employees globally have access to unified communications, team collaboration, video conferencing, contact center, data and analytics, communication APIs, and other services, enabling them to be more productive and responsive to their customers.

Our customers represent companies ranging from small businesses to large multinational enterprises, and their users are spread across more than 150 countries. In recent years, we have increased our focus on the mid-market (which we define as customers that generate $25K to $100K ARR) and enterprise (which we define as customers that generate more than $100K ARR) customer categories. See "Key Business Metrics" section below for our definition and discussion of ARR.

We have a portfolio of SaaS offerings made available at different rates varying by the specific functionalities, services, and number of users. We generate service revenue from subscriptions to our communication services as well as from our customer's usage of certain of our platform services. We generate other revenues from the sales and rentals of office phones and other hardware equipment, and professional services. We define a "customer" as one or more legal entities to which we provide services pursuant to a single contractual arrangement. In some cases, we may have multiple billing relationships with a single customer (for example, where we establish separate billing accounts for a parent company and each of its subsidiaries).

Our flagship service is our 8x8 X Series, a next generation suite of unified communications as a service ("UCaaS") and contact center as a service ("CCaaS") solutions, which consist of service plans of increasing functionality designated X1, X2, etc., through X8. With 8x8 X Series, we provide enterprise-grade voice, unified communications, video meetings, team collaboration, and contact center functionalities from a single platform. The continued increase in demand for an integrated UCaaS and CCaaS solution led us to introduce eXperience Communications as a Service ("XCaaS"), a deployment model that erases boundaries between UCaaS and CCaaS, delivered through our differentiated single platform.

We also offer standalone SaaS services for contact center and video meetings as well as enterprise communication APIs for SMS, messaging, voice, and video APIs through our global communications platform as a service ("CPaaS"). We expect to continue developing and enhancing these services on our platform, as we believe in the value of the collective solutions.

SUMMARY AND OUTLOOK

In the first quarter of fiscal 2022, our service revenue grew approximately 21% year-over-year to $137.8 million. We continued to show an increase in our total ARR, which grew to $536 million in the first quarter of fiscal 2022, from $432 million in the same period in fiscal 2021, driven by the growth in sales to mid-market and enterprise customers. ARR from mid-market and enterprise customers represented 68% of total ARR in the first quarter of fiscal 2022, and grew 34% compared to the same period in fiscal 2021.

Our continued business focus is on achieving improved operating efficiencies while delivering revenue growth. We focus on key areas of spend in our go-to-market strategy and improving gross margin and operating margin through increased spend discipline. Additionally, we look to drive improved efficiencies in our customer acquisition and operations, and are focused on expanding our business upmarket with mid-market and enterprise customers. We believe that this approach will enable the Company to grow and capture market share during this phase of industry disruption, in a cost-effective way, and support the Company in pursuit of its path to profitability and operating cashflow improvement.

We plan to continue making investments in activities to acquire more customers, including investing in our marketing efforts, internal and field sales capacity, and research and development. We also intend to continue investing in our indirect channel programs to acquire more third-party selling agents to help sell our solutions, including investments in our value added resellers ("VARs") and master agent programs.

IMPACTS OF COVID-19

The full extent of the impact of the COVID-19 pandemic on our business, operations and financial results continues to depend on numerous evolving factors that we may not be able to accurately predict, including those set forth under the section entitled "Risk Factors" in our Form 10-K for the fiscal year ended March 31, 2021. In an effort to contain the spread of COVID-19 and its variants, governments around the world have enacted various measures, including orders to close at times non-essential businesses, isolate residents to their homes, and practice social distancing. To protect the health and safety of our employees, our workforce has spent significant time working from home and travel has been curtailed for our employees as well as our customers. While we anticipate that the global health crisis caused by COVID-19 and the measures enacted to slow its spread will negatively impact business activity across the globe, it is not clear what its potential effects, including the availability and effectiveness of vaccines, now and in the future, and current and future variants of the virus, will be on our business, including the effects on our customers, suppliers or vendors, or on our financial results.

KEY BUSINESS METRIC

Our management periodically reviews certain key business metrics in order to evaluate our operations, allocate resources, and drive financial performance in our business.

Annualized Recurring Subscriptions and Usage ("ARR")

Our management reviews Annualized Recurring Subscriptions and Usage ("ARR") and believes it may be useful to investors in order to evaluate trends in future revenues of the Company. Our management believes revenues are an important indicator for measuring the overall performance of the business. Our management uses trends in ARR to assess our on-going operations, allocate resources, and drive the financial performance of the business. We define Annualized Recurring Subscriptions and Usage, or ARR, as equal to the sum of the most recent month of (i) recurring subscription amounts and (ii) platform usage charges for all CPaaS customers (subject to a minimum billings threshold for a period of at least six consecutive months), multiplied by 12. We are not aware of any uniform standards for calculating ARR and caution that our presentation may not be consistent with that of other companies. For example, to the extent our ARR is used to evaluate trends in future revenue, such an evaluation would assume a sustained level of usage from existing customers which may fluctuate in future periods.

COMPONENTS OF RESULTS OF OPERATIONS

Service Revenue

Service revenue consists of communication services subscriptions, platform usage revenue, and related fees from our UCaaS, CCaaS, XCaaS, and CPaaS offerings. We plan to continue driving our business to increase service revenue through a combination of increased sales and marketing efforts, geographic expansion of our customer base outside the United States, innovation in product and technology, and through strategic acquisitions of technologies and businesses.

