

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

**FORM 10-QSB**

*(Mark One)*

- ☒ Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **March 31, 2006**.
- ☐ Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: **000-28731**

**OPENLIMIT, INC.**

(Exact name of small business issuer as specified in its charter)

**Florida**

(State or other jurisdiction of  
incorporation or organization)

**98-0211356**

(I.R.S. Employer  
Identification No.)

**Zugerstrasse 76B, Baar, Switzerland CH 6341**

(Address of principal executive office) (Postal Code)

**011 41 41 560 1023**

(Issuer's telephone number)

Check whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes **X**

No \_\_\_\_\_

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes **X**

No \_\_\_\_\_

The number of outstanding shares of the registrant's common stock, \$0.01 par value (the only class of voting stock), as of May 12, 2006, was 70,000,000.

## TABLE OF CONTENTS

### PART I

ITEM 1. FINANCIAL STATEMENTS .....	3
Unaudited Interim Balance Sheets as of March 31, 2006 and December 31, 2005 .....	4
Unaudited Interim Statements of Changes in Shareholders' Equity (Deficiency) for the period from inception to March 31, 2006 .....	5
Unaudited Interim Statements of Operations for the three months ended March 31, 2006 and 2005 and the period from inception to March 31, 2006 .....	7
Unaudited Interim Statements of Cash Flows for the three months ended March 31, 2006 and 2005 and the period from inception to March 31, 2006 .....	8
Notes to Unaudited Interim Financial Statements .....	9
ITEM 2. MANAGEMENT'S PLAN OF OPERATION .....	16
ITEM 3. CONTROLS AND PROCEDURES .....	19

### PART II

ITEM 1. LEGAL PROCEEDINGS .....	20
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES .....	20
ITEM 3. DEFAULTS UPON SENIOR SECURITIES.....	20
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS .....	20
ITEM 5. OTHER INFORMATION.....	21
ITEM 6. EXHIBITS.....	21
SIGNATURES.....	22
INDEX TO EXHIBITS.....	23

## **PART I**

### **ITEM 1. FINANCIAL STATEMENTS**

As used herein the terms “Company,” “we,” “our,” and “us” refer to OPENLiMiT, Inc., a Florida corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited interim financial statements included in this Form 10-QSB reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

**OPENLIMIT, INC.**  
*(A Development Stage Company)*  
**Interim Balance Sheets**  
*US Funds*

Statement 1

<b>LIABILITIES</b>	<b>March 31, 2006 (Unaudited)</b>	<b>December 31, 2005</b>
<b>Current</b>		
Accrued liabilities	\$ 25,202	\$ 24,836
<b>Organization and Going Concern (Note 1)</b>		
<b>SHAREHOLDERS' DEFICIENCY</b>		
<b>Capital Stock</b>		
Preferred stock		
Authorized: 500,000 with \$0.01 par value		
Issued and outstanding: nil		
Common stock		
Authorized: 200,000,000 with \$0.01 par value		
Issued and outstanding: 70,000,000 (March 31, 2006 and December 31, 2005) <i>Statement 2</i>	700,000	700,000
Additional paid-in capital <i>Statement 2</i>	9,983,572	9,983,572
<b>Contributed Surplus <i>Statement 2 (Note 4b)</i></b>	<b>879,675</b>	<b>879,675</b>
<b>Deficit Accumulated During The Development Stage</b>		
- Before reorganization – <i>Statement 2 (Note 1)</i>	(11,582,245)	(11,582,245)
- After reorganization – <i>Statement 2 (Note 1)</i>	(6,204)	(5,838)
	(25,202)	(24,836)
	\$ -	\$ -

- See Accompanying Notes -

**OPENLIMIT, INC.**

(A Development Stage Company)

