

SKYLYNX COMMUNICATIONS INC

Form 8-K

June 19, 2006

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): June 7, 2006

SKYLYNX COMMUNICATIONS, INC.,

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

0-27635

(Commission
file number)

37-1465836

(IRS Employer
Identification No.)

1502 Stickney Point Road, Unit 501, Sarasota, Florida 34231-3718

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (941) 926-2510

500 John Ringling Boulevard, Sarasota, Florida 34242

(Former name or former address, if changed since last report)

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION

ITEM 2.04 TRIGGERING EVENT THAT INCREASES A DIRECT FINANCIAL OBLIGATION

As previously reported, on August 2, 2005, SkyLynx Communications Inc. (the "Company") entered into agreements for the unregistered sale of equity securities. A total of four accredited investors, within the meaning of Rule 501(a) of Regulation D, executed and delivered a Securities Purchase Agreement dated as of July 29, 2005, (the "Purchase Agreement"), together with ancillary documents and agreements (the "Transaction Documents"). The investors were AJW Partners, LLC, a Delaware limited liability company, AJW Offshore, Ltd., a Cayman Island corporation, AJW Qualified Partners, LLC, and New Millennium Capital Partners II, LLC (the "Investors").

Under the terms of the Purchase Agreement, the Investors agreed to purchase an aggregate of \$3,000,000 in convertible notes ("the "Notes") and warrants (the "Warrants") to purchase an aggregate of 10,000,000 shares of common stock, \$.0001 par value (the "Common Stock") of SkyLynx Communications, Inc. (the "Company"). To date, the Investors have purchased an aggregate of \$2,000,000 in Notes and Warrants to purchase an aggregate of 6,666,667 shares of common stock.

The Notes were initially convertible into shares of Common Stock at a price equal to the lesser of (i) \$.08125 per share, or (ii) 60% of the Market Value, as defined in the Notes, of the Common Stock on the Conversion Date, as defined in the Notes.

On March 13, 2006, SkyLynx Communications, Inc. (the "Company") executed letter agreement with the Investors, which was subsequently countersigned by the Investors and delivered to the Company on April 12, 2006, amending conversion price of the Notes to the lesser of (i) \$.08125 per share or (ii) 50% of the Market Value, as defined in the Notes, of the common stock, on the Conversion Date. In consideration of the reduction in the conversion price, the Investors agreed to extend the deadline by which a registration statement registering for resale under the Securities Act of 1933, as amended, the shares of common stock issuable upon conversion of the Notes and exercise of the Warrants (the "Registrable Securities") to June 7, 2006.

Due to the previously reported acquisition of Vetco Hospitals, Inc., and the fact that the audited financial statements of Vetco Hospitals required by Item 9.01(a) and the pro forma financial information required by Item 9.01(b) of Form 8-K have not yet been completed, the Company has been unable to proceed with the registration of the Registrable Securities and a registration statement was not declared effective by the amended deadline of June 7, 2006 in compliance with its agreements with NIR. As a result, by virtue of the provisions of Section 2(c) of the Registration Statement, the Company has become liable to NIR for liquidated damages in an amount equal to two percent of the outstanding balance of the Notes for every 30 days the Company is delinquent in having a registration statement registering for resale the Registrable Securities declared effective by the SEC. As there is \$2.0 million in Notes outstanding, the liquidated damages are accruing at the rate of \$40,000 for every 30 days of delinquency. The liquidated damages may be paid, at the option of the Company, either in cash or in shares of the Company's Common Stock valued at a price equal

to the then current conversion price of the Notes. The Notes are presently convertible into shares of Common Stock at a conversion price equal to 50% of the Trading Price of the Common Stock, which is defined in the Notes as the intraday trading price on the Over-the-Counter Bulletin Board (the **OTCBB**) as reported by a reliable reporting service mutually acceptable to and hereafter designated by Holders of a majority in interest of the Notes and the Company.

SIGNATURE

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

**SKYLYNX COMMUNICATIONS,
INC.**

Date: June 16, 2006

By: /s/ K. Bryan Shobe
K. Bryan Shobe, Chief Executive
Officer