

ORIGINAL

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the Secretary to the Commission
la secrétaire de la Commission

JUN - 2 2006


NBSC/CVMNB

IN THE MATTER OF THE SECURITIES ACT, SNB 2004, c. S-5.5

AND

IN THE MATTER OF

**LIMELIGHT CAPITAL MANAGEMENT LTD., LIMELIGHT ENTERTAINMENT
INC., AL GROSSMAN, HANOCH ULFAN, TOM MEZINSKI, CARLOS DA
SILVA and DAVID CAMPBELL**

SUPPLEMENTARY STATEMENT OF ALLEGATIONS
(of Staff of the New Brunswick Securities Commission)
**as it relates to the respondents Carlos da Silva and
David Campbell**

The parties

1. Carlos Da Silva ("Da Silva") resides at 63 Invermarge Drive, Toronto, Ontario.
2. Da Silva is the President and a Director of the respondent Limelight Entertainment Inc. ("Limelight"). Mr. Da Silva is not registered with the Commission in any capacity.
3. David Campbell ("Campbell") resides at 5874 Evenstarr Court, Mississauga, Ontario.
4. Campbell is the Vice President and a Director of Limelight. Mr. Campbell is not registered with the Commission in any capacity.
5. Da Silva and Campbell are the directing minds of Limelight, and directly or indirectly authorized, permitted, endorsed or acquiesced to, the actions of Limelight set out herein, either directly or through its officers, directors, employees, representatives and/or agents.
6. The respondents Da Silva and Campbell are the subject of:
 - a. a cease trade order issued by the Ontario Securities Commission on April 13, 2006, which order remains in force;

- b. A cease trade order issued by the Alberta Securities Commission on April 13, 2006, which order remains in force.

Solicitations and sales of shares to New Brunswick residents

7. Since approximately January 2005, Da Silva and Campbell have retained and instructed a number of salespersons at various times, including Rick Klein (or Clynes), Gail Reeves, Joe Daniels, Jason Snow, Ove Simonsen, Eric O'Brien, Stephen An, Trevor Brown Miller, Tim McCarty, Benjamin de Graaf, Jacob Moore and Tom Mezinski ("the salespersons"), for the purpose of the solicitation and sale of Limelight shares to New Brunswick residents.
8. Since January 2005, Limelight shares have been sold to New Brunswick investors by the salespersons, under direction from Da Silva and Campbell.
9. Da Silva executed and/or endorsed Purchase Agreements with New Brunswick investors on behalf of Limelight.
10. Da Silva and Campbell executed and/or endorsed share certificates issued by Limelight further to trades in Limelight shares with New Brunswick investors.
11. Prior to the actual sale of shares representations were made by the salespersons that, *inter alia*:
 - a. The share value in Limelight shares was expected to go up;
 - b. Limelight was preparing to be, or was soon to be, listed on a stock exchange.
12. Of those New Brunswick investors contacted by Staff, none were asked about their financial ability to invest, risk tolerance, investment and securities knowledge;
13. Of those New Brunswick investors contacted by Staff, no investor was asked whether he or she was an "accredited investor" and the large majority of New Brunswick investors are in fact not "accredited investors" as contemplated in National Instrument 45-106.
14. The trades in Limelight shares with New Brunswick investors are trades in shares that have not been previously issued and are therefore distributions.
15. No prospectus receipt has been issued which authorizes the sale of Limelight shares in New Brunswick.

Conduct contrary to the public interest

16. The respondents Da Silva and Campbell, either directly or through their agents or representatives, including the sales persons, effected, authorized, permitted, endorsed or acquiesced to, the making of misleading misrepresentations to investors, including representations regarding the future listing and future value of Limelight shares and that Limelight would be listed on a stock exchange, with the intention of effecting sales of Limelight shares, contrary to s. 58 of the *Securities Act* and contrary to the public interest.
17. The respondents Da Silva and Campbell, either directly or through their agents or representatives, including the sales persons, effected, authorized, permitted, endorsed or acquiesced to the trading in shares of Limelight, without the salesperson or themselves, having been registered with the Commission in any capacity, contrary to s. 45 of the Act and contrary to the public interest.
18. No prospectus receipt has been issued to authorize the sale of Limelight as required by section 71 of the Act.

DATED at the City of Saint John this 1st day of June, 2006.



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