Statement 2

**Interim Statements of Changes in Shareholders' Equity (Deficiency)**

US Funds

Unaudited

	<u>Common Stock</u>		Additional Paid-in Capital	Contributed Surplus	Accumulated Comprehensive Loss	Deficit Accumulated During the Development Stage – Before Date of Reorganization on September 1, 2005	Deficit Accumulated During the Development Stage – From Date of Reorganization on September 1, 2005	Total Equity (Deficiency)
	Shares	Amounts						
Shares for cash at CHF 100 per share – June 15, 2001	1,000	\$ 10	\$ 72,143	\$ -	\$ -	\$ -	\$ -	\$ 72,153
Net income	-	-	-	-	-	-	-	-
Balance – December 31, 2001	1,000	10	72,143	-	-	-	-	72,153
Shares split 100 new for 1 old – August 14, 2002	99,000	990	(990)	-	-	-	-	-
Shares for cash at CHF 1 per share – October 4, 2002	120,000	1,200	85,384	-	-	-	-	86,584
Net loss	-	-	-	-	-	(67,411)	-	(67,411)
Balance – December 31, 2002	220,000	2,200	156,537	-	-	(67,411)	-	91,326
Shares stock split 10 new for 1 old - February 3, 2003	1,980,000	19,800	(19,800)	-	-	-	-	-
Shares for rights and technology - February 3, 2003	39,800,000	398,000	(397,999)	-	-	-	-	1
Balance – April 24, 2003	42,000,000	420,000	(261,262)	-	-	(67,411)	-	91,327
Acquisition of Jure Holdings, Inc. – Recapitalization	3,617,084	36,17	(35,816)	-	-	-	-	355
Finders' fee for acquisition of Jure Holdings, Inc.	2,400,000	24,000	(24,000)	-	-	-	-	-
Shares for consulting services	770,000	7,700	646,800	-	-	-	-	654,500
Shares issued for debt	5,365,427	53,654	2,092,517	-	-	-	-	2,146,171
Shares issued for consulting	10,000	100	7,900	-	-	-	-	8,000
Shares issued for consulting	280,000	2,800	221,200	-	-	-	-	224,000
Net loss	-	-	-	-	-	(3,617,853)	-	(3,617,853)
Foreign exchange loss	-	-	-	-	(271,624)	-	-	(271,624)
Balance – December 31, 2003	54,442,511	\$ 544,42	\$ 2,647,339	\$ -	\$ (271,624)	\$ (3,685,264)	\$ -	\$ (765,124)

- See Accompanying Notes -

**OPENLIMIT, INC.***(A Development Stage Company)*Statement 2 *(continued)***Interim Statements of Changes in Shareholders' Equity (Deficiency)***US Funds**Unaudited*

	<u>Common Stock</u>		Additional Paid-in Capital	Contributed Surplus	Accumulated Comprehensive Loss	Deficit Accumulated During the Development Stage – Before Date of Reorganization on September 1, 2005	Deficit Accumulated During the Development Stage – From Date of Reorganization on September 1, 2005	Total Equity (Deficiency)
	Shares	Amounts						
Balance – December 31, 2003	54,442,511	\$ 544,42	\$ 2,647,339	\$ -	\$ (271,624)	\$ (3,685,264)	\$ -	\$ (765,124)
Shares issued for debt	3,611,747	36,11	2,181,603	-	-	-	-	2,217,720
Shares issued for consulting	1,231,624	12,31	868,238	-	-	-	-	880,554
Shares issued for cash	300,000	3,00	162,000	-	-	-	-	165,000
Foreign exchange loss	-	-	-	-	(200,366)	-	-	(200,366)
Net loss	-	-	-	-	-	(4,415,711)	-	(4,415,711)
Balance – December 31, 2004	59,585,882	595,85	5,859,180	-	(471,990)	(8,100,975)	-	(2,117,927)
Shares issued for cash	7,832,500	78,32	2,962,664	-	-	-	-	3,040,990
Shares issued for debt	2,581,618	25,81	1,161,728	-	-	-	-	1,187,544
Warrants issued for debt	-	-	-	879,675	-	-	-	879,675
Foreign exchange loss	-	-	-	-	155,343	-	-	155,343
Net loss	-	-	-	-	-	(3,179,542)	(5,838)	(3,185,380)
Dividend in kind <i>(Note 5)</i>	-	-	-	-	316,647	(301,728)	-	14,919
Balance – December 31, 2005	70,000,000	700,00	9,983,572	879,675	-	(11,582,245)	(5,838)	(24,836)
Net loss	-	-	-	-	-	-	(366)	(366)
Balance – March 31, 2006	70,000,000	\$ 700,00	\$ 9,983,572	\$ 879,675	\$ -	\$ (11,582,245)	\$ (6,204)	\$ (25,202)