Other Revenue

Other revenue consists of revenues from professional services, primarily in support of deployment of our solutions and/or platform, and revenues from sales and rentals of IP telephones in conjunction with our cloud telephony service. Other revenue is dependent on the number of customers who choose to purchase or rent an IP telephone in conjunction with our service instead of using the solution on their cell phone, computer or other compatible device, and/or choose to engage our services for implementation and deployment of our cloud services.

Cost of Service Revenue

Cost of service revenue consists primarily of costs associated with network operations and related personnel, technology licenses, amortization of platform related capitalized internal-use software, other communication origination and termination services provided by third-party carriers and outsourced customer service call center operations, and other costs such as customer service, and technical support costs. We allocate overhead costs such as IT and facilities to cost of service revenue, as well as to each of the operating expense categories, generally based on relative headcount. Our IT costs include costs for IT infrastructure and personnel. Facilities costs primarily consist of office leases and related expenses.

Cost of Other Revenue

Cost of other revenue consists primarily of direct and indirect costs associated with the purchasing of IP telephones as well as the scheduling, shipping and handling, personnel costs, expenditures incurred in connection with the professional services associated with the deployment and implementation of our products, and allocated IT and facilities costs.

Research and Development

Research and development expenses consist primarily of personnel and related costs, third-party development, software and equipment costs necessary for us to conduct our product, platform development and engineering efforts, and allocated IT and facilities costs.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel and related costs, sales commissions, including those to the channel, trade shows, advertising and other marketing, demand generation, promotional expenses, and allocated IT and facilities costs.

General and Administrative

General and administrative expenses consist primarily of personnel and related costs, professional services fees, corporate administrative costs, tax and regulatory fees, and allocated IT and facilities costs.

Other Expense, Net

Other expense, net, consists primarily of interest expense related to the convertible notes, offset by income earned on our cash, cash equivalents, investments, and foreign exchange gains/losses.

Provision for Income Taxes

Provision for income taxes consists primarily of foreign income taxes and state minimum taxes in the United States. As we expand the scale of our international business activities, any changes in the U.S. and foreign taxation of such activities may increase our overall provision for income taxes in the future. We have a valuation allowance for our U.S. deferred tax assets, including federal and state net operating loss carryforwards ("NOLs"). We expect to maintain this valuation allowance until it becomes more likely than not that the benefit of our federal and state deferred tax assets will be realized by way of expected future taxable income in the United States.

RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our condensed consolidated financial statements and the notes thereto.

Revenue

Service revenue

	2021	2020	Change	
Three Months Ended June 30,	$ 137,796	$ 114,183	$ 23,613	20.7 %
Percentage of total revenue	92.9 %	93.7 %		

Service revenue increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to a net increase in our customer base, expanded offerings to existing customers, and growth in related usage; service revenue from new customers was primarily driven by global sales of XCaaS, and our standalone UCaaS and CCaaS offerings to our mid-market and enterprise customers. The increase in service revenue was also attributable to growth in usage revenue generated by our CPaaS products, primarily in the APAC region.

We expect total service revenue to grow over time with our diverse platform offering as our business continues to expand globally and deeper into our customer categories.

Other revenue

	2021	2020	Change	
Three Months Ended June 30,	$ 10,531	$ 7,624	$ 2,907	38.1 %
Percentage of total revenue	7.1 %	6.3 %		

Other revenue increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to increased professional services revenue resulting from the overall growth in our business and customer base, partially offset by a decrease in product revenue as a result of a shift toward our hardware rental program and soft phone usage.

We expect other revenue to grow over time as our customer base grows, particularly in mid-market and enterprise, as we focus on delivering enhanced platform offerings to existing and new customers.

No customer represented greater than 10% of the Company's total revenue for the three months ended June 30, 2021 or 2020.

Cost of Revenue

Cost of service revenue

	2021	2020	Change	
Three Months Ended June 30,	$ 46,010	$ 40,996	$ 5,014	12.2 %
Percentage of service revenue	33.4 %	35.9 %		

Cost of service revenue increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, yet decreased as a percentage of service revenue, primarily due to increases of:

- $5.9 million in communication infrastructure costs incurred to deliver our services resulting from growth in usage across our platform including those in connection with CPaaS;
- $0.7 million in amortization of capitalized internal-use software; and
- $0.2 million in stock-based compensation expense.

These increases were partially offset by decreases of:

- $1.1 million in employee and consulting related expenditures; and
- $0.4 million in depreciation and amortization of intangible assets.

We expect cost of service revenue will increase in absolute dollars in future periods as revenue continues to grow.

Cost of other revenue

	2021		2020		Change	
Three Months Ended June 30,	$	13,746	$	11,137	$ 2,609	23.4 %
Percentage of other revenue		130.5 %		146.1 %		

Cost of other revenue increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to an increase in hardware shipment volume.

Cost of other revenue as a percentage of other revenue decreased, due to improved pricing and an increase in our hardware rental revenue. We expect that Other revenue margin will vary period over period.

Operating Expenses

Research and development

	2021		2020		Change	
Three Months Ended June 30,	$	25,392	$	21,494	$ 3,898	18.1 %
Percentage of total revenue		17.1 %		17.6 %		

Research and development expenses increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to increases of:

- $2.2 million in stock-based compensation expense;
- $1.5 million from less capitalized internal-use software costs;
- $0.5 million in employee and consulting related expenditures;
- $0.5 million in public cloud expenses; and
- $0.3 million in amortization of capitalized internal-use software.

