



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

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

- AND -

**IN THE MATTER OF
MRS SCIENCES INC. (FORMERLY MORNINGSIDE CAPITAL CORP.), AMERICO
DEROSA, RONALD SHERMAN, EDWARD EMMONS, IVAN CAVRIC AND
PRIMEQUEST CAPITAL CORPORATION**

ORDER

WHEREAS on November 30, 2007, a Notice of Hearing was issued by the Ontario Securities Commission (the “Commission”) pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) with respect to a Statement of Allegations issued by Staff of the Ontario Securities Commission (“Staff”) on November 29, 2007, to consider whether MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons, Ivan Cavric and Primequest Capital Corporation (collectively, the “Respondents”) breached the Act and acted contrary to the public interest;

AND WHEREAS on March 25, 2006 an Amended Statement of Allegations was issued by Staff, and on April 14, 2009 an Amended Amended Statement of Allegations was issued by Staff;

AND WHEREAS the Commission conducted the hearing on the merits in this matter with respect to the Respondents on May 7, 8, 11, 13, June 10, 11, 12, 22, 26, September 3, 4, and October 7, 2009 (the “Merits Hearing”);

AND WHEREAS the Commission issued its Reasons and Decision on the merits in this matter on February 2, 2011 (the “Merits Decision”);

AND WHEREAS the Commission conducted a motion hearing on November 2, 2011 addressing the issue of the composition of the Sanctions and Costs Hearing Panel (the “Motion”);

AND WHEREAS the Commission issued its Reasons and Decision on the Motion on December 6, 2011 (the “Motion Decision”);

AND WHEREAS on January 3, 2012, the Respondents filed a Notice of Appeal with respect to the Motion Decision, and on February 24, 2012, the Respondents filed an Application to the Divisional Court for a Judicial Review of the Motion Decision;

AND WHEREAS on December 17, 2012, the Divisional Court heard the Application for Judicial Review and rendered its decision that the Application for Judicial Review was premature;

AND WHEREAS on September 5 and 13, 2013, October 17, 2013, and November 7 and 20, 2013, confidential pre-hearing conferences were held before the Commission;

AND WHEREAS on September 24, 2013, the Commission ordered that the Sanctions and Costs Hearing in this matter would commence on November 28, 2013 at 10:00 a.m. and, if necessary, continue on November 29, 2013 at 10:00 a.m.;

AND WHEREAS on November 28 and 29, 2013, the Sanctions and Costs Hearing commenced and the parties led evidence regarding sanctions and costs;

AND WHEREAS during the Sanctions and Costs Hearing, the parties requested that the Panel make a determination as to the admissibility of the transcripts of the Merits Hearing and counsel for Staff and the Respondents each provided oral submissions and case law on the issue;

AND WHEREAS the Panel has considered the submissions of the parties and the case law;

AND WHEREAS the Commission considers it in the public interest to make this order with reasons to follow;

IT IS ORDERED that:

1. Volume 5, containing the transcripts of the evidence portion of the Merits Hearing is admissible;
2. Volume 5 in its entirety is marked as Exhibit 30;
3. Each of the parties shall provide a document indicating the portions of the transcripts, relevant to the determination of sanctions and/or costs, on which they intend to rely, and such documents shall be filed by noon on December 16, 2013;
4. The Sanctions and Costs Hearing shall continue on December 18, 2013 at 10:00 a.m.

DATED at Toronto this 5th day of December, 2013.

“Mary G. Condon”

Mary G. Condon

“Christopher Portner”

Christopher Portner