- See Accompanying Notes -

**OPENLIMIT, INC.***(A Development Stage Company)*Statement 3**Interim Statements of Operations***US Funds**Unaudited*

	Cumulative From Date of Reorganization September 1, 2005 to March 31, 2006	For Three Months Ended March 31, 2006	For Three Months Ended March 31, 2005
<hr/>			
<b>General and Administrative Expenses</b>			
Listing and filing fees	\$ 125	\$ 125	\$ 1,041
Consultants and salaries	-	-	5,251
Professional fees	37,045	16,603	(4,840)
<b>Loss Before Other Items</b>	(37,170)	(16,728)	(1,452)
Gain on forgiveness of debt <i>(Note 3)</i>	30,980	16,362	-
Foreign exchange gain (loss)	(14)	-	-
<b>Loss Before Discontinued Operations</b>	(6,204)	(366)	(1,452)
Net loss from discontinued operations	-	-	(542,139)
<b>Net Loss For The Period</b>	\$ (6,204)	\$ (366)	\$ (543,591)
<hr/>			
<b>Loss per Share Before Discontinued Operations – Basic and Diluted</b>		\$ (0.00)	\$ (0.00)
<b>Loss per Share From Discontinued Operations – Basic and Diluted</b>		\$ (0.00)	\$ (0.01)
<b>Net Loss per Share – Basic and Diluted</b>		\$ (0.00)	\$ (0.01)
<b>Weighted Average Shares Outstanding</b>		70,000,000	60,403,660

- See Accompanying Notes -

**OPENLIMIT, INC.**  
*(A Development Stage Company)*

Statement 4

**Interim Statements of Cash Flows**

*US Funds*  
*Unaudited*

	Cumulative From Date of Reorganization September 1, 2005 to March 31, 2006	For the Three Months Ended March 31, 2006	For the Three Months Ended March 31, 2005
<b>Operating</b>			
Loss for the period	\$ (6,204)	\$ (366)	\$ (543,591)
Changes in non-cash working capital items:			
Accounts payable and accrued liabilities	5,649	(366)	(84,154)
Net cash used in continuing operations	(555)	-	(627,745)
Net cash used by discontinued operations	-	-	(600,245)
	(555)	-	(1,227,990)
<b>Financing</b>			
Share issuances	-	-	1,227,990
<b>Net Decrease in Cash and Cash Equivalents</b>	(555)	-	-
Cash and cash equivalents, beginning of period	555	-	-
<b>Cash and Cash Equivalents, End of Period</b>	\$ -	\$ -	\$ -

- See Accompanying Notes -



**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**1. Organization and Going Concern**

OpenLimit, Inc. ("the Company") was incorporated on September 12, 1989, under the laws of the State of Florida. The Company was incorporated under the name of Thor Ventures Corp. On November 26, 2002, the Company changed its name to Jure Holdings, Inc., and on April 25, 2003, the Company changed its name to OpenLimit, Inc.

On April 25, 2003, OpenLimit Holding AG ("OpenLimit AG"), a Swiss corporation, completed with the Company the reverse acquisition under a Stock Exchange Agreement ("RTO") dated April 11, 2003. Pursuant to the agreement, the Company issued to the shareholders of OpenLimit AG 42,000,000 shares in exchange for the 4,200,000 shares that constituted all the issued and outstanding shares of OpenLimit AG. OpenLimit AG wholly owned OpenLimit Access Marketing AG, a Swiss corporation; OpenLimit Marketing AG, a German corporation; Bonneville Group AG, a Swiss corporation; SignCubes GmbH, a German corporation; OpenLimit Tower AG, a Swiss corporation; OpenLimit Services AG, a Swiss corporation and OpenLimit Services GmbH, a German corporation. Immediately before the date of the RTO, the Company had 200,000,000 shares authorized and 3,617,084 shares of common stock issued and outstanding. Pursuant to the RTO, all of the 4,200,000 issued and outstanding shares of common stock of OpenLimit AG were exchanged for 42,000,000 shares of the Company, on a 10 to 1 basis. Immediately after the RTO, the management of OpenLimit AG took control of the board and officer positions of the Company, constituting a change of control. Because the former owners of OpenLimit AG gained control of the Company, the transaction would normally have been considered a purchase by OpenLimit. However, since the Company was not a business, the transaction was not considered to be a business combination. Instead, the transaction was accounted for as a recapitalization of OpenLimit AG and the issuance of stock by OpenLimit AG (represented by the outstanding shares of the Company) for the assets and liabilities of the Company. The value of the net assets of the Company acquired by OpenLimit AG was the same as their historical book value, being \$355.