These increases were partially offset by a decrease of $0.7 million in facility and overhead costs.

We plan to continue to invest in research and development to support our efforts to expand the capabilities and scope of our platform and to enhance the user experience. While we expect to continue to improve our cost structure and achieve operational efficiencies, we expect that research and development expenses will increase in absolute dollars in future periods as we continue to invest in our development efforts, and vary from period-to-period as a percentage of revenue.

Sales and marketing

	2021		2020		Change	
Three Months Ended June 30,	$	75,915	$	60,150	$ 15,765	26.2 %
Percentage of total revenue		51.2 %		49.4 %		

Sales and marketing expenses increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to increases of:

- $8.6 million in stock-based compensation expense; and
- $6.8 million in internal and external sales commissions.

These increases were partially offset by a net decrease of $0.1 million in marketing program and public cloud expenses due to gained efficiencies in lead generation and brand awareness, travel related costs, and employee and consulting related expenditures.

We plan to continue investing in sales and marketing to attract and retain customers on our platform and to increase our brand awareness. While we expect to continue to improve our cost structure and achieve operational efficiencies, we expect that sales and marketing expenses will increase in absolute dollars in future periods and vary from period-to-period as a percentage of revenue.

General and administrative

	2021		2020		Change	
Three Months Ended June 30,	$	26,091	$	25,790	$ 301	1.2 %
Percentage of total revenue		17.6 %		21.2 %		

General and administrative expenses increased for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, primarily due to increases of:

- $2.6 million in stock-based compensation expense;
- $0.8 million in contract termination costs; and
- $0.5 million in facility related costs.

These increases were partially offset by decreases of:

- $2.0 million in legal and regulatory costs;
- $1.0 million of lower allowances for credit losses; and
- $0.4 million in employee and consulting related expenditures.

We expect to continue improving our cost structure and achieve operational efficiencies, and therefore also expect that general and administrative expenses as a percentage of total revenue will decline over time.

Other expense, net

	2021		2020		Change	
Three Months Ended June 30,	$	4,823	$	3,925	$ 898	22.9 %
Percentage of total revenue		3.3 %		3.2 %		

The change in Other expense, net for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, was primarily due to increased expenses related to fluctuations in foreign exchange rates.

With the recognition of interest expense and amortization of debt discount and issuance costs in connection with our convertible senior notes, we expect Other expense, net to remain in a net expense position for the foreseeable future.

Provision for income taxes

	2021		2020		Change	
Three Months Ended June 30,	$	256	$	228	$ 28	12.3 %
Percentage of total revenue		0.2 %		0.2 %		

There was not a material change to our Provision for income taxes for the three months ended June 30, 2021 and no material changes are anticipated for the foreseeable future.

Liquidity and Capital Resources

As of June 30, 2021, we had $153.2 million of cash, cash equivalents, and investments. In addition, as of June 30, 2021, we had $8.6 million in restricted cash in support of letters of credit securing leases for office facilities. As of March 31, 2021, we had $152.9 million of cash, cash equivalents, and investments and $8.6 million of restricted cash.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was passed into law, which amended portions of relevant tax laws and provided relief to certain qualifying entities. In connection with the CARES Act, the Company elected to defer certain employer payroll taxes, which reduced cash usage by approximately $5.0 million through March 31, 2021, of which approximately $2.5 million will be remitted to tax authorities during the third quarter of fiscal 2022 and the remaining amount due will be remitted in the third quarter of fiscal 2023.

In March 2021, the Company offered its employees a limited opportunity to receive a portion of their fiscal 2022 cash salary and/or cash bonus in shares of the Company's common stock. Based on employee elected participation, we expect lower cash usage from payroll compensation of over $4 million during the remainder of fiscal 2022 and approximately $4 million during the first quarter of fiscal 2023.

We believe that our existing cash, cash equivalents, and investment balances, and our anticipated cash flows from operations will be sufficient to meet our working capital and expenditure requirements for the next 12 months.

Period-over-Period Changes

Net cash provided by operating activities for the three months ended June 30, 2021, was $4.0 million, as compared with net cash used of $9.3 million in the three months ended June 30, 2020. Cash provided by/used in operating activities is affected by:

- the net loss;

- depreciation and amortization;
- the amortization associated with deferred sales commissions, debt discount and issuance costs;
- the expense associated with stock-based compensation; and
- changes in working capital accounts, particularly in the timing of collections from receivable and payments of obligations, such as commissions.

During the three months ended June 30, 2021, net cash provided by operating activities was primarily related to non-cash operating expenses, including:

- stock-based compensation expense of $36.6 million;
- depreciation and amortization of $11.5 million;
- amortization of the debt discount of $4.4 million; and
- operating lease expenses of $3.5 million.

These amounts were partially offset by:

- the net loss of $43.9 million; and
- net cash outflows from sales commissions of $8.2 million.

Net cash used in investing activities was $11.1 million in the three months ended June 30, 2021, as compared with $11.9 million in the three months ended June 30, 2020. The cash used in investing activities during the three months ended June 30, 2021, was primarily related to:

- capitalized internal-use software development costs of $6.5 million; and,
- purchases of investments of $28.7 million, partially offset by $25.0 million of proceeds from maturities and sales of investments.

Net cash provided by financing activities was $3.4 million in the three months ended June 30, 2021, as compared with $0.1 million in the three months ended June 30, 2020. Cash provided by financing activities for the three months ended June 30, 2021 was primarily related to the proceeds from exercises of stock options.

