

Edgar Filing: ELEC COMMUNICATIONS CORP - Form 8-K

District of New York confirmed a Plan of Reorganization (the "Plan") of Telecarrier Services, Inc. ("Telecarrier"), a wholly-owned subsidiary of eLEC Communications Corp., a New York corporation ("eLEC"). The Plan authorizes eLEC to purchase the reorganized capital stock of Telecarrier for a purchase price of \$325,000.

Upon the closing of the stock sale and the Plan becoming effective, eLEC projects that Telecarrier will settle approximately \$1,248,000 in pre-petition liabilities and administrative claims that are currently recorded on Telecarrier's balance sheet and eLEC's consolidated balance sheet.

eLEC has deposited \$325,000 into a segregated distribution account, which will be distributed in accordance with the Plan in full satisfaction of pre-petition claims and administrative claims of approximately \$1,248,000. This transaction will result in a gain to eLEC of approximately \$923,000.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

99.1 Press Release dated April 15, 2004 issued by eLEC.

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

Dated: April 15, 2004

eLEC COMMUNICATIONS CORP.
(Registrant)

By: /s/Paul H. Riss

Name: Paul H. Riss
Title: Chief Executive Officer