On September 1, 2005, the Company spun-off to its shareholders, on a pro-rata basis, all issued and outstanding shares of its 100% owned subsidiary OpenLimit AG, together with all subsidiaries owned by OpenLimit AG, which was the only significant asset of the Company.

The Company's management is presently searching for a suitable business opportunity, by acquisition or business combination.

**Going Concern and Liquidity Considerations**

The accompanying interim financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. As at March 31, 2006, the Company has a loss from operations, an accumulated deficit of \$11,588,449 and a working capital deficiency of \$25,202. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the next twelve months.

**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**1. Organization and Going Concern - Continued****Going Concern and Liquidity Considerations - Continued**

Thereafter, the Company will be required to seek additional funds, either through debt and/or equity financing, to finance its long-term operations. The successful outcome of future activities cannot be determined at this time, and there is no assurance that, if achieved, the Company will have sufficient funds to execute its intended business plan or generate positive operating results.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying interim financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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**2. Significant Accounting Policies**

These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements, except as noted below. These interim financial statements should be read in conjunction with the audited financial statements of the Company as at December 31, 2005.

**Stock-Based Compensation**

Effective January 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 123(R), "*Share-Based Payment*", which establishes accounting for equity instruments exchanged for employee services. Under the provisions of SFAS 123(R), stock-based compensation cost is measured at the grant date, based on the calculated fair value of the award, and is recognized as an expense over the employees' requisite service period (generally the vesting period of the equity grant). Before January 1, 2006, the Company accounted for stock-based compensation to employees in accordance with Accounting Principles Board Opinion No. 25, "*Accounting for Stock Issued to Employees*," and complied with the disclosure requirements of SFAS No. 123, "*Accounting for Stock-Based Compensation*". The Company adopted FAS 123(R) using the modified prospective method, which requires the Company to record compensation expense over the vesting period for all awards granted after the date of adoption, and for the unvested portion of previously granted awards that remain outstanding at the date of adoption. Accordingly, financial statements for the periods prior to January 1, 2006 have not been restated to reflect the fair value method of expensing share-based compensation. Adoption of SFAS No. 123(R) does not change the way the Company accounts for share-based payments to non-employees, with guidance provided by SFAS 123 (as originally issued) and Emerging Issues Task Force Issue No. 96-18, "*Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services*".

**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**2. Significant Accounting Policies - Continued***Recently Issued Accounting Pronouncements*

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments, an amendment of FASB Statements No. 133 and 140." This statement permits fair value re-measurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation. It establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation. In addition, SFAS 155 clarifies which interest-only strips and principal-only strips are not subject to the requirements of Statement 133. It also clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives. SFAS 155 amends Statement 140 to eliminate the prohibition on a qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. This Statement is effective for all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006. The adoption of this standard is not expected to have a material effect on the Company's results of operations or financial position.

**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**2. Significant Accounting Policies - Continued***Recently Issued Accounting Pronouncements - Continued*

In March 2006, the FASB issued SFAS 156, “Accounting for Servicing of Financial Assets—an amendment of FASB Statement No. 140”. This statement amends FASB Statement No. 140, “Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities”, with respect to the accounting for separately recognized servicing assets and servicing liabilities. This statement: (1) requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in any of the following situations: (a) a transfer of the servicer’s financial assets that meets the requirements for sale accounting, (b) a transfer of the servicer’s financial assets to a qualifying special-purpose entity in a guaranteed mortgage securitization in which the transferor retains all of the resulting securities and classifies them as either available-for-sale securities or trading securities in accordance with FASB Statement No. 115, “Accounting for Certain Investments in Debt and Equity Securities”, (c) an acquisition or assumption of an obligation to service a financial asset that does not relate to financial assets of the servicer or its consolidated affiliates; (2) requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable; (3) permits an entity to choose either of the following subsequent measurement methods for each class of separately recognized servicing assets and servicing liabilities: (a) *Amortization method*—Amortize servicing assets or servicing liabilities in proportion to and over the period of estimated net servicing income or net servicing loss and assess servicing assets or servicing liabilities for impairment or increased obligation based on fair value at each reporting date, or (b) *Fair value measurement method*—Measure servicing assets or servicing liabilities at fair value at each reporting date and report changes in fair value in earnings in the period in which the changes occur; (3) at its initial adoption, permits a one-time reclassification of available-for-sale securities to trading securities by entities with recognized servicing rights, without calling into question the treatment of other available-for-sale securities under Statement 115, provided that the available-for-sale securities are identified in some manner as offsetting the entity’s exposure to changes in fair value of servicing assets or servicing liabilities that a servicer elects to subsequently measure at fair value; and (5) requires separate presentation of servicing assets and servicing liabilities subsequently measured at fair value in the statement of financial position and additional disclosures for all separately recognized servicing assets and servicing liabilities. An entity should adopt this statement as of the beginning of its first fiscal year that begins after September 15, 2006. Earlier adoption is permitted as of the beginning of an entity’s fiscal year, provided the entity has not yet issued financial statements, including interim financial statements, for any period of that fiscal year. The effective date of this Statement is the date an entity adopts the requirements of this statement.

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**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**3. Related Party Balances and Transactions**

During the period from January 1, 2006 to March 31, 2006, OpenLimit AG paid for certain expenses on behalf of the Company. This receivable in the amount of \$16,362 was forgiven by OpenLimit AG and is reflected in these interim financial statements as a gain on forgiveness of debt.

Included in net loss from discontinued operations are the following consulting and salaries:

- \$Nil (March 31, 2005 - \$117,635) paid to directors and companies controlled by directors
- \$Nil (March 31, 2005 - \$43,664) paid to officers or former officers of the Company

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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**4. Share Capital**

- a) In 2003, the Company established a Compensation Benefit Plan. Under the plan, the Company may issue stock or grant stock purchase options to its employees, consultants or advisors. The maximum number of shares that can be issued under this plan is 5,000,000. As at March 31, 2006, there are 2,732,376 shares available for issuance under this plan. All shares issued under this plan are being recorded at their fair market value. No shares were issued under this plan during the current period.
- b) In the three months ended March 31, 2005, the Company issued 3,300,000 common shares for total proceeds of \$1,227,990 and issued 2,000,000 (i) share-purchase warrants to an unrelated company. Each share-purchase warrant entitles the holder to purchase one common share of the Company at \$0.40 per share, exercisable within two years. The warrants must be exercised on or before March 1, 2007.

In April 2005, the Company issued 1,332,500 common shares and 1,332,500 share-purchase warrants to unrelated companies for total proceeds of \$533,000. Each share-purchase warrant entitles the holder to purchase one common share at \$0.40 per share, exercisable within two years. Out of the total amount of warrants issued, 1,000,000 (i) must be exercised on or before March 16, 2007 and 332,500 (i) must be exercised on or before March 23, 2007.

In May 2005, the Company issued 3,200,000 common shares and 3,200,000 (i) share-purchase warrants to an unrelated company for total proceeds of \$1,280,000. The warrants must be exercised at the price of \$0.40 per share on or before May 2, 2007.

**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**4. Share Capital - Continued**

On May 5, 2005, the Company settled \$ 1,032,647 loan payable to a director by issuance of 2,581,618 common shares and 5,163,236 (i) warrants. The shares were issued at a price of \$0.46 per share, for total value of \$1,187,544, and the warrants had a fair value, calculated using the Black Scholes pricing model, of \$879,675. The value of warrants has been recorded as contributed surplus and included in loss on settlement of debt. The issuance of the shares and warrants resulted in a loss on settlement of debt of \$1,034,572. The warrants could be exercised on or before May 5, 2007. The fair value of warrants has been calculated using the Black-Scholes Option Pricing Model with the following assumptions:

Risk-free interest rate	3.73%
Expected dividend yield	-
Expected stock price volatility	53%
Expected life of warrants in year	2

(i) All share-purchase warrants have been cancelled effective September 2, 2005. As of March 31, 2006 and December 31, 2005, the Company did not have any share-purchase warrants or options outstanding.

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**5. Discontinued Operations**

On July 15, 2005, the Company sold for 1.00 Swiss Franc (CHF), to an unrelated party, two wholly owned subsidiaries of OpenLimit AG: OPENLiMiT Access Marketing AG, headquartered in Baar, Switzerland, and OPENLiMiT Access Marketing AG, headquartered in Berlin, Germany. The decision to sell these subsidiaries was based on management's intent to focus resources on product development and the Original Equipment Manufacturer sales marketing strategy. The loss on sale of these subsidiaries has been included in the loss from discontinued operations.

On August 1, 2005, the board of directors of the Company agreed to a spin-off of all issued and outstanding shares of its 100% owned subsidiary OpenLimit AG. The effective date of the spin-off was September 1, 2005. OpenLimit AG was the only significant asset of the Company. The fair value, being equal to the net book value, of OpenLimit AG on the spin-off date was \$301,728, which was recorded as dividend in kind in the books of the Company. Prior to the spin-off, effective June 30, 2005, the Company has forgiven \$11,017,554 intercompany loan amount owing from OpenLimit AG. OpenLimit AG's shares are presently trading on the Berlin Stock Exchange and on the Frankfurt Stock Exchange.

OpenLimit AG is a technology and marketing company headquartered in Baar, Switzerland. OpenLimit AG has developed digital signature and encryption software, enhancing the provability and security of electronic business transactions, electronic workflow, communication processes and data. OpenLimit AG maintains several wholly-owned subsidiaries in Switzerland and Germany. The wholly-owned subsidiaries perform various functions, including product and e-Commerce development, sales and marketing, customer and sales organization support, licensing, consulting, training and registration authorization.

**OPENLIMIT, INC.***(A Development Stage Company)***Notes to the Interim Financial Statements****March 31, 2006***US Funds**Unaudited*

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**6. Income Taxes**

The Company has accumulated net operating losses for U.S. federal income tax purposes of approximately \$942,384, which may be carried forward and used to reduce taxable income of future years.

Details of future income tax assets are as follows:

	<b>March 31, 2006</b>	December 31, 2005
Future income tax assets:		
Non-capital tax loss	\$ <b>320,000</b>	\$ 320,000
Valuation allowance	<b>(320,000)</b>	(320,000)
	<b>\$ -</b>	\$ -

The potential future tax benefits of these losses have not been recognized in these interim financial statements due to uncertainty of their realization. When the future utilization of some portion of the carryforwards is determined not to be “more likely than not,” a valuation allowance is provided to reduce the recorded tax benefits from such assets.

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**7. Comparative Figures**

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

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## **ITEM 2. MANAGEMENT'S PLAN OF OPERATIONS**

This Management's Plan of Operation and Results of Operations and other parts of this report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in the subsections entitled "Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition". The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. All information presented herein is based on our period ended March 31, 2006. Our fiscal year end is December 31.

### **General**

The Company's plan of operation for the coming year is to identify and acquire a favorable business opportunity. The Company does not plan to limit its options to any particular industry, but will evaluate each opportunity on its merits.

The Company has not yet entered into any agreement, nor does it have any commitment or understanding to enter into or become engaged in any transaction, as of the date of this filing.

### **Results of Operations**

During the period ended March 31, 2006, our operations were limited to satisfying continuous public disclosure requirements and seeking to identify prospective business opportunities. We did not receive any revenues from our continuing operations. Due to the nature of the Company's search for a suitable business opportunity, we cannot determine whether we will ever generate revenues from operations.

### **Net Loss**

For the three month period ended March 31, 2006, the Company recorded a net loss of \$366 which is primarily attributable to general and administrative expenses which include professional fees. The Company did not generate any revenues during the period.

For the current fiscal year, we anticipate that we will continue incurring a loss as a result of administration expenses, accounting costs, and expenses associated with maintaining its disclosure obligations under the Exchange Act of 1934, as amended ("Exchange Act").

### **Capital Resources and Liquidity**

The Company had no current or total assets as of March 31, 2006. Net stockholders' deficiency in the Company was \$25,202 at March 31, 2006. The Company is in the development stage and, since inception, has experienced significant changes in liquidity, capital resources and shareholders' equity.



The Company's current assets are insufficient to conduct its plan of operation over the next twelve (12) months and we will have to seek debt or equity financing to fund minimum operations. The Company has no current commitments or arrangements with respect to funding or immediate sources of funding; thus, no assurances can be given that funding will be available. Further, if funds are made available, they may not be made available on acceptable terms. The Company's shareholders would be the most likely source of new funding in the form of loans or equity placements though none have made any commitment for future investment and the Company has no agreement formal or otherwise. The Company's inability to obtain funding would have a material adverse affect on its plan of operation.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company has no current plans to make any changes in the number of employees.

### **Forward Looking Statements and Factors That May Affect Future Results and Financial Condition**

The statements contained in sections titled "Plan of Operation", with the exception of historical facts, are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These forward looking statements include, but are not limited to, statements concerning:

- our anticipated financial performance and business plan;
- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- uncertainties related to the Company's future business prospects;
- the ability of the Company to generate revenues to fund future operations; and
- the volatility of the stock market and general economic conditions.

We wish to caution readers that the Company's operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled "Risk Factors" included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than that is required by law.

### **Risk Factors**

Our future operating results are highly uncertain. Before deciding to invest in us or to maintain or increase your investment, you should carefully consider the risks described below, in addition to the other information contained in this annual report. If any of these risks actually occur, our business, financial condition or results of operations could be seriously harmed. In that event, the market price for our common stock could decline and you may lose all or part of your investment.

*We have a history of significant operating losses and such losses may continue in the future.*

Since our inception in 1989, our expenses have substantially exceeded our revenue, resulting in continuing losses and an accumulated deficit of \$11,588,083 at December 31, 2005. During fiscal 2005, we recorded a net loss of \$3,185,380, of which 3,090,832 was from discontinued operations. We will continue to incur operating losses as we maintain our search for a suitable business opportunity and satisfy our ongoing disclosure requirements with the Securities and Exchange Commission ("Commission"). Our only expectation of future profitability is dependent upon our ability to acquire a revenue producing business opportunity, which acquisition can in no way be assured. Therefore, we may never be able to achieve profitability.

*The Company's limited financial resources cast severe doubt on our ability to acquire a profitable business opportunity.*

The Company's future operation is dependent upon the acquisition of a profitable business opportunity. However, the prospect of such an acquisition is doubtful due to the Company's limited financial resources. Since we have no current business opportunity, the Company is not in a position to improve this financial condition through debt or equity offerings. Therefore, this limitation may act as a deterrent in future negotiations with prospective acquisition candidates. Should we be unable to acquire a profitable business opportunity the Company will, in all likelihood, be forced to cease operations.

*The market for our stock is limited and our stock price may be volatile.*

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

*We may incur significant expenses as a result of being quoted on the Over the Counter Bulletin Board, which may negatively impact our financial performance.*

We may incur significant legal, accounting and other expenses as a result of being listed on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission, have required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

*Our internal controls over financial reporting may not be considered effective, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.*

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning with our annual report for the year ending December 31, 2007, we may be required to furnish a report by our management on our internal controls over financial reporting. Such report will contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. The report will also contain a statement that our independent registered public accounting firm has issued an attestation report on management's assessment of internal controls. If we are unable to assert that our internal controls are effective as of December 31, 2007, or if our independent registered public accounting firm is unable to attest that our management's report is fairly stated or they are unable to express an opinion on our management's evaluation or on the effectiveness of our internal controls, investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

### **Critical Accounting Policies**

In Note 2 to the unaudited interim financial statements for the periods ended March 31, 2006 and 2005, included in this Form 10-QSB, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and its financial position. The Company believes that the accounting principles utilized by it conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires Company management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, the Company evaluates estimates. The Company bases its estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions.

### **Income Tax Expense (Benefit)**

The Company has an income tax benefit resulting from net operating losses to offset future operating profit. The Company has not recorded this benefit in the financial statements as it does not meet the accounting criteria to do so.

### **Going Concern**

The Company's auditors have expressed an opinion as to the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is subject to the ability of the Company to realize a profit and/or obtain funding from outside sources. Management's plan to address the Company's ability to continue as a going concern includes: (1) obtaining funding from private placement sources; (2) obtaining additional funding from the sale of the Company's securities; (3) establishing revenues from prospective business opportunities; (4) obtaining loans and grants from various financial institutions where possible. Although management believes that it will be able to obtain the necessary funding to allow the Company to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

### **ITEM 3. CONTROLS AND PROCEDURES**

#### **a) Evaluation of disclosure controls and procedures.**

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as of March 31, 2006. Based on this evaluation, our principal executive officer and our principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms.

The auditors did not test the effectiveness of nor relied on the internal controls of the Company for the fiscal quarters ended March 31, 2006 and 2005.

#### **(b) Changes in internal controls over financial reporting.**

During the quarter ended March 31, 2006, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

The Company's management, including the chief executive officer and chief financial officer, does not expect that its disclosure controls or internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. In addition, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management's override of the control. The design of any systems of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of these inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Individual persons perform multiple tasks which normally would be allocated to separate persons and therefore extra diligence must be exercised during the period these tasks are combined. It is also recognized the Company has not designated an audit committee and no member of the board of directors has been designated or qualifies as a financial expert. The Company should address these concerns at the earliest possible opportunity.

## **PART II**

### **ITEM 1. LEGAL PROCEEDINGS**

None.

### **ITEM 2. CHANGES IN SECURITIES**

None.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS**

None.

### **ITEM 5. OTHER INFORMATION**

None.

### **ITEM 6. EXHIBITS**

Exhibits required to be attached by Item 601 of Regulation S-B are listed in the Index to Exhibits on page 23 of this Form 10-QSB, and are incorporated herein by this reference.

## SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, this 12<sup>th</sup> day of May, 2006.

OPENLiMiT, INC.

/s/ Henry Dattler

Henry Dattler

Chief Executive Officer

/s/ Marc Gurov

Marc Gurov

Chief Financial Officer and Principal Accounting Officer

## INDEX TO EXHIBITS

<u>EXHIBIT NO.</u>	<u>PAGE NO.</u>	<u>DESCRIPTION</u>
3(i)(a)	*	Articles of Incorporation of the Company (incorporated by reference from the Form 10-SB filed with the Commission on December 31, 1999).
3(i)(b)	*	Amended Articles of Incorporation of the Company (incorporated by reference from the Form 10-KSB filed with the Commission on April 9, 2003).
3(i)(c)	*	Amended Articles of Incorporation of the Company (incorporated by reference from the Form 10-QSB filed with the Commission on November 17, 2003).
3(ii)(a)	*	Bylaws of the Company (incorporated by reference from the Form 10-SB filed with the Commission on December 31, 1999).
3(ii)(b)	*	Amended Bylaws of the Company (incorporated by reference from the Form 10-QSB filed with the Commission on November 17, 2003).
10(i)	*	Debt Settlement Agreement dated September 14, 2004 between the Company and Enuhill Portfolio, Inc. (incorporated by reference from the Form 10-QSB filed with the Commission on November 15, 2004).
10(ii)	*	Debt Settlement Agreement dated May 5, 2005 between the Company and Henry Dattler (incorporated by reference from the Form 10-QSB file with the Commission on August 12, 2005).
14	*	Code of Ethics adopted March 1, 2004 (incorporated by reference from the 10KSB filed with the Commission on April 14, 2004).
20	*	Information Statement dated August 1, 2005 in connection with the “spin-off” of OPENLiMiT AG to the Company’s shareholders (incorporated by reference from the Form 8-K filed with the Commission on August 8, 2005).
31(a)	24	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31(b)	25	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32(a)	26	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32(b)	27	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
	*	Disclosures submitted to the Commission in previous filings.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE  
SARBANES-OXLEY ACT OF 2002**

I, Henry Dattler, chief executive officer of OPENLiMiT, Inc. ("Registrant") certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB ("Report") of Registrant;
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant is made known to me by others within those entities, particularly during the period in which this Report is being prepared;
  - b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - c) Disclosed in this Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: May 12, 2006

/s/ Henry Dattler  
Henry Dattler  
Chief Executive Officer



**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE  
SARBANES-OXLEY ACT OF 2002**

I, Marc Gurov, chief financial officer of OPENLiMiT, Inc. ("Registrant") certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB ("Report") of Registrant;
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant is made known to me by others within those entities, particularly during the period in which this Report is being prepared;
  - b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - c) Disclosed in this Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: May 12, 2006

/s/ Marc Gurov  
Marc Gurov  
Chief Financial Officer

**EXHIBIT 32(a)**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS  
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-QSB of OPENLiMiT, Inc. (“Registrant”) for the quarterly period ended March 31, 2006, as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, Henry Dattler, chief executive officer, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) This Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly represents, in all material respects, the financial condition and results of operation of the Registrant.

/s/ Henry Dattler  
Henry Dattler  
Chief Executive Officer  
May 12, 2006

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.

**EXHIBIT 32(b)**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS  
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-QSB of OPENLiMiT, Inc. (“Registrant”) for the quarterly period ended March 31, 2006, as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, Marc Gurov, chief financial officer, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) This Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly represents, in all material respects, the financial condition and results of operation of the Registrant.

/s/ Marc Gurov  
Marc Gurov  
Chief Financial Officer  
May 12, 2006

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.