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P.O. Box 55, 19<sup>th</sup> Floor CP 55, 19e étage 20 Queen Street West 20, rue queen ouest Toronto ON M5H 3S8 Toronto ON M5H 3S8

Web site: www.osc.gov.on.ca
TDX 76
CDS-OSC

## IN THE MATTER OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

- AND -

## IN THE MATTER OF LIMELIGHT ENTERTAINMENT INC., CARLOS A. DA SILVA, DAVID C. CAMPBELL, JACOB MOORE AND JOSEPH DANIELS

## **ORDER**

WHEREAS Staff of the Commission ("Staff") requested at a hearing (the "Hearing") on April 13, 2006 that the Ontario Securities Commission (the "Commission") make a temporary order pursuant to section 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that: (i) all trading cease in the securities of Limelight Entertainment Inc. ("Limelight"); (ii) Limelight, Carlos Da Silva ("Da Silva"), David C. Campbell ("Campbell") and Jacob Moore ("Moore") cease trading in all securities; and (iii) any exemptions contained in Ontario securities law do not apply to Limelight, Da Silva, Campbell and Moore (the "First Temporary Order");

**AND WHEREAS** Staff served Limelight, Da Silva and Campbell with the Notice of Hearing and Statement of Allegations dated April 7, 2006 and with the Affidavit of Larry Masci sworn April 7, 2006, the Affidavit of Tim Barrett sworn April 10, 2006 and the Affidavit of Joseph De Sommer sworn April 11, 2006 as evidenced by the affidavits of service filed as exhibits:

**AND WHEREAS** on April 13, 2006, the Commission issued the First Temporary Order and ordered that the First Temporary Order shall expire on the 15<sup>th</sup> day after its making unless extended by order of the Commission and adjourned the Hearing to April 26, 2006;

**AND WHEREAS** Staff served counsel for Limelight, Da Silva and Campbell with the Amended Notice of Hearing dated April 25, 2006, the Amended Statement of Allegations of Staff dated April 25, 2006 and the Affidavit of Larry Masci sworn April 25, 2006 but were unable to serve Moore or Joseph Daniels ("Daniels");

**AND WHEREAS** Staff requested, at the Hearing on April 26, 2006, that the Commission make a second temporary order pursuant to section 127(5) of the Act that: (i) Daniels cease trading in all securities; and (ii) any exemptions contained in Ontario securities laws do not apply to Daniels (the "Second Temporary Order");

- **AND WHEREAS** on April 26, 2006, the Commission extended the First Temporary Order to May 11, 2006, issued the Second Temporary Order and ordered that the Second Temporary Order expires on the 15<sup>th</sup> day after its making unless extended by Order of the Commission and adjourned the Hearing to May 11, 2006;
- **AND WHEREAS** on May 11, 2006, the Commission: (1) extended the First Temporary Order and the Second Temporary Order to September 13, 2006; (2) adjourned the Hearing to September 13, 2006; (3) ordered that Moore and Daniels could be served with documents in this proceeding by serving Limelight, Da Silva or Campbell; and (4) ordered Limelight to provide notice to all shareholders of this ongoing proceeding;
- **AND WHEREAS** Staff provided disclosure to counsel for Limelight, Da Silva and Campbell on September 11, 2006, and additional disclosure on April 2 and 27, 2007;
- **AND WHEREAS** counsel for Limelight, Da Silva and Campbell consented to the Hearing commencing on May 7 and continuing on May 8, 9, 10 and 11, 2007;
- **AND WHEREAS** on October 30, 2006, the Commission ordered: (1) the extension of the First and Second Temporary Orders until the conclusion of the Hearing; and (2) the Hearing to commence on May 7, 2007 at 10:00 a.m. and continue on May 8, 9, 10 and 11, 2007;
- **AND WHEREAS** at a pre-hearing conference on May 2, 2007, Moore requested and the Commission granted an adjournment of the Hearing scheduled to commence on May 7, 2007;
- **AND WHEREAS** on July 5, 2007, the Commission granted leave to Peter Tuovi to be removed as counsel of record for Limelight, Campbell and Da Silva;
- **AND WHEREAS** on July 31, 2007, Staff advised that the notice of pre-hearing conference returnable August 21, 2007 at 2:30 p.m. was couriered to each of Limelight, Campbell and Da Silva;
- **AND WHEREAS** on August 2, 2007, the Commission approved Staff's settlement agreement with Moore and imposed a confidentiality term on the release to the public of the settlement agreement;
- **AND WHEREAS** Staff attempted and failed to effect personal service of Staff's prehearing conference submissions and cover letter dated August 3, 2007 as evidenced by the affidavits of attempted service filed as exhibits at the pre-hearing conference on August 21, 2007;
- **AND WHEREAS** Limelight, Campbell and Da Silva failed to attend the pre-hearing conference on August 21, 2007 at 2:30 p.m.;
- **AND WHEREAS** Staff advised that one additional disclosure volume is being prepared for the respondents;
- **AND WHEREAS** Staff advised that tentative hearing dates were scheduled for October 1, 3 and 4, 2007 and requested that the Hearing proceed on these dates;

**AND WHEREAS** Staff advised that Staff will attempt to provide notice of the hearing dates to Limelight, Campbell and Da Silva in order to minimize the risk of any possible further adjournment requests;

**IT IS ORDERED** that the Hearing is scheduled to commence on October 1, 2007 at 10:00 a.m. and continue on October 3 and 4, 2007.

**DATED** at Toronto this  $\underline{23^{rd}}$  day of August, 2007.

"Paul K. Bates"	
Pre-hearing Commissioner	