

Quality



Quality

CHURN Means...Client Loss Rate

- Lost customers
- Poor quality from providers

Quality



8x8 SEC-10K Annual Report

- “Our ...average monthly customer churn was 2.3% for the fiscal year ended March 31, 2011.”
- “Compared to 2.6% for the fiscal year ended March 31, 2010.”

“Because of churn, we have to acquire new customers on an ongoing basis just to maintain our existing level of customers and revenues.”

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<http://investors.8x8.com/secfiling.cfm?filingID=1136261-11-334>

Quality



Vonage SEC-10K Annual Report

- “Our rate of customer terminations, or average monthly customer churn, was 2.4% for the year ended December 31, 2010.”
- “During 2010, we added 607,772 customers while 617,234 of our customers terminated.”

Published February 17, 2011 page 10
<http://ir.vonage.com/secfiling.cfm?filingID=1193125-11-38059>



TCE Company - Quality

Churn Rates

	Monthly	Annual
Vonage	2.400%	28.80%
8x8	2.300%	27.80%
TCE	0.004%	00.04%

TCE Company – Lowest churn rate in the industry