CRITICAL ACCOUNTING POLICIES & ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosures of assets and liabilities. On an on-going basis, we evaluate our critical accounting policies and estimates. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes during the three months ended June 30, 2021, to our critical accounting policies and estimates previously disclosed in our Form 10-K for the fiscal year ended March 31, 2021.

NEW ACCOUNTING PRONOUNCEMENTS

For a discussion of recently adopted accounting pronouncements and recent accounting pronouncements not yet adopted, refer to Note 2, *Summary of Significant Accounting Policies*, in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Fluctuation Risk

We had cash, cash equivalents, restricted cash, and investments totaling $161.9 million as of June 30, 2021. Cash equivalents and investments were invested primarily in money market funds, U.S. treasury, commercial paper, and corporate bonds. Our investment policy is focused on the preservation of capital and supporting our liquidity needs. Under the policy, we invest in highly rated securities, while limiting the amount of credit exposure to any one issuer other than the U.S. government. We do not invest in financial instruments for trading or speculative purposes, nor do we use leveraged financial instruments. We utilize external investment managers who adhere to the guidelines of our investment policy. A hypothetical 10% change in interest rates would not have a material impact on the value of our cash, cash equivalents, or available-for-sale investments.

As of June 30, 2021, the Company had $362.5 million or aggregate principal amount of convertible senior notes outstanding, which had an estimated fair value was $450.7 million. The fair value of the convertible senior notes is subject to interest rate risk, market risk, and other factors due to the conversion feature. The fair value of the convertible senior notes will generally increase as our common stock price increases and will generally decrease as our common stock price declines. The interest and market value changes affect the fair value of the convertible senior notes but do not impact our financial position, cash flows, or results of operations due to the fixed nature of the debt obligation. Additionally, we carry the convertible senior notes at face value less unamortized discount on our consolidated balance sheets, and we present the fair value for required disclosure purposes only.

Foreign Currency Exchange Risk

We have foreign currency risks related to our revenue and operating expenses denominated in currencies other than the U.S. dollar, primarily the British Pound, causing both our revenue and our operating results to be impacted by fluctuations in the exchange rates.

Gains or losses from the revaluation of certain cash balances, accounts receivable balances, and intercompany balances that are denominated in these currencies impact our net income (loss). A hypothetical decrease in all foreign currencies against the US dollar of 10% would not result in a material foreign currency loss on foreign-denominated balances for the three months ended June 30, 2021. As our foreign operations expand, our results may be more impacted by fluctuations in the exchange rates of the currencies in which we do business.

At this time, we do not, but we may in the future, enter into financial instruments to hedge our foreign currency exchange risk.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Effectiveness of Disclosure Controls and Procedures

We maintain disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Disclosure Controls) that are designed to ensure that information we are required to disclose in reports filed or submitted under the Securities and Exchange Act of 1934 is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure, and that such information is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

As of the end of the period covered by this Quarterly Report on Form 10-Q, under the supervision of our Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our Disclosure Controls. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our Disclosure Controls were effective as of June 30, 2021.

Limitations on the Effectiveness of Controls

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

Changes in Internal Control over Financial Reporting

During the first quarter of fiscal year 2022, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 7, *Commitments and Contingencies*, under the heading “Legal Proceedings” in the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report is incorporated by reference in response to this item.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors previously disclosed in our Form 10-K for the fiscal year ended March 31, 2021.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description
3.1	Restated Certificate of Incorporation of Registrant, dated August 22, 2012 (incorporated by reference to Exhibit 3.1 to the Annual Report on Form 10-K filed May 27, 2013).
3.2	Amended and Restated By-Laws of 8x8, Inc. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed July 28, 2015).
4.1	Indenture, dated as of February 19, 2019, between 8x8, Inc. and Wilmington Trust, National Association, as trustee (including form of Note) (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed February 19, 2019).
10.1	Amended and Restated 2017 Executive Change-In-Control and Severance Policy as filed herewith.*
31.1	Certification of Chief Executive Officer pursuant to Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from the 8x8, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets as of June 30, 2021 and March 31, 2021; (ii) Condensed Consolidated Statements of Operations for the three months ended June 30, 2021 and 2020; (iii) Condensed Consolidated Statements of Comprehensive Loss for the three months ended June 30, 2021 and 2020; (iv) Condensed Consolidated Statements of Stockholders' Equity for the three months ended June 30, 2021 and 2020; (v) Condensed Consolidated Statements of Cash Flows for the three months ended June 30, 2021 and 2020; and (vi) notes to unaudited condensed consolidated financial statements.
104	Cover Page Interactive Data File, formatted in iXBRL and contained in Exhibit 101.

* Management contract or compensatory plan or arrangement.

\+ Furnished herewith.

SIGNATURE

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

Date: August 5, 2021

8X8, INC.

By: /s/ Samuel Wilson

Samuel Wilson

Chief Financial Officer
(Principal Financial and Duly Authorized Officer)

8X8, INC.

2017 EXECUTIVE CHANGE-IN-CONTROL AND SEVERANCE POLICY

(As Amended and Restated as of May 13, 2021)

Table of Contents

8X8, INC.
2017 EXECUTIVE CHANGE-IN-CONTROL AND SEVERANCE POLICY

(As Amended and Restated as of May 13, 2021)

1. INTRODUCTION

This 2017 Executive Change-in-Control and Severance Policy (the "Policy") was established by 8x8, Inc., effective as of October 1, 2017, to provide for the payment of certain benefits in connection with certain terminations of an Executive's employment, including in connection with a potential Change-in-Control of the Company. The Policy was subsequently amended and restated effective as of January 31, 2019 (the "Prior Amendment" and the "Prior Amendment Effective Date"); and again subsequently amended and restated effective as of May 13, 2021 as approved by the Board on July 27, 2021 (the "Amendment Effective Date").

2. DEFINITIONS

2.1 Administrator. For purposes of this Policy, "Administrator" means the person(s) designated by the Board or the Committee as the administrator of this Policy.

2.2 Base Salary. For purposes of this Policy, "Base Salary" means an Executive's annualized base salary.

2.3 Board. For purposes of this Policy, the "Board" means the Board of Directors of the Company.

2.4 Cause. For purposes of this Policy, "Cause" means Executive's:

a. willful failure to attend to Executive's duties that is not cured by Executive within 30 days of receiving written notice from the CEO (or, in the case of the CEO, from the Board) specifying such failure;

b. material breach of Executive's employment agreement that is not cured by Executive within 30 days of receiving written notice from the CEO (or, in the case of the CEO, from the Board) specifying such breach;

c. conviction of (or plea of guilty or nolo contendere to) any felony or a misdemeanor involving theft, embezzlement, dishonesty or moral turpitude; or

d. misconduct resulting in material harm to the Company's business or reputation, including fraud, embezzlement, misappropriation of funds or a material violation of the Executive's Confidential Information, Non-Disclosure and Invention Assignment Agreement.

2.5 Change-in-Control. For purposes of this Policy, "Change-in-Control" means the consummation of any of the following corporate transactions:

a. an acquisition in one or more related transactions of 45% or more of the Company's common stock or voting securities by a "person" (as defined in Sections 13(d) and 14(d) of the Securities Exchange Act, but excluding the Company, any employee benefit plan of the Company and any corporation controlled by the Company's stockholders) or multiple "persons" acting as a group;

b. a complete liquidation or dissolution of the Company;

c. a sale, transfer or other disposition of all or substantially all of the Company's assets; or

d. a merger, consolidation or reorganization (collectively, a "Business Combination") other than a Business Combination in which (i) the stockholders of the Company receive 50% or more of the stock of the corporation resulting from the Business Combination and (ii) at least a majority of the board of directors of such resulting corporation were incumbent directors of the Company immediately prior to the consummation of the Business Combination and (iii) after which no individual, entity or group (excluding any corporation or other entity resulting from the Business Combination or any employee benefit plan of such corporation or of the Company) who did not own 45% or more of the stock of the resulting corporation or other entity immediately before the Business Combination owns 45% or more of the stock of such resulting corporation or other entity.

2.6 Code. For purposes of this Policy, "Code" means the Internal Revenue Code of 1986, as amended.

2.7 Committee. For purposes of this Policy, "Committee" means the Compensation Committee of the Board.

2.8 Company. For purposes of this Policy, "Company" means 8x8, Inc., a Delaware corporation, and any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of 8x8, Inc.

2.9 Constructive Termination. For purposes of this Policy, "Constructive Termination" means the termination of Executive's employment (a) by the Company other than for Cause or Disability or (b) by the Executive for Good Reason.

2.10 Disability. For purposes of this Policy, "Disability" means a physical or mental impairment for which the Executive qualifies for benefits under the Company's long- term disability program, as it may be amended from time to time.

2.11 Equity Award. For purposes of this Policy, "Equity Award" means each incentive award relating to the Company's common stock (whether stock options, stock appreciation rights, shares of restricted stock, restricted stock units, performance shares, performance units or other similar awards).

2.12 Executive. For purposes of this Policy, "Executive" means any one of the following individuals when approved as a participant by the Committee: (a) the Company's Chief Executive Officer; (b) any employee classified by the Company as a Senior Vice President or Executive Vice President; and (c) any other employee approved by the Committee including Grandfathered Executives. References in this Policy to the Executive shall be construed to include a Grandfathered Executive (as defined below).

2.13 Good Reason. For purposes of this Policy, "Good Reason" means the occurrence of any of the following conditions without Executive's written consent, but only if such condition is reported by the Executive within 90 days of Executive's knowledge that such condition has occurred and remains uncured 30 days after written notice from Executive to the Board of said condition:

a. a material reduction in Executive's then-current Base Salary or annual target bonus (expressed as a percentage of Executive's then-current Base Salary), except for a reduction proportionate to reductions concurrently imposed on all other members of the Company's executive management;

b. in Connection with a Change-in-Control, a material reduction in Executive's then- current base salary or annual target bonus (expressed as a percentage of Executive's then-current base salary);

c. a material reduction in Executive's then-current employee benefits package, taken as a whole, except for a reduction proportionate to reductions concurrently imposed on all other members of the Company's executive management;

d. in Connection with a Change-in-Control, a material reduction in Executive's then- current employee benefits package, taken as a whole, both in terms of the amount of benefits provided and the level of Executive's participation relative to other Executives;

e. a material reduction in Executive's responsibilities with respect to the Company's overall operations;

f. as to the Chief Executive Officer, a requirement for the Chief Executive Officer to report to another officer as opposed to the Company's Board; or a failure to nominate the Chief Executive Officer for election as a Board member if at the proper time for nomination, the Chief Executive Officer is a Board member;

g. a material breach by the Company of any material provision of Executive's employment agreement;

h. a requirement that Executive relocate Executive's Company office (i) to a location more than 35 miles from Executive's then-current Company office location, unless such office relocation results in the distance between the new office and Executive's home being closer or equal to the distance between the prior office and Executive's home or (ii) that is more than 50 miles from Executive's home, and such relocation results in the distance between the new office and Executive's home being at least 15 miles further than the distance between the prior office and Executive's home; or

i. a failure of a successor or transferee to assume the Company's obligations under this Policy.

2.14 Grandfathered Executive. For purposes of this Policy "Grandfathered Executive" means an Executive (as defined in the Prior Amendment) who has an effective hire date on or before the Amendment Effective Date, and who continuously has remained such an Executive until becoming entitled to benefits set forth in this Policy. The Benefit Schedules as of January 31, 2019 included under the 2017 Executive Change-In-Control and Severance Policy (as Amended and Restated as of January 31, 2019) shall remain in effect and apply to such Grandfathered Executive, unless the Executive has otherwise agreed to waive Grandfathered Executive status.

2.15 In Connection with a Change-in-Control. For purposes of this Policy, a termination of Executive's employment or the occurrence of any other condition will be "in Connection with a Change-in-Control" if Executive's employment terminates or such other condition occurs at any time within three months before, on or within 12 months following a Change-in-Control.

2.16 Stock Performance-Based Equity Award. For purposes of this Policy, "Stock Performance-Based Equity Award" means each Equity Award with vesting conditioned all or in part on the per share fair market value of the Company's common stock exceeding one or more target levels.

2.17 Target Bonus. For purposes of this Policy, "Target Bonus" means the Executive's annualized target bonus (expressed as a percentage of Executive's then-current Base Salary).

2.18 Time-Based Equity Award. For purposes of this Policy, "Time-Based Equity Award" means each Equity Award that generally vests based only on Executive's service to the Company over a specified time period.

2.19 Transaction Price. For purposes of this Policy, "Transaction Price" means the per share consideration paid pursuant to the transaction(s) constituting the Change-in-Control.

2.20 TSR Performance-Based Equity Award. For purposes of this Policy, "TSR Performance- Based Equity Award" means each Equity Award with vesting conditioned all or in part on the relative appreciation of the per share fair market value of the Company's common stock versus one or more other publicly-traded securities.

3. CHANGE-IN-CONTROL BENEFITS

If Executive is either employed at the time of a Change-in-Control or experiences a Constructive Termination in Connection with a Change-in-Control, Executive will receive the following change-in-control benefits from the Company:

3.1 Stock Performance-Based Equity Awards. Executive will be deemed to have satisfied the performance vesting condition for 100% of Company shares covered by Executive's outstanding Stock Performance-Based Equity Award(s) that (i) were granted prior to the Change-in-Control and (ii) have a target Company share price for vesting purposes equal to or less than the Transaction Price. The effective date of the foregoing vesting credit will be the date of the Change-in-Control. Any such Stock Performance-Based Equity Awards will continue to vest in accordance with any service-based vesting condition specified in the award agreement(s), except as otherwise provided by Article 4 of this Policy.

3.2 TSR Performance-Based Equity Awards. Executive will be deemed to have satisfied the performance vesting condition for that percentage of the Company shares covered by Executive's TSR Performance-Based Equity Award determined by applying the formula set forth in the award agreement as if (a) the last day of each performance measurement period specified in such agreement were the date of the Change-of-Control and (b) the fair market value of the Company's common stock on such date were the Transaction Price provided, however, that no vesting credit under this Section 3.2 will apply to Executive's TSR Performance-Based Award(s) first granted after the Change-in-Control. The effective date of the foregoing vesting credit will be the date of the Change-in- Control. Any such TSR Performance-Based Equity Awards will continue to vest in accordance with any service-based vesting condition specified in the award agreement(s), except as otherwise provided by Article 4 of this Policy.

4. CHANGE-IN-CONTROL SEVERANCE BENEFITS

If Executive experiences a Constructive Termination in Connection with a Change-in-Control, Executive will receive the following severance benefits from the Company.

4.1 Earned Amounts. Executive will receive all compensation that is earned but unpaid as of the date of termination, including salary, commissions and accrued but unused paid time off and vacation.

4.2 Cash Severance. Executive will receive a single lump sum severance payment equal to the sum of the percentage of Base Salary and Bonus set forth in the Benefit Schedule. A Grandfathered Executive will receive the severance payments set forth in the Benefit Schedules as of January 31, 2019. In addition, a Grandfathered Executive will receive 100% of his or her target bonus. This lump sum payment will be made within 60 days following termination of employment.

4.3 Time-Based Equity Awards. Executive will vest in 100% of Executive's outstanding Time-Based Equity Awards effective as of the Executive's date of termination (or, if later, the date of the Change-in-Control); provided, however, that Executive will vest in only 50% of Executive's outstanding and then unvested Time-Based Equity Awards if the date of termination or the date of the Change-in-Control (whichever is later) is prior to the 12-month anniversary of Executive's date of hire.

4.4 Benefits. For a period of 12 months following the date of termination, (i) Executive will on a monthly basis receive reimbursement of the full premium amount (less withholding taxes) charged under the Consolidated Omnibus Budget Reconciliation Act for continuation of Executive's group health insurance in effect as of the date of termination and (ii) Executive will have the right, on the same basis as other employees of the Company, to participate in and to receive benefits under any Company group medical, dental, life, disability or other group insurance plans, as well as under the Company's, educational assistance and other benefit plans and policies, to the extent such rights are available, or can be secured on commercially reasonable terms, under such plans and policies.

4.5 Performance-Based Equity Awards. Executive will fully vest in all shares covered by outstanding Stock Performance-Based Equity Awards and TSR Performance-Based Equity Awards for which the performance condition was deemed satisfied pursuant to Article 3 of this Policy. Executive will also receive this vesting acceleration benefit upon a Constructive Termination that occurs more than 12 months after a Change-in-Control (i.e., after such termination is no longer considered to be "in connection with a Change- in-Control").

5. SEVERANCE BENEFITS NOT IN CONNECTION WITH A CHANGE-IN- CONTROL

If Executive experiences a Constructive Termination during any time period not addressed by Article 4 of this Policy or terminates due to death or Disability at any time, Executive will receive the following severance benefits from the Company.

5.1 Earned Amounts. Executive will receive all compensation that is earned but unpaid as of the date of termination, including salary, commissions and accrued but unused paid time off and vacation.

5.2 Cash Severance. Executive will receive a single lump sum severance payment equal to the sum of the percentage of Base Salary set forth in the Benefit Schedule. A Grandfathered Executive will receive the severance payments set forth in the Benefit Schedules as of January 31, 2019. This lump sum payment will be made within 60 days following termination of employment.

5.3 Time-Based Equity Awards. Executive will receive no vesting acceleration of outstanding Time-Based Equity Awards. A Grandfathered Executive will vest as set forth in the Benefit Schedules as of January 31, 2019.

5.4 Benefits. For the period set forth in the Benefit Schedule, Executive will receive payment of the full premium amount (less withholding taxes) charged under the Consolidated Omnibus Budget Reconciliation Act for continuation of Executive's group health insurance in effect as of the date of termination. Grandfathered Executive will receive payments as set forth in the Benefit Schedules as of January 31, 2019.

5.5 Performance-Based Equity Awards. Executive will receive no vesting acceleration of outstanding Stock Performance-Based Equity Awards and TSR Performance-Based Equity Awards, except as provided in Section 4.5.

6. CONDITIONS FOR PAYMENT OF SEVERANCE

6.1 Release of Claims. The payment of any severance or other benefits pursuant to Articles 3, 4 or 5 of this Policy will be subject to Executive signing and not revoking a release of claims agreement in a form approved by the Company, and such release becoming effective and irrevocable within 60 days of Executive's termination or such earlier deadline required by the release. Any severance amounts or benefits otherwise payable within 60 days of Executive's termination shall be paid on the 60^{th} day following Executive's termination. If the release does not become effective within the time period set forth above, Executive will forfeit all rights to severance payments and benefits under this Policy.

6.2 Confidentiality. The payment of any severance or other benefits pursuant to Articles 3, 4 or 5 of this Policy will be subject to Executive's adherence to Executive's Confidential Information, Non-Disclosure and Invention Assignment Agreement (and/or any similar agreement as the Company and Executive may enter into from time to time).

7. COORDINATION WITH OTHER BENEFITS

7.1 Sole Severance Benefit. If any severance benefits and payments are payable to an Executive under this Policy, then such amounts will be the only severance benefits and payments that are due to Executive upon Executive's Constructive Termination, unless the Committee or the Board expressly approves any additional or other severance benefits and payments. For avoidance of doubt, from and after the Prior Amendment Effective Date, no Executive shall be eligible for any benefits or payments under the Amended and Restated 2015 Executive Change-in-Control and Severance Policy, which was terminated effective as of the Prior Amendment Effective Date.

7.2 Mitigation. Executive will not be required to mitigate the amount of any payment contemplated by this Policy, nor will any earnings that Executive may receive from any other source reduce any such payment.

8. LIMITATION ON BENEFITS

8.1 Treatment of Parachute Payments. To the extent that any of the payments and benefits provided for in this Policy or otherwise payable to Executive (the "Payments") constitute "parachute payments" within the meaning of Section 280G of the Code, the amount of such Payments shall be either:

a. the full amount of the Payments, or

b. a reduced amount that would result in no portion of the Payments being subject to the excise tax imposed pursuant to Section 4999 of the Code (the "Excise Tax"),whichever of the foregoing amounts, taking into account the applicable federal, state, local and foreign income and employment taxes and the Excise Tax, results in the receipt by Executive, on an after-tax basis, of the greatest amount of benefit. In the event that any Excise Tax is imposed on the Payments, Executive will be fully responsible for the payment of any and all Excise Tax, and the Company will not be obligated to pay all or any portion of any Excise Tax.

8.2 Determination of Amounts. All computations and determinations called for by Section 8.1 shall be promptly determined and reported in writing to the Company and the Executive by independent public accountants or other independent advisors selected by the Company and reasonably acceptable to the Executive (the "Accountants"), and all such computations and determinations shall be conclusive and binding upon the Executive and the Company. For the purposes of such determinations, the Accountants may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make their required determinations. The Company shall bear all fees and expenses charged by the Accountants in connection with these services.

9. ADMINISTRATION

The Policy will be administered by the Administrator. The Administrator may interpret the Policy, prescribe, amend and rescind rules and regulations under the Policy and make all other determinations necessary or advisable for the administration of the Policy, subject to all of the provisions of the Policy. The Administrator may delegate any of its duties hereunder to such person or persons from time to time as it may designate.

10. AMENDMENT OR TERMINATION

The Board will have the right to amend or terminate this Policy at any time in its sole discretion; provided, however that any amendment or termination reasonably determined to have an adverse effect on the then-eligible Executives (a) must be disclosed to the Executives at least three months prior to taking effect and (b) cannot take effect within three months before, on or within 12 months following any Change-in-Control. Unless earlier terminated, this Policy shall expire automatically on September 30, 2027.

11. NOTICES

11.1 Notice. Notices and all other communications contemplated by this Policy will be inmailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices will be addressed to him/her at the home address which he/she most recently communicated to the Company in writing. In the case of the Company, mailed notices will be addressed to its corporate headquarters, and all notices will be directed to the attention of the Company's General Counsel.

11.2 Notice of Termination. Any Constructive Termination will be communicated by a notice of termination to the other party hereto given in accordance with Section 11.1 of this Policy. Such notice will indicate the specific termination provision in this Policy relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date.

12. SECTION 409A

12.1 General. Any benefits payable under this Policy upon an Executive's termination will be interpreted to require that Executive experiences a "separation from service" (as such term is defined in Treasury regulations issued under Code Section 409A). Further, if Executive is a "specified employee" within the meaning of Code Section 409A at the time of his separation from service (other than due to Executive's death), then the severance benefits payable to Executive under this Policy that are considered deferred compensation under Section 409A and are due to Executive on or within the six-month period following his separation from service will accrue during such six-month period and will become payable (without interest) in a lump sum payment on the earlier of (a) the first payroll date that occurs on or after the date six months and one day following the date of Executive's separation from service and (b) the Executive's death. Each payment and benefit payable under this Policy is intended to constitute a separate payment for purposes of Treasury Regulations §1.409A-2(b)(2).

12.2 Reimbursements. Notwithstanding any other provision herein to the contrary, to the extent that any in-kind benefit or reimbursement arrangement provides for a payment that is considered deferred compensation under Section 409A, then such in-kind benefit or reimbursements will be made in accordance with Treasury Regulations §1.409A- 3(i)(1)(iv) including: (a) the amount of such in-kind benefits provided in any calendar year and the amount of such expenses eligible for reimbursement in any calendar year will not affect the in-kind benefits to be provided or expenses eligible for reimbursement in any other calendar year; (b) in no event will any such expenses be reimbursed after the last day of the calendar year following the calendar year in which the Executive incurred such expenses; and (c) in no event will any such right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit or payment.

12.3 Interpretation. The foregoing provisions are intended to comply with the requirements of Code Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Code Section 409A, and any ambiguities herein will be interpreted to so comply. Notwithstanding the foregoing, the Company makes no representations as to the tax compliance or treatment of any benefits payable under this Policy. The Company and Executive agree to work together in good faith to consider amendments to this Policy and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition.

13. MISCELLANEOUS

13.1 Choice of Law. The validity, interpretation, construction and performance of this Policy will be governed by the laws of the State of California (with the exception of its conflict of laws provisions).

13.2 Integration. Unless the Board or the Committee expressly approves any additional or other severance benefits and payments for a particular Executive, this Policy represents the entire agreement and understanding between the parties as to the payment of severance or other benefits if Executive's employment with the Company terminates, including in Connection with a Change-in-Control, and supersedes all prior or contemporaneous agreements and the vesting provisions of any Equity Award, with respect to the subject matter of this Policy.

13.3 Severability. In the event that any provision or any portion of any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Policy will continue in full force and effect without said provision or portion of provision. The remainder of this Policy will be interpreted so as best to effect the intent of the Company and Executive.

13.4 Funding. The Company will not be required to fund or otherwise segregate assets to be used for the payment of any benefits under the Policy. The Company will make such payments only out of its general corporate funds, and therefore its obligation to make such payments will be subject to any claims of its other creditors.

13.5 Withholding. The Company may withhold all applicable taxes from payments or benefit due under this Policy.

8X8, INC.
2017 EXECUTIVE CHANGE-IN-CONTROL AND SEVERANCE POLICY

(As Amended and Restated as of May 13, 2021)

BENEFIT SCHEDULES AS OF May 13, 2021

Tier	Change-in-Control Benefits	Change-in-Control Severance Benefits	Severance Benefits
Executive	Stock Performance-Based Equity Awards: Performance condition satisfied for 100% of shares subject to a per-share target price no higher than Transaction Price; any service-based vesting applies thereafter TSR Performance-Based Equity Awards: Performance condition satisfied for that number of shares determined by relative appreciation of Company common stock through Change-of-Control date; any service-based vesting applies thereafter	Cash: 100% of Base Salary + 100% of Target Bonus Benefits: 12 months after date of termination Time-Based Equity Awards: 100% acceleration (50% acceleration, if within 12 months of hire date) Performance-Based Equity Awards: 100% acceleration for shares for which performance criteria deemed satisfied as Change- in-Control benefit	Cash: 50% of Base Salary COBRA Benefits: 6 months after date of termination Time-Based Equity Awards: 0% acceleration Performance-Based Equity Awards: 0% acceleration

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Sipes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 8x8, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 5, 2021

/s/ DAVID SIPES

David Sipes
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Samuel Wilson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 8x8, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 5, 2021

/s/ SAMUEL WILSON
Samuel Wilson
Chief Financial Officer
(Principal Financial and Duly Authorized Officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of 8x8, Inc. (the "Company") for the period ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Sipes, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ DAVID SIPES
David Sipes
Chief Executive Officer

August 5, 2021

This certification accompanies this Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, or otherwise required, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended.

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of 8x8, Inc. (the "Company") for the period ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Samuel Wilson, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ SAMUEL WILSON
Samuel Wilson
Chief Financial Officer
(Principal Financial and Duly Authorized Officer)

August 5, 2021

This certification accompanies this Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, or otherwise required, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended.