

EPLUS INC
Form 8-K
May 16, 2007

**United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 16, 2007 (May 10, 2007)

ePlus inc.

(Exact name of registrant as specified in its charter)

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| Delaware (State or other jurisdiction of incorporation or organization) | 000-28926 (Commission File Number) | 54-1817218 (I.R.S. Employer Identification No.) |
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13595 Dulles Technology Drive, Herndon, VA 20171-3413
(Address, including zip code, of principal executive offices)

Registrant's telephone number, including area code: (703) 984-8400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

As previously reported by ePlus inc. (the “Company”) the Nasdaq Listing and Hearings Review Council (“Listing Council”) issued a stay of delisting on January 11, 2007, pending review by the Listing Council of the decision of the Nasdaq Listing and Qualification Panel (the “Panel”) to delist and suspend trading of the Company’s securities on the Nasdaq Global Market.

On May 10, 2007, the Company was informed by the Listing Council that it had concluded its review of the Panel’s decision. In its decision dated May 10, 2007, the Listing Council determined to exercise its discretionary authority, under Nasdaq Marketplace Rule 4802(b), to grant the Company an exception to demonstrate compliance with all of the Nasdaq’s continued listing requirements through July 5, 2007.

If by the close of business on July 5, 2007, the Company is not in compliance with Nasdaq’s Marketplace Rule 4310(c)(14), the Company’s securities will be suspended at the opening of business on July 9, 2007. With regard to the Company’s non-compliance with Nasdaq Marketplace Rules 4350(e) and 4350(g) for failure to hold an annual meeting within twelve months of the 2006 fiscal year end, the Listing Council held that if the Company is able to demonstrate compliance with Rule 4310(c)(14) by filing its late annual and quarterly reports with the Securities and Exchange Commission by July 5, 2007, the Company’s non-compliance with Rules 4350(e) and 4350(g) will be remanded back to the Panel for further review and action.

The Company has been diligently working to resolve issues related to accounting for stock options granted since its initial public offering in 1996, which is the sole reason underlying its delay in filing its annual and quarterly reports. In this regard, the Company has been reviewing accounting guidance regarding stock option grants recently published by the accounting staff of the SEC, and has not yet determined the amount of such charges or the resulting tax and accounting impact. The Company’s determination of the amount of such stock-based compensation expense is being finalized and is being reviewed by its independent auditors. The Company plans to file its Annual Report on Form 10-K for the year ended March 31, 2006 and its Forms 10-Q for the quarters ended June 30, 2006, September 30, 2006 and December 31, 2006 as soon as practicable after the resolution of the previously disclosed matters.

A copy of the Company’s press release issued on May 16, 2007, relating to the foregoing, is filed as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(a) Not applicable.

(b) Not applicable.

(c) Exhibits

99.1 Press Release dated May 16, 2007 issued by ePlus inc.

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 hereunto duly authorized.

ePlus inc.

By: /s/ Steven J. Mencarini

Steven J. Mencarini

Chief Financial Officer

Date: May 16